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Holarchical Innovation Teams: Philosophy

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ABSTRACT

This paper builds upon “HOLARCHICAL INNOVATION TEAMS: TERMS & DEFINITIONS” in volume 13, issue 4 of *Economia Aziendale Online* by putting forth a philosophy for the nascent discipline of Holarchical Innovation Teams (HITs). HITs Philosophy is grounded in both a philosophy of self-actualization ethics or *eudaimonism* as developed by David L. Norton in *Personal Destinies: A Philosophy of Ethical Individualism* (1976) and *Democracy and Moral Development: A Politics of Virtue* (1991), as well as the theory of combinatory systems as expressed by Piero Mella in *The Combinatory Systems Theory: Understanding, Modeling and Simulating Collective Phenomena* (2017).

This paper provides a review of both Norton and Mella’s works in order to lay the foundations for a HITs Philosophy. It is left to future researchers and scholars of the HITs discipline to extend beyond this paper’s parameters to develop the HITs Philosophy.

Questo lavoro si basa sul paper “HOLARCHICAL INNOVATION TEAMS: TERMS & DEFINITIONS” nel volume 13, numero 4 di *Economia Aziendale Online*, proponendo una filosofia per la nascente disciplina dei Holarchical Innovation Teams (HITs). La filosofia degli HITs si basa sia su una filosofia dell’etica dell’auto realizzazione o dell’*eudaimonismo* come sviluppato da David L. Norton in *Personal Destinies: A Philosophy of Ethical Individualism* (1976) e *Democracy and Moral Development: A Politics of Virtue* (1991), sia sulla teoria dei sistemi combinatori come espresso da Piero Mella in *The Combinatory Systems Theory: Understanding, Modeling and Simulating Collective Phenomena* (2017).

Questo paper fornisce una rassegna dei lavori di Norton e Mella al fine di gettare le basi per una filosofia HITs. È lasciato ai futuri ricercatori e studiosi della disciplina HITs di estendersi oltre i parametri di questo articolo al fine di sviluppare ulteriormente la filosofia HITs.

Keywords: combinatory systems theory, creative work, eudaimonism, excellences, holarchy, holarchical innovation teams, holarchical combinatory value-creation, holism, holon, holonic connection, holonic view, human dignity, innovation, integrity, organization, self-actualization, synergy, team

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1 – Introduction: Theoretical Background

1.1 – *Holons*

In “Holarchical Innovation Teams: Terms & Definitions,” Reber and Gazzola define Holarchical Innovation Teams (HITs) as:

Self-assembling teams working together in an obligate mutualistic symbiotic relationship, according to the principles of combinatorial systems theory, moving from one innovation project to the next, up the Competency & Topic Altitude and across the Topic Spectrum of Innovation to produce high quality, low cost, and innovative products (Reber & Gazzola, 2022, p. 730).

The definition is grounded in both a philosophy of self-actualization ethics or *eudaimonism* as developed by David L. Norton in *Personal Destinies: A Philosophy of Ethical Individualism* (1976) and *Democracy and Moral Development: A Politics of Virtue* (1991) as well as the theory of combinatorial systems as proposed by Piero Mella in *The Combinatorial Systems Theory: Understanding, Modeling and Simulating Collective Phenomena* (2017).

Primarily, it is recognized that organizations within a HITs context are *created by* and *comprised of* self-actualizing individuals, considered as “holons” in the sense of Arthur Koestler (1967/1989, 1972/1973, 1978) and Ken Wilber (1995, 2004, n.d.):

The holon does not correspond to any observational structure (observed or hypothesized). The holon is not the structure but of the structure, a center for the relationships with the other component, subordinate and composed, and superordinate structures (Mella, 2009, p. 10).

To recap the description of the holon as previously addressed by Reber and Gazzola (2022) and to add some new insights, Koestler (1967/1989, 1972/1973, 1978) described the holon as a Janus-faced entity:

These sub-wholes – or “holons”, as I have proposed to call them – are Janus-faced entities which display both the independent properties of wholes and the dependent properties of parts. Each holon must preserve and assert its autonomy, otherwise the organism would lose its articulation and dissolve into an amorphous mass – but at the same time the holon must remain subordinate to the demands of the (existing or evolving) whole (Koestler 1972/1973, p. 112).

If one were to consider her or his own body as a holon and observe it from the interior, s/he would understand it as a whole entity formed by subordinate parts, e.g. molecules, cells, tissues, and organs (Reber & Gazzola, 2022, p. 719). However, if s/he were to observe her or his own person from the exterior, s/he would understand that s/he is a part or an element of a vaster whole, e.g. society and the environment, and that society and the environment can influence her or his person, such as food, water, air, daily life stress, and inter-personal relationships. As Mella states, the holon, or in this case, the person, sees “her- or himself “as a self-reliant and unique entity that tries both to survive (it is a viable system) and to integrate with other holons” (Mella, 2009, p. 3).

Therefore, from Koestler’s perspective, the holon as a “whole” has a self-assertive tendency that springs forth from its own autonomy (Koestler, 1972/1973, p. 112). In addition, since the holon has both an *included* and *inclusive* nature and strives towards self-preservation in a dynamic and vertical manner, it is able to interact and coordinate with holons that are

superordinate and subordinate (Mella, 2009, p. 5). This behavior is an “integrative tendency” (ibidem).

For Wilber (2004, n.d.), humanity is moving towards a greater “consciousness” of inner and outer worlds and that our task is to better understand them (Wilber, 2004, p. ix). He also states that the universe itself is in a state of constant change and is composed primarily of holons (Wilber, n.d. p. 22):

[It] seems that all holons, to some degree, are influenced by the holons that went before them. (A holon is a “whole/part,” or a whole that is also a part of other wholes: a whole atom is a part of a whole molecule, which is part of a whole cell, which is part of a whole organism, etc. The Kosmos is fundamentally composed of holons, all the way up, all the way down. And all holons seem to inherit some sort of past....) The universe of this moment is somehow different from the universe of the preceding moment, but it also shares some similarities... (ibidem).

Regardless whether or not the holon is viewed at a “physical-reactive, biological-active, human-cognitive, formal-logical level” (Mella, 2009, p. 7), the holon has four fundamental features as summarized by Mella (ibidem):

- a. *Self preservation* (agency): the holon must possess the characteristics that permit it to maintain its structure “as such” (pattern) independently of the material it is composed of.
- b. *Self-adaptation* (communion): since it is part of a vaster whole, the holon must be able to adapt and to link up with other superordinate holons.
- c. *Self-transcendence*: the holon has its own new and emerging qualities which are not found in the holons that it includes.
- d. *Self-dissolution*: the holons break up along the same vertical lines they used to form; the process of subsequent inclusion in an upward direction is transformed into a process of subsequent breakup or splitting.

Furthermore, Wilber (n.d., p. 23) refers to four quadrants to explain holons:

I. Upper-Left Quadrant: Individual Interior (Prehension, Subjective Identity, Agentic Memory)

II. Lower-Left Quadrant: Collective Interior (Habitus, Cultural Memory, Mutual Prehensions, Intersubjective Background)

III. Upper-Right Quadrant: Individual Exterior (Autopoiesis, Individual Morphic, Resonance, Formative Causation, Genetic Inheritance)

IV. Lower-Right Quadrant: Collective Exterior (Systems Memory, Ecosystem Autopoiesis, Chaotic and Strange Attractors, Social Autopoiesis, Collective Formative Causation).

He states that the

four quadrants are four of the basic ways that we can look at any event: from the inside or from the outside, and in singular and plural forms (Wilber, n.d., p. 23).

...technically the quadrants apply to sentient, conscious or proto-conscious holons (which, panpsychically, include quarks, atoms, molecules, cells, organisms, etc.—any organically created compound individual or whole/part, as opposed to, say, heaps and artifacts); and the quadrants are basically dimension-perspectives of those beings (namely, the interior and exterior of the singular and the collective, giving 4 overall dimension perspectives (ibidem).

	INTERIOR	EXTERIOR
INDIVIDUAL	I Prehension Subjective Identity Agentic Memory (e.g. "My opinion about a painting" – "I" pronoun)	III Autopoiesis Individual Morphic Resonance & Formative Causation Genetic Inheritance (e.g. "An 'objective' analysis of the painting, such as the type of canvas, paints, and other chemical components" – "It/Him/Her" pronoun)
COLLECTIVE	II Habitus Cultural Memory Mutual Prehensions Intersubjective Background (e.g. "Our shared opinions about a painting" – "You/We" pronoun)	IV Systems Memory Ecosystem Autopoiesis Chaotic and Strange Attractors Social Autopoiesis Collective Formative Causation (e.g. "The art world's value of a painting" – "Its/Them" pronoun)

Fig. 1 – Adaptation of Wilber's Four Observational Levels (Wilber, n.d., pp. 23 – 24, 31)

Wilber's four quadrants of a holon are in alignment with Norton's *eudaimonism*. In Quadrant I Wilber defines *prehension* or *prehensive unification* as the

actual occasion – or each present moment (which exists as a subject of proto-experience) – as it comes to be, does two things at once: it prehends (or experientially feels and embraces) its immediate predecessor (i.e., the present moment touches, prehends, feels, or embraces the immediately preceding moment), so that the subject of this moment becomes the object of the subject of the next moment (Wilber, n.d., p. 32).

In Quadrant II, we have what Wilber refers to as "cultural worldviews (what 'we' see)" (Wilber, n.d., p. 28), i.e. "cultural memory" (Wilber, n.d. p. 31) that is transmitted from one generation to the next (Wilber, n.d. pp. 31 – 32).

Because Quadrants I & II are about one experientially feeling and embracing one's immediate predecessors, such as one's parents or teachers, and "cultural memory" is transmitted to the young by adults, one could argue that Wilber's Quadrants I & II are Norton's *antecedent sociality* – a "received sociality to which the person (as child and adolescent) is responsible" (Norton, 1976, p. 253). To be more specific, Norton states

Childhood is dependence and receptivity, lacking autonomy and origination. This does not connote passivity, but it means that the expression of childhood must be furnished with forms and content – words, concepts, judgments, feelings. The materials supplied to childhood are the common property of the community, and they are supplied to every child alike. Necessarily every child learns to use language as "everyone" uses its, and likewise he learns to judge as "everyone" judges, and to feel as "everyone" feels. The judgments that he learns to offer constitute the "common sense" of the community. From the outset such judgments are adopted by the child in the mode of received beliefs. And if the pronouncements of common sense often go unquestioned throughout later life, by no means does this demonstrate their indubitability.... They go unquestioned because they have become entrenched as habits of belief before such questioning is possible (Norton, 1976, p. 255).

In Quadrant III objectivity exists in the form of individual analysis, and is therefore considered to be in the third person:

And just as subjective prehension [Quadrant I] is meshed with fields of felt intersubjectivity [Quadrant II], so individual objective forms [Quadrant III] are meshed with fields of interobjectivity [Quadrant IV] – that is, both individual and social holons have morphic fields (Wilber, n.d., p. 44).

Again, we have an alignment with Norton's *eudaimonism* in that an individual can view others objectively in the third person through the process of participatory enactment (Norton, 1976, pp. 269 – 270):

Coherence of the other's expressive acts can be achieved by one means, by *participatory enactment* of the other's personal principle. It is achieved in two steps: first, the scrupulous observation of the *objective* characters of the other's expressive acts; and, second, by successive enactment of alternative principles of personhood within the most promising type, in search of that principle that affords coherence of meanings. By this means immediate internal knowledge of the unique other is attained, including knowledge of [her or him] for what [s/he] is to [her- or himself], and knowledge of the world for what it is to [her or him] (Norton, 1976, p. 270, italics added for emphasis).

Similarly, to Quadrant III, Quadrant IV is grounded in the third person, but in this instance it is a collective third person. According to Wilber, in Quadrant IV there exists

various collective fields and systems of morphic units. These interobjective fields are the correlates of intersubjective feelings and values. That is, if you look at the communal existence of any holon from the exterior, in a 3rd-person stance, you can discern various forms, structures, systems, patterns of interaction, and collective morphogenetic fields (a social holon – a collective looked at from the exterior – has its own unique, signature, interobjective morphic field (in addition to the morphic fields of each of its individual members); but if you look at those exterior collective forms from within, that is, from within their shared interior horizons, in a 2nd-person collaborative inquiry and participatory enactment ("you/we"), you will find, not structures or fields or systems, but mutual feelings, shared values, vivid lived experiences, and so on, all of which are adequately described only from a 1st- and 2nd-person perspective (Wilber, n.d., pp. 48 – 49).

It is interesting to note that like Norton, Wilber, too, invokes the word *participatory enactment*; so, once again we have an alignment. In addition, Wilber's social holon in Quadrant IV jibes with Norton's *eudaimonism* in regards to community. As we stated previously, Quadrants I & II align with Norton's *antecedent sociality*, "one's 'received' community and tradition" (Norton, 1991, p. 132), but another form of sociality exists, to which Norton refers to as *consequent sociality*, "one's 'chosen' community and tradition" (ibidem) for which one shares a responsibility to such chosen community (Norton, 1976, p. 253). For Norton, consequent sociality is the "sociality that follows from the choice of oneself" but at the same time it "in no way compromises" such a choice because the choice "extends and fulfills" oneself (Norton, 1976, p. 253). Furthermore, because one chooses a community, one does not sacrifice one's individuality to "the collective interest but exemplifies the principle of complementarity of true individuals" (ibidem). When one makes a choice of community the individual is choosing the "right community and tradition, which [one] is required to endeavour to find as part of the inherent moral obligation of self-discovery and self-actualization" (Norton, 1991, p. 132).

1.2 – Self-Actualizing Organizations

Based on what we have examined thus far, we can derive that *self-actualizing individuals* are persons who have identified with their own inner-selves (personal *daimons*) and their personal potentials and perform meaningful work to actualize those potentials. Hence, we conclude, because self-actualizing individuals create and are a part of organizations, then the organizations themselves are *self-actualizing* organizational systems. In self-actualizing organizational systems, people conduct work commensurate with whom they are as persons. This is expressed in the human condition as skill, interest, and personality. Furthermore, self-actualizing organizations establish human resource systems that assist their self-actualizing members with matching them with the *right kind of meaningful work* so they are able to move up the Competency & Topic Altitude and across the Topic Spectrum of their organizational work matrices. People perform work not because the work they are doing is just another “job” to earn a living, but because it is what they enjoy doing for both themselves and for others as the human expression of value-creation.

Additionally, and importantly, it must be recognized that Norton’s self-actualization ethics and the holonic vision analyzed by Mella in *The Holonic Revolution* (2009) are compatible. If we recall in “Holarchical Innovation Teams: Terms & Definitions” (Reber and Gazzola, 2022) reference Mella’s mathematical expression of a holon:

If we let $S_i(n)$ be the i -th autonomous structure or system (or an object of observation), observable at the n -th level – and deriving from a Technical Description... – then we can view a holon $H_i(n-1, n, n+1)$ as the Technical Description of $S_i(n)$ integrated by the relations Including (composed of) the $S_{x,i}(n-1)$ – that is, all the structures x connected with the i of the level $(n-1)$ and included in (composed of) $S_{i,y}(n+1)$; in other words, the structure y of the level $(n+1)$ to which the i -th structure of the level (n) is connected; that is: $H_i(n-1), n, n+1 = \text{Including } S_{x,i}(n-1) \rightarrow S_i(n) \rightarrow \text{Included in } S_{i,y}(n+1)$ (ibidem).

Similarly, expressed as an holonic vision, Norton states in regards to the Principle of the Complementarity of Personal Excellences:

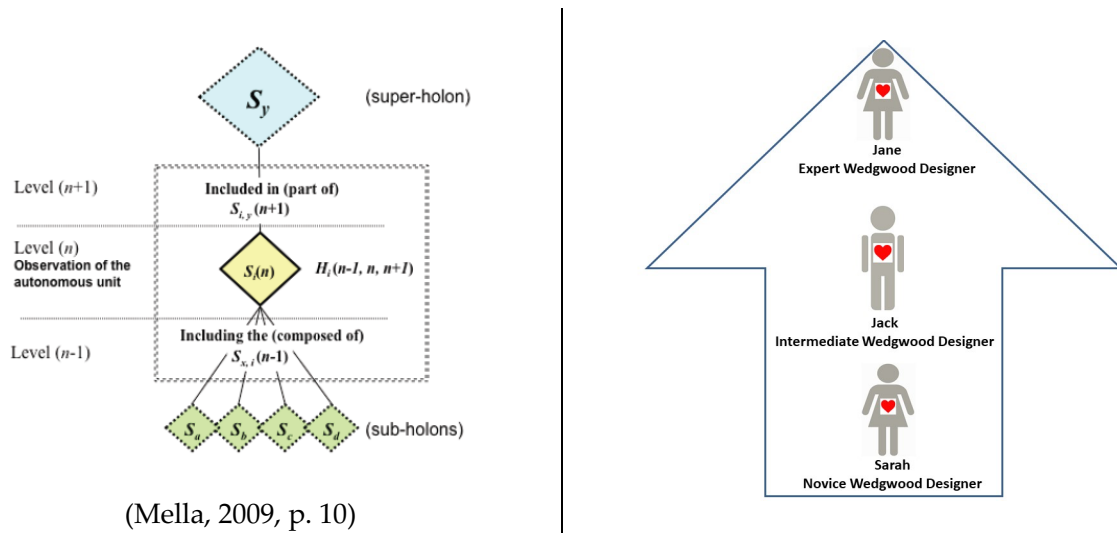
Here is the great principle of Greek pedagogy from the Homeric code, through the Golden Age, to the teachings of Socrates. In the cardinal matter of attaining to [one’s] excellence the individual amid [one’s] fellows is positioned in a hierarchy, [one’s] level of attainment surpassing that of some person but being surpassed by that of others. In this situation [one’s] task is twofold: [the person] is to learn from the example of those above [oneself], and at the same time [the person] is by [one’s] own example to teach those beneath. What of the very best [people] of the polis? Their situation is critical, for, finding none who surpasses them, they will be in danger of succumbing to pride or complacency. This danger is corrosive, threatening the entire polis. For should aspiration to excellence lapse among the best, then they – the consummate teachers – no longer exemplify this aspiration, and the echo of their lapse reverberates downward (Norton, 1976, p. 12).

This jibes with Arthur Koestler’s maxim:

No [person] is an island – [the individual] is a holon. A Janus-faced entity who, looking inward, sees [oneself] as a self-contained unique whole, looking outward as a dependent part. [One’s] self-assertive tendency is the dynamic manifestation of [one’s] unique wholeness, [one’s] autonomy and independence as a holon. Its equally universal antagonist, the integrative tendency, expresses [one’s] dependence on the larger whole to which [the

person] belongs: [one's] 'part-ness' (Koestler, 1967/1989, p. 56).

Therefore, in Figure 2, we can see that the relationship between Jane ($S_{i,y}(n+1)$), Jack ($S_i(n)$), and Sarah (S_a) are a holonic relationship in terms of one's ability as a Wedgwood Designer and together they help construct the holonic organization (S_y) of Wedgwood. As an expert designer, Jane helps Jack to move beyond his intermediary level of design. Similarly, as an intermediate designer, Jack passes down his expertise to Sarah. Therefore, if we think of Wedgwood as a *polis* in the Greek sense, then, we in fact have a holonic organization that benefits from the complementarity of personal excellences amongst Jane, Jack, and Sarah.



(Mella, 2009, p. 10)

Fig. 2 – Compatibility of Mella's Holon with Norton's Complementarity of Excellences

1.3 – The Combinatory Systems View

In addition to self-actualization ethics, the philosophy of HITs is informed by the theory of combinatory systems (Mella, 2017). The theory holds that a combinatory system is

any collectivity...whose agents, consciously or unconsciously, act (exclusively or prevalently) on the basis of global information...which they directly produce and update as the consequence of their micro behavior and the micro-macro feedback (Mella, 2017, p. 46).

For example, imagine a group of people in a sports stadium performing "the wave" which we can identify as the so-called "value" being created because it is a fun thing for fans to do. On one end of the stadium a highly energetic fan yells out, "Let's do the wave, everyone!" and he throws his arms up in a wave-like motion. Then, a few fans throw their arms up in a wave-like motion. Then, the people sitting next to them to the left do the same. Suddenly, other fans see the wave being created and join in until the wave traverses two or three times around the stadium to form a completely synchronized wave motion.

Furthermore, the actions of the fans are not constrained by the dichotomies of Far/Close, Small Scale/Large Scale, and Inside/Outside. Each fan, acting independently from the other fans, can exchange information (the wave motion) and align to establish synergies (the synchronization of the wave motion), resulting in the formation of a holonic structure (all the fans performing a synchronized wave motion) that is greater than an individual fan. This combinatory system effect occurs because fans within the "wave holarchy" act upon the "global information" (the wave motion) of the value being created (the synchronized wave motion).

Even though it may appear to someone watching this on television that the wave motion created by fans in one part of the stadium is irrelevant to fans at the other end of the stadium, the created value of the synchronized wave motion is in fact very relevant despite distance, size, and affiliation of the fans.

As the aforementioned explanation demonstrates, the blend of *eudaimonism* and combinatory systems theory (CST) are what make HITs truly “Holarchical Innovation Teams” in that the HITs eco-system fosters value-creation. For each one of us, “work” is something we enjoy doing because work is human activity that allows us to express our inner-potentials through skill, interest, and personality. In today’s fast-paced, interconnected, and chaotic world, this self-actualization best occurs within *holarchical innovation teams* so as to support people with performing their work regardless of distance, size, and affiliation of each individual. Therefore, the purpose of this paper is to lay the foundations for a Philosophy of HITs, building upon Reber and Gazzola’s “Holarchical Innovation Teams: Terms & Definitions” (2022) that attempts to establish an etymology for HITs. Furthermore, the Literature Review of this paper focuses specifically on Norton’s version of *eudaimonism* and Mella’s theory of combinatory systems as these are vital inputs for articulating the HITs Philosophy expressed here.

2 – Literature Review

2.1 – Norton’s Works on Self-Actualization Ethics

David L. Norton is recognized as the premier American philosopher of self-actualization ethics or *eudaimonism*. Shortly after the publication of *Personal Destinies*, Tibor Machan wrote a positive book review on it in *The Journal of Value Inquiry* (1978):

David L. Norton’s *Personal Destinies* is by far the most thorough, philosophically astute and complex, as well as intensely inspiring book giving the philosophical (and, one would hope, general) community a chance to consider the case for ethical individualism. There is simply no work like it in published form, nor has any philosopher addressed the topic in such a painstaking as well as sparkling manner (Machan, 1978, p. 238).

Several decades later, *Personal Destinies* continues to inspire. Chris R. Cathcart wrote in “David L. Norton’s *Personal Destinies*” (2011) on his *Ultimate Philosopher* blog:

If I had to name a single favorite philosophy book, it would be this one. There’s a good reason why this is. First, my philosophical specialty is ethics, and ethics has a certain centrality in philosophy that the other branches of philosophy don’t have. (Epistemology has a centrality of its own. Perhaps the contrast here is this: epistemology is more basic, while ethics is more central.) Second, it’s expertly and beautifully crafted. Just brilliant.... Third, it’s true – chock full of true (Cathcart, 2011, Sect. 4).

However, Norton is not without his critics. *Democracy and Moral Development: A Politics of Virtue* received several book reviews (Turiano, 1991; Klosko, 1992; Milchman, Rosenberg, Maine, Rainbolt, 1992), and all not positive. George Klosko wrote in *The American Political Science Review* (1992):

Norton is correct that contemporary liberal theory pays more attention to the public than to the private, to rules of justice than to desirable traits of character, to the right than to the good. But the reason for this is the need to provide a stable framework within which people of diverse moral, religious, and political views can live together in harmony. Norton’s open-

ended eudaimonism would do little to obviate the need for this task. In emphasizing responsibilities over rights, the place of others' happiness in our own self-interest, and the importance of developing our latent powers, Norton has something important to say. But without a clear account of the good (or goods) that all citizens should pursue, his views provide a supplement, rather than an alternative, to existing liberal theory (Klosko, 1992, p. 785).

Because of both the significance of Norton's self-actualization ethics and the high regard it has received over the decades, this paper draws upon his *eudaimonism* to inform the philosophy of holarchical innovation teams put forth by the authors. To be clear, HITs subscribes to a form of *eudaimonism* in *Personal Destinies* that recognizes the need to identify individual worth and the creation of social systems to develop that worth, but HITs does not commit to the prescriptive measures in *Democracy and Moral Development* for developing individual worth. This topic will be addressed in subsequent papers on HITs methodology and application.

In addition to Norton, we acknowledge Piero Mella's contribution to the theory of combinatorial systems. As Norton is with a *philosophy of ethical individualism* in terms of his recognition by the philosophical community, Mella is with a *theory of combinatorial systems* in terms of his recognition by the systems thinking community. Though an extensive search for a peer book review of *The Combinatorial Systems Theory* (CST) did not provide any results, Mella did receive a 2018 Outstanding Paper Award from Emerald Publishing for "The Unexpected Cybernetics Life of Collectivities: The Combinatorial Systems Approach" published in *Kybernetics* in 2017. Therefore, the authors of this paper concede that Mella's CST is indeed a substantive contribution to our understanding of combinatorial systems and serves as a vital resource in developing a HITs Philosophy.

2.2 – Norton's Eudaimonism

Norton's *eudaimonism*, or self-actualization ethics, or normative individualism (Norton, 1976, pp. ix – x), or as he subtitles his book, "Philosophy of Ethical Individualism," stands in stark contrast to the *Cartesian-Newtonian-Scientific Management Paradigm*. He also recognizes the difficulty of *eudaimonism* taking root in current society:

I believe...in the individual's residual conviction of [her or his] own irreplaceable worth. But this small conviction is wholly unequipped to withstand the drubbing it takes from the world, and from which all too often it never recovers. At its first appearance it is buffeted by alarms and commotion, and trampled beneath the scurrying crowd. Propped upright it is conscripted to this cause or that where roll call is "by the numbers," truth is prescribed, and responsibility is collective, the individual's share being determined by arithmetic apportionment. What remains is a merely numerical individuation, deriving its fugitive worth from the collective whole of which it is a replaceable part (Norton, 1976, x).

Norton's *eudaimonism* is a humanistic philosophy that does not

impose invented forms upon human life, but to elicit and clarify the forms the lives of persons implicitly possess, thereby affording those lives a heightened measure of cogency (Norton, 1976, p. 356).

This inner potential a person possesses is called the *daimon*, i.e. one's inner genius (Norton, 1976, p. ix), one's inner voice (Norton, 1976, p. 3), a "voice of constructive determination" (Norton, 1976, p. 5) and "each person is obliged to know and live in truth to [her or his] *daimon*,

thereby progressively actualizing an excellence that is [her or his] innately and potentially” (Norton, 1976, p. ix):

Each person is a bust of Silenus containing a golden figurine, [her or his] daimon. The person’s daimon is an ideal of perfection – unique, individual, and self-identical. It is neither the actual person nor a product of the actual person, yet it is fully real, affording to the actual person [her or his] supreme aim and establishing the principle by which the actual person can grow in identity, worth, and being. Prior to the appearance of the person in the world this ideal of perfection is not nothing, for [her or his] appearance in the world cannot be presentation *ex nihilo*. Instead, its aboriginal status is pure, unactualized possibility. The appearance of the person in the world then constitutes the actualization of that unique possibility. As thus actualized, the possibility exhibits new characteristics (namely, that what of it is as yet not actual is entailed by what is actual); it has become what is termed a potentiality. But the actualization of a possibility is not negation of it as a possibility or the substitution for it of some other thing – the necessary, for instance. As a possibility is eternal. An actualized possibility, as we say, “exists,” but it may at any time cease to exist, in which case it has lapsed from actuality to the status once again of pure possibility (Norton, 1976, pp. 14 – 15).

In simpler terms, three fundamental elements exist in personhood:

- A) ACTUAL Person: First Modality – What One Is NOW,
- B) POSSIBLE Person: Second Modality – What One CAN BECOME, and
- C) POTENTIAL Person: Relationship Between Actual & Possible – What One Has CHOSEN to BECOME (Norton, 1976, pp. 15 – 16).

If we think of Jack the Manufacturer at Wedgwood, what he is now is an expert manufacturer. This is not the end of Jack’s personal story. He wants to do more at Wedgwood, and he has identified an abundance of possibilities. However, he has only a limited amount of time in his career at Wedgwood in which to actualize those possibilities. Therefore, he creates a career plan for himself and sets about actualizing the possibilities in his plan to become his individualized potential. Jack is

both his empirical actuality and his ideal possibility, or daimon. Connecting the two is a path of implications, whose progressive explication constitutes what the Greeks termed the person’s “destiny...” (Norton, 1976, p. 16).

Furthermore, it is Jack’s primary responsibility

to discover the daimon within him and thereafter to live in accordance with it. Because perfection is incompatible with the conditions of existence, one’s daimon can never be fully actualized in the world, but by living in truth to it one’s unique perfection can be progressively approached, and such endeavor manifests in the world one’s excellence or *arête* – an objective value (Norton, 1976, p. 16).

By following his career plan, Jack has charted out what Norton calls his *personal destiny*. In other words, Jack is doing what he needs to do to become the person he is “destined” to become. According to Norton, Jack

is free to adhere to his destiny or deviate from it but he cannot change it. And because (metaphysically) it is possibility that is the normative mode of being, he can manifest worth

in the world only by living in accordance with his destiny (Norton, 1976, p. 16).

If *eudaimonism* is about the actualization of each person's inner *human* potential with the understanding that such inner *human* potential can never be fully actualized, then *eudaimonism* is most definitely not a philosophy about being more than human. Norton states that

...eudaimonism does not purport to grant every human wish or gratify every desire. It is even sometimes criticized for being unsympathetic to certain hopes and desires that are both widespread and intense. It makes no promise to its adherents of supernatural immortality, nor of wealth, fame, or power, nor yet even of final "happiness." Instead, it exacts what may at first sight appear to be an ascetic renunciation of certain persistent longings. It does so on the recognition that these longings contradict rather than complete human nature, with the consequence that their entertainment precludes recognition of the beauties, truths, and virtues that are proportionate to [humanity] (Norton, 1976, pp. 356 – 357).

The admonition is: Confine your aspirations to the possibilities of your own nature; to desire to be more than a human being is to become less, for extra-human aims betray humankind and produce blindness to the values human life affords (Norton, 1976, p. 357).

Extra-human hopes and desires are not human necessities but rather impediments to the appreciation and participation in human worth (*ibidem*).

To emphasize the point, let us recall Emperor Gaius Julius Caesar Augustus Germanicus (better known by his nickname Caligula) who had claimed himself divine, as Cassius Dio writes in *Roman History* in the year 233 ADE:

Gaius...had been demanding that he be regarded as more than a human being, and was wont to claim that he had intercourse with the Moon, that Victory put a crown upon him, and to pretend that he was Jupiter, and he made this a pretext for seducing numerous women, particularly his sisters; again, he would pose as Neptune, because he had bridged so great an expanse of sea; he also impersonated Hercules, Bacchus, Apollo, and all the other divinities, not merely males but also females, often taking the rôle of Juno, Diana, or Venus. Indeed, to match the change of name he would assume all the rest of the attributes that belonged to the various gods, so that he might seem really to resemble them. Now he would be seen as a woman, holding a wine-bowl and thyrsus, and again he would appear as a man equipped with a club and lion's skin or perhaps a helmet and shield. He would be seen at one time with a smooth chin and later with a full beard. Sometimes he wielded a trident and again he brandished a thunderbolt. Now he would impersonate a maiden equipped for hunting or for war, and a little later would play the married woman. Thus by varying the style of his dress, and by the use of accessories and wigs, he achieved accuracy inasmuch diverse parts; and he was eager to appear to be anything rather than a human being and an emperor (Dio, 233/2011, p. 347).

His fate, as Dio records, is that his own Praetorian Guard assassinated him:

...they intercepted him in a narrow passage and killed him. When he had fallen, none of the men present kept hands off him, but all fell to stabbing him savagely, even though he was dead; and some even tasted of his flesh. His wife and daughter were also promptly slain.

Thus Gaius, after doing in three years, nine months, and twenty-eight days all that has been related, learned by actual experience that he was not a god (Dio, 233/2011, p. 361 – 362).

Therefore, as this ominous Roman moral tragedy illustrates, the idea of the “integral person” is central to *eudaimonism*. If one does not understand *integrity* and its relationship to personhood, then this ignorance can be quite fateful, as Gaius learnt too late. Norton asserts that

...the presence of human being is in itself the presence of possibilities of human betterment... [S/he] who affirms the worth of human life does not embrace the idea of an afterlife that is the antithesis of the life [s/he] and all human beings live. The true individual does not hunger, Faustian-fashion, to be all things, nor something other than [s/he] is. [S/he] who loves another person for the individual that person is does not subsume that individuality in a desire for the All. [S/he] who knows power and concentration in [her- or himself] does not seek power over others, but the discovery by others of their own power of personhood. To the integral individual the surplus connoted by “wealth” is a waste in which [s/he] will not participate, and “fame” is a gratuity with largely unattractive implications. Amid these distractions [s/he] is undiverted from the purpose that is inscribed in [her or his] existence – to become the person [s/he] potentially is and to cultivate the conditions by which others may do likewise (Norton, 1976, p. 358).

Another way to understand the aforementioned is with Figure 3 “The Way of Life Matrix” that is similar to “The Way of Work Matrix” presented in “Holarchical Innovation Teams: Terms & Definitions” (Reber & Gazzola, 2022, p. 725) and uses Jane working at Wedgwood Company as the example.

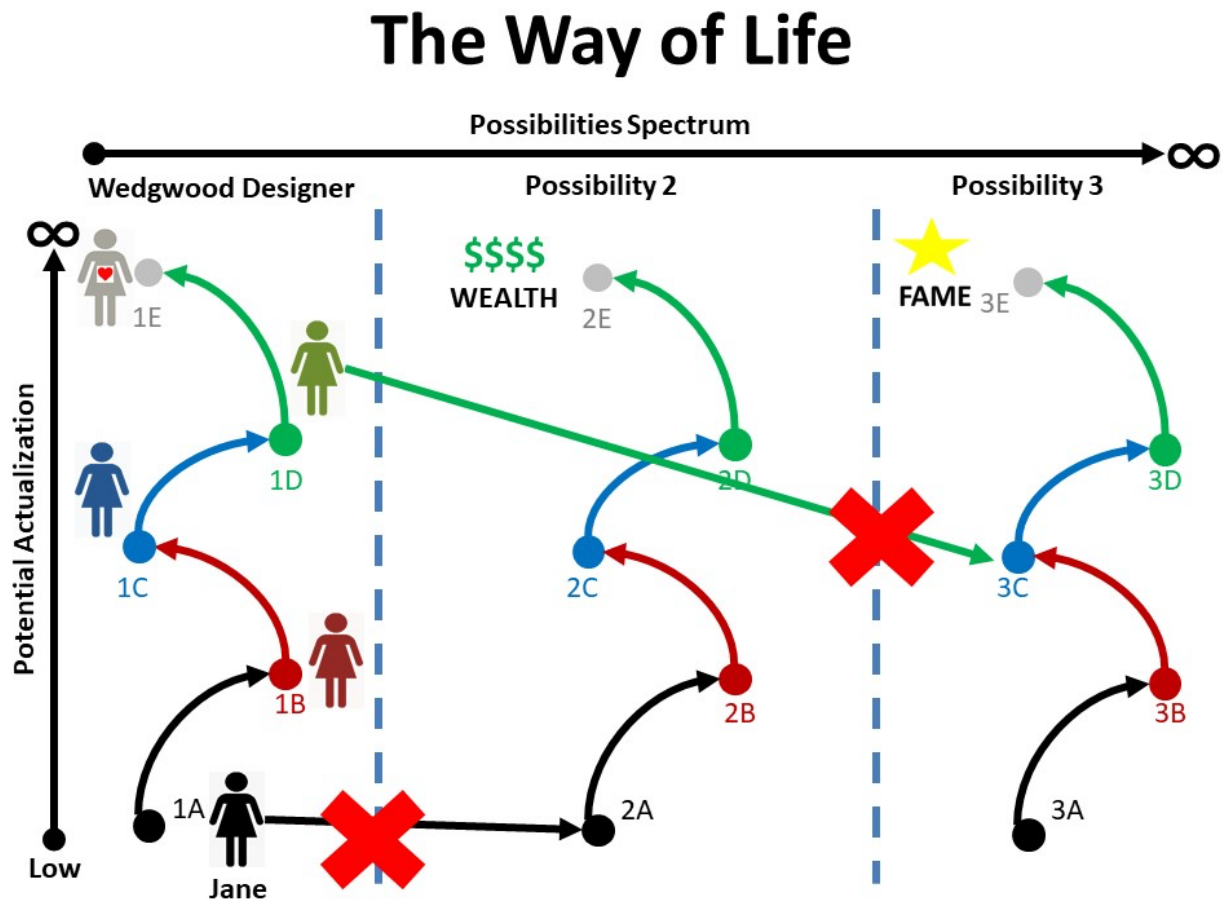


Fig. 3 – The Way of Life Matrix – Jane at Wedgwood Company

In Figure 3, the vertical axis represents “Potential Actualization.” It is the actualization of a defined possibility, such as Jane becoming the best Wedgwood designer that she can possibly become. Even though Jane will never reach her ultimate potential because “ultimate potential” is nothing more than a North Star guiding Jane along her life’s journey, it is the journey of actualizing the possibility that is important. Hence, we illustrate Jane and her *daimon* as a “red heart.”

At Wedgwood she actualizes her potential as she moves up the competency and topic altitude of the Wedgwood Design Division, from the Intern at 1A to the Expert at 1E. Whenever Jane is accessing her inner *daimon*, we imagine her heart “flashing red” as a signal to Jane. When her heart is flashing red, Jane is in, what Norton calls, a state of eudaimonia that

...is both a feeling and a condition. As a feeling it distinguishes right from wrong desire. Moreover it attends right desire, not only upon its gratification, but from its first appearance. Because eudaimonia is fully present to right living at every stage of development, it cannot constitute the aim of such living, but serves instead as merely a mark, a sign. It signals that the present activity of the individual is in harmony with the daimon that is [her] true self (Norton, 1976, p. 5).

The horizontal axis represents the “Possibilities Spectrum” of humanity, which is the kind of value a person is able to create in the world through the act of work. As Figure 2 illustrates, Jane is in a state of eudaimonia when she is doing the work that is her work to do, which is becoming the best Wedgwood designer that she can become. This refers back to our discussion on *integrity*. Jane is an “integral” person when she is in a state of eudaimonia. She does not subscribe to avarice, for

“personal truth” reveals that the great enemy of integrity is not falsehood as such but – ironically – the attractiveness of foreign truths, truths that belong to others (Norton, 1976, p. 9).

When an individual allows [herself] to be deflected from [her] own true course, [she] fails in that first responsibility from which all other genuine responsibilities follow, and whose fulfillment is the precondition of the least fulfillment of other responsibilities (ibidem).

Now, even though Jane has no desire to actualize other human possibilities, as a mature and responsible person, she still recognizes the worthy living of others in actualizing those possibilities that Jane does not actualize. In eudaimonistic terms, Jane

affirms that every genuine excellence benefits by every other genuine excellence. It means that the best within every person calls upon and requires the best within every other person (Norton, 1976, p. 10).

It is an empirical, psychological truth that the individual who is confident of [her] own worth does not feel threatened by the worthiness of others but, on the contrary, acutely perceives such worthiness and generously acknowledges it. Nor does this apply exclusively or primarily in cases where excellences are commensurable or qualitatively alike – recognition by one [Wedgwood Designer] of another, for example.... For personal excellence presupposes accurate self-knowledge, and the self thus known is a determinate individual.... The perfect fulfillment of a determinant individual is limited fulfillment.... The worthy [person’s] most avid aspiration to greater excellence of personhood does not overstep the boundaries of [one’s] finitude but ever more clearly affirms these very boundaries, and by

so doing it becomes the call of this finite excellence for supplementation by the qualitatively different excellences of others (Norton, 1976, p. 11).

This principle of complementarity of excellences as expressed above is an important aspect of HITs. For in a HIT each member complements her or his excellence with the excellences of others in the creation of value, and s/he recognizes the worthy living of those persons who are in the act of actualizing those excellences. Therefore, envy and avarice are, in theory, non-existent, or at least suppressed, in a HIT. Unity within a HIT

is not sacrificed but brought to perfection, and henceforth integration of individuals is to be progressively realized by the perfection of differences, on the principle termed by Plato the “congeniality of excellences” (Norton, 1976, p. 40).

Let us consider this in terms of Jane and Wedgwood within the context of “The Way of Life Matrix” in Figure 4.

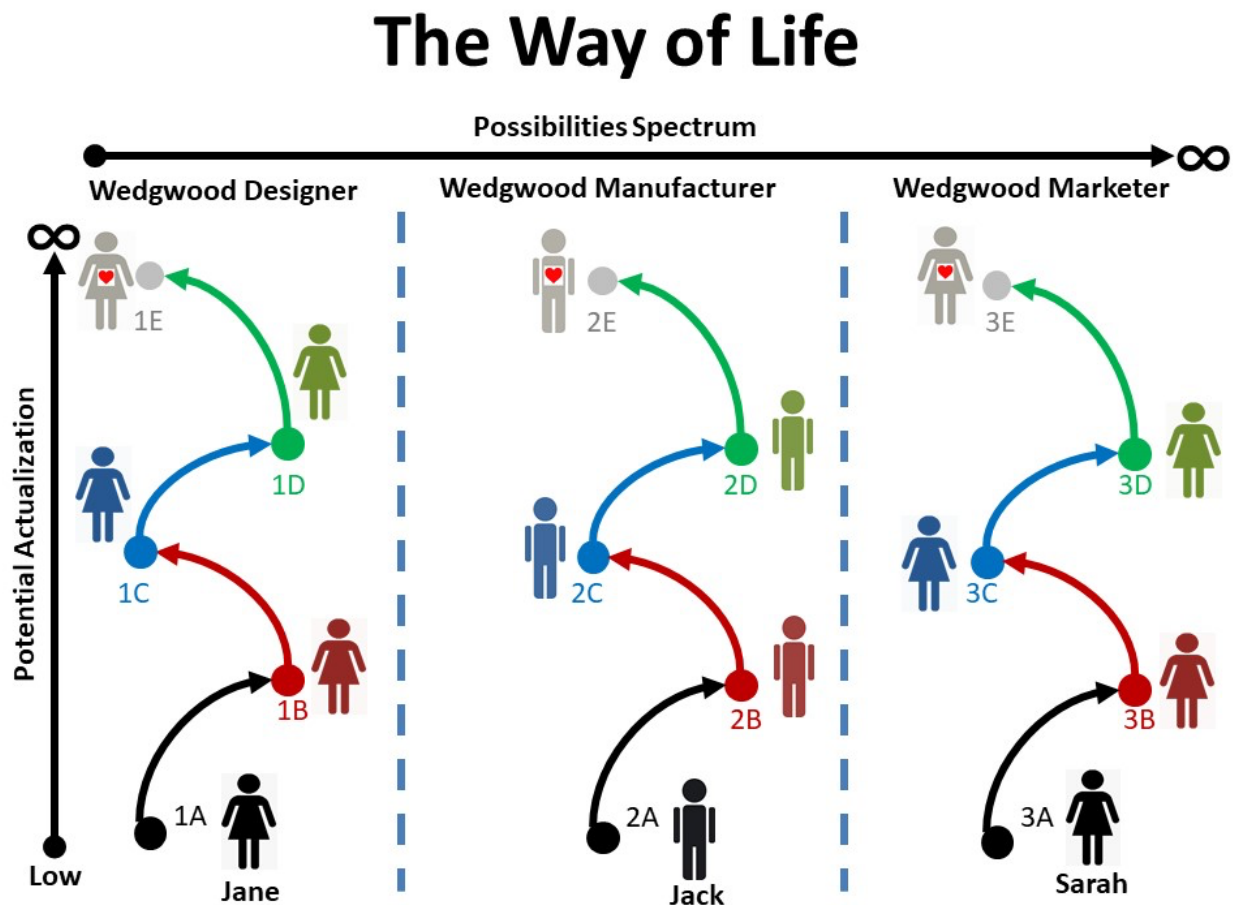


Fig. 4 – The Way of Life Matrix – Complementarity of Excellences at Wedgwood Company

Jane the Designer, Jack the Manufacturer, and Sarah the Marketer all want to be the best person s/he can be in her or his role at Wedgwood. Jane has an idea for a new tea set design; however, she is only a designer and requires the acumen of her colleagues Jack and Sarah. Because at Wedgwood each person respects, values, and identifies with individual differences as integral worth of personhood, Jane, Jack, and Sarah are able to form a HIT and work with one another in a congenial manner to create a new tea set as illustrated in Figure 5.

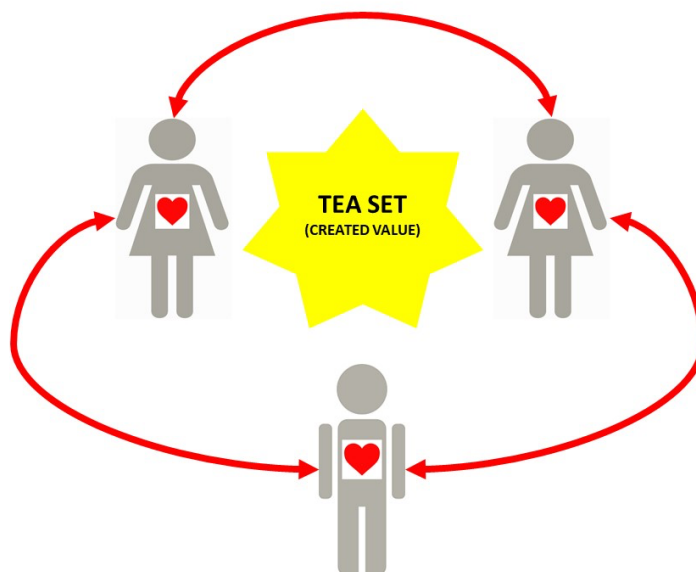


Fig. 5 – Complementarity & Congeniality of Excellences at Wedgwood Company

As this example demonstrates, we have a “true expression” of qualitative individuation in which each person actualizes her or his potential *in the presence and with the assistance of others* and *within the cultural institution* of Wedgwood Company, or more specifically, the Tea Set HIT:

Qualitative individuation is held by eudaimonism to be the foundation of norms of social life that are self-supporting because they are the expression of the meaningful living of individuals, which in turn is the expression of love. In the Socratic meaning, love (*eros*) is the aspiration to higher value. It connects every actual individual to [her or his] *daimon*, or innate excellence, constituting [her or his] self-enlistment in the service of that value for which [s/he] is uniquely responsible and which, as a variety of goodness, subsists in the relationship of complementarity with all other human excellences (Norton, 1976, x).

...qualitative individuality, though it may be a powerful force in the end, is weak and tentative in the beginning. Through long exercise of self-discipline the integrity of the mature person processes the tensile strength of moral necessity, the inner imperative “I must.” But at its first expression it is timorous and untested, and in this condition it is no match for the juggernaut that is the world. From this recognition it follows that the meaningful living that is conditioned upon self-truth and self-responsibility will seldom occur in the world until it receives nurture in its earliest intimation by supportive cultural institutions (Norton, 1976, xi).

This knowledge of other persons leads us to the ideal of distributive justice, which Reber defines as

...the allocation of goods and utilities via the voluntary ubiquitous human interaction of self-actualizing individuals who not only recognize the human dignity of the self and other and the rights which flow from and guarantee it, but also actively will goods and utilities toward the self and other so as to manifest human dignity (Reber, 2010, p. 5).

Furthermore, distributive justice helps us better understand the ideal of *meaningful work* that Norton espouses. Two eudaimonistic principles guide meaningful work: Proportional Productive Equality and Proportional Recipient Equality. Proportional Productive Equality

obtains when A and B are alike doing the work for which each is by nature best suited (Norton, 1991, p. 161).

In our Wedgwood Company example, Jane is best suited for design, Jack is best suited for manufacturing, and Sarah is best suited for marketing. It is the purpose of human resources to identify a person's potential and match her or him with the right kind of work. This topic will be addressed in future papers on HITs Methodology and Application.

Finally, Proportional Recipient Equality

obtains when A and B alike possess the particular goods and utilities to which each is entitled (Norton, 1991, p. 161).

In other words, not all people will be entitled to all goods, but all people will be entitled to those goods that assist with their self-actualization. Norton expresses this as

...the individual who possesses self-knowledge and lives by it manifests justice, first by not laying claim to goods that [s/he] cannot utilize, and second by actively willing such goods into the hands of those who can utilize them toward self-actualization. What is expressed in both cases is not "selflessness," but the proportionality of a self-responsible self that is situated in relations of interdependence with other selves that are, or ought to be, self-responsible. An individual who possesses self-knowledge and lives by its direction recognizes goods to which [s/he] is not entitled as distractions from [her or his] proper course of life.... And to will to others their true utilities is at the same time the concrete expression of respect for them as ends in themselves and recognition that we stand to gain from the worthy living of others (Norton, 1991, pp. 121 – 122).

Therefore, at Wedgwood Company, Jane receives those *goods* for becoming a better designer, Jack receives those *goods* for becoming a better manufacturer, and Sarah receives those *goods* for becoming a better marketer. This is one of the reasons that a HIT is most effective, efficient, and economical in that each person receives her or his due in order to actualize the person s/he is in the act of value creation.

2.3 – Mella's Theory of Combinatory Systems

Mella's Combinatory Systems Theory (CST) contributes to our understanding of how self-actualizing individuals operating in a fast-paced, interconnected, and chaotic world interact with one another on the basis of global information that is produced and revised as the consequence of the feedback loops created by their individual "micro" behaviors. As with Norton's *eudaimonism*, we must circumscribe our review of Mella's CST in order to focus specifically on how it relates to the development of a HITs Philosophy.

As we stated previously, Mella defines a combinatory system as

any collectivity...whose agents, consciously or unconsciously, act (exclusively or prevalently) **on** the basis of global information...which they directly produce and update as the consequence of their micro behavior and the micro-macro feedback (Mella, 2017, p. 46).

He also states that combinatory systems are

systems constituted by a group of independent elements which, while acting individually and freely, behave in a uniform way, as if they constituted a single entity, in order to produce a given phenomenon, process, or effect, so that the behavior of the system as a unit derives from the "combination" of the analogous behavior of its similar elements (Mella, 2017, p. 3).

The fundamental idea of combinatory systems is summarized by Mella as follows:

Collectivities can be viewed as units formed by a plurality of *similar* elements or agents, each of which produces similar *micro behaviors* – and in many circumstances also *observable micro effects* – which, “in combining”, produce a *macro behavior* that gives rise to collective macro phenomena – and noticeable *macro effects* – which do not refer back to the individual micro behaviors, even if they necessarily derive from the agent’s micro behaviors. If, on the one hand, the macro phenomena are produced from a “combination” – hence the term “combinatory systems” – of the agents’ micro behaviors, on the other hand, at the same time those phenomena condition the agents’ behaviors, as part of a *micro-macro feedback* relationship that represents the “invisible hand” that seems to guide the individual behaviors and produce the collective phenomena (Mella, 2017, p. viii).

So, if we think of this in terms of a Holarchical Innovation Team, a HIT within an “innovation ecosystem” is a *collectivity* in which the members form and behave in the same way “the wave” forms and behaves at a sports stadium. A HIT’s behavior is *not* determined. It is spontaneous and guided by the interactions of the individuals within the HIT. Mella states

“collectivities” cannot be identified with the organized systems and, in particular, with organizations and societies. In both cases the agents produce micro behaviors delimited by shared or imposed links and rules that transform them into structured (even hierarchically) members or organs that cooperate to achieve a common goal or the common good (Mella, 2017, p. 6).

This brings us to another important aspect of a combinatory system, that being “chance” is the catalyst for putting a combinatory system in motion and the dynamics of which are maintained “by necessity” because of *necessitating* and *recombining factors*. The *micro-macro feedback* loop that is created is guaranteed because of “the contemporaneous presence of necessitating and recombining factors” that “turns these collectivities into true systems” that “can be observed as a unit as well as a multiplicity of elements” (Mella, 2017, p. viii).

Let us consider the idea of combinatory systems in terms of the formation of a Holarchical Innovation Team (HIT), as illustrated in Figure 6, in which Michael gets the idea for building a digital platform using artificial intelligence and machine learning to match people with the right kind of work without the need for a resume or job search. If Michael does nothing with his idea, the platform is never created. However, Michael really wants to create this platform; therefore, he issues an announcement (*micro behavior*) about his idea within the innovation ecosystem and “by chance” he connects with people who have the skills and interest to build the platform (*macro behavior*). Once Michael has the people to build the platform, the product directs the micro behaviors of the innovators to make an excellent platform that does what it is supposed to do to create value.

Furthermore, the *necessitating factors* in forming a HIT to build a platform include skills, ideas, and resources. The innovators combine their skills, ideas, and resources to establish the HIT. Using several communication techniques to tell people how great their HIT is, the current innovators are able to attract more people to join the HIT to provide ideas, skills, and resources. Therefore, some “luck” or form of “chance” is required to attract people. These *recombining factors* of more and better ideas, skills, and resources attract even more people from the Innovation Ecosystem to join the HIT. The HIT’s behavior *by necessity* produces the Platform. The development of the Platform and demand for its use is the *global information* that *conditions* the innovators to produce a better product.

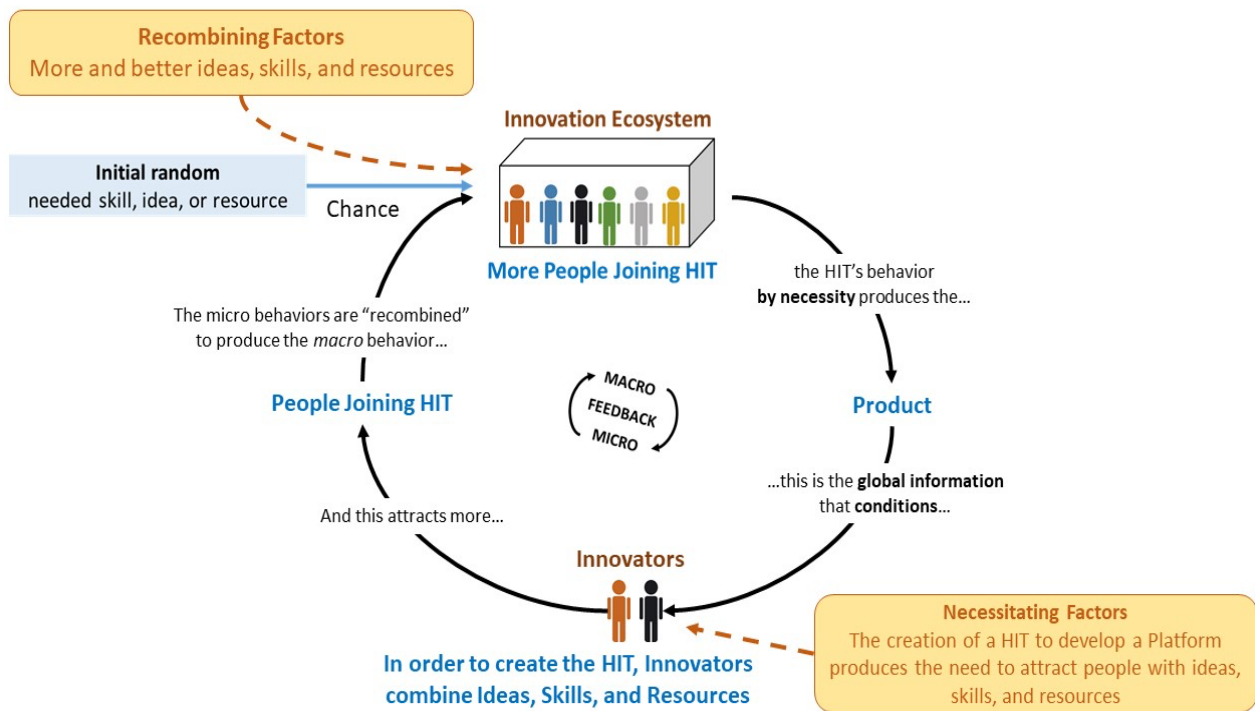


Fig. 6 – Basics of a Combinatory System in the Formation of a HIT (adaptation of Mella’s Figure 1.8, 2017, p. 19)

This is an over-simplistic explanation of the combinatory formation and dynamics of a HIT, but it illustrates the point. To better summarize CST, Mella provides us with the operative logic of a social combinatory system, which a HIT is (Mella, 2017, p. ix):

1. A collectivity of $N \geq 2$ agents constitutes the “base” of the system.
2. Each agent is characterized by an individual variable of some kind (qualitative or quantitative) whose values – at any time t_h – represent the individual micro states.
3. The collectivity is characterized by a global variable (qualitative or quantitative) whose values – at any time t_h – represent the system’s macro state, which in turn represents global information for the agents.
4. Due to the presence of an opportune set of *recombining* factors, the system state – at any time t_h – derives from the “combination” (to be specified for each situation) of the individual states, following macro or recombining rules.
5. Each agent can perceive a gap (positive or negative) between [her or his] individual state and the state of the collectivity.
6. Due to the presence of an opportune set of *necessitating* factors each agent – at time t_{h+1} – decides, or is forced, to attempt to expand or reduce the perceived gap following the micro or necessitating rules.
7. As long as the necessitating and recombining factors are maintained, the *micro-macro feedback* can operate.
8. The agents are characterized by an initial state at time t_0 ; in most cases this initial state may be assumed to be “due to chance”.
9. The *micro-macro feedback* operates between the limits of the minimum activation number and the maximum saturation number of the agents presenting the state that maintains the *micro-macro feedback*.

10. The sequences of state values over a period represent the macro and micro dynamics, or behaviors, of the system and the agents.

Based on the abovementioned, it would appear that the micro behavior of each individual synchronizes when the individuals act simultaneously. Mella states that what is really happening is that “each micro behavior updates the global information, and this recreates a divergence that exerts even more influence on the individuals to conform to this information” (Mella, 2017, p. 63). Therefore, combinatory systems, such as a HIT, are “self-produced global information systems” and are distinguishable from local information systems, such as cellular automata (ibidem).

Furthermore, the combinatory system’s behavior can be shaped by environmental factors that either strengthen or weaken the behavior, such as the Pandemic causing huge disruptions across society. Therefore, we can consider these as exogenous controls that influence the system’s behavior from the outside and on the macro level. If the environmental factors influence the micro behaviors of individuals, then this is considered an endogenous or internal control (Mella, 2017, p. 68). This is illustrated in Figure 7 for our HIT example using the Pandemic as the macro environmental factor.

As we stated previously, a HIT is a social combinatory system. Mella explains a social combinatory system as

any combinatory system made up of people, groups or organizations which can compare their micro states with the *global information* associated with the macro state of the system as a whole. If the system components perceive a gap, they try to eliminate it, if judged as being negative, or increase it, if judged as being positive. As a consequence of their micro behavior, they update the variables from which the global information is produced, in a typical *micro-macro feedback* action (Mella, 2017, p. 61).

Another way of thinking of this is basic “Gap Analysis” in which a gap exists between the *goal* and the *actual*, and actions are taken to close the gap in order to reach the goal. In Figure 6, Michael, our innovator, wants to develop a workforce development Platform to match people with the right kind of work. Therefore, he issues an announcement (*mb*) about his idea throughout the Innovation Ecosystem and “by chance” he finds people who have the skills, interest, and resources to build the platform (*MB*). This creates the HIT that in turn creates the product (*ME*) (Notice that the line between Michael (*mb*) and the Innovation Ecosystem (*MB*) moves in the same direction (s) because Michael’s positive announcement (+) is intended to attract (+) more people to join his HIT. If Michael’s announcement (+) causes people not to join his HIT (-), meaning people running in the opposite direction from Michael, then the line would be symbolized with (o). As can be seen, if a loop has the same number of (s) or (o) lines, then this is called a Reinforcing Loop with the symbol \textcircled{R} . If a loop does not have the same number of (s) or (o) lines, then this is called a Balancing Loop with the symbol \textcircled{B}). Furthermore, the *necessitating factors* of skills, ideas, and resources encourage Michael to use a variety of communication techniques to tell people how great the HIT is and these *recombining factors* create more and better ideas, skills, and resources that attract even more people from the Innovation Ecosystem to join the HIT. This creates a positive Reinforcing Loop \textcircled{R} . The HIT’s behavior *by necessity* produces the Platform. The development of the Platform and demand for its use is the *global information* that *conditions* Michael to produce a better product.

However, an unforeseen event, a coronavirus Pandemic (*Macro Disturbance*) occurs that disrupts the global economy and people’s lives. People stop shopping at retail stores and

department stores, but they need medicine, masks, and other amenities to deal with the coronavirus. This in turn causes a major disruption in the labor market and a *need* is identified by Wall Street for a Platform (*ME*) that can do what Michael is working on, and quickly. At the same time, investors give Michael funding (*micro disturbance*) that allows the HIT to do key market research. The market research shows a gap ($E(me)$) exists between Michael’s current product idea (*me*) and the market demand for a better Platform (me^*). The funding that causes the research is illustrated as a line with (o) since it produces a gap. Michael’s HIT must re-invent itself based on the *micro-macro feedback* (\textcircled{R} & \textcircled{B}) in order to close the gap (meet the market demand). The line moving between the gap ($E(me)$) and Michael (*mb*) moves in the same direction (*s*) as the results of the market research in order to close the gap to create a new (*me*).

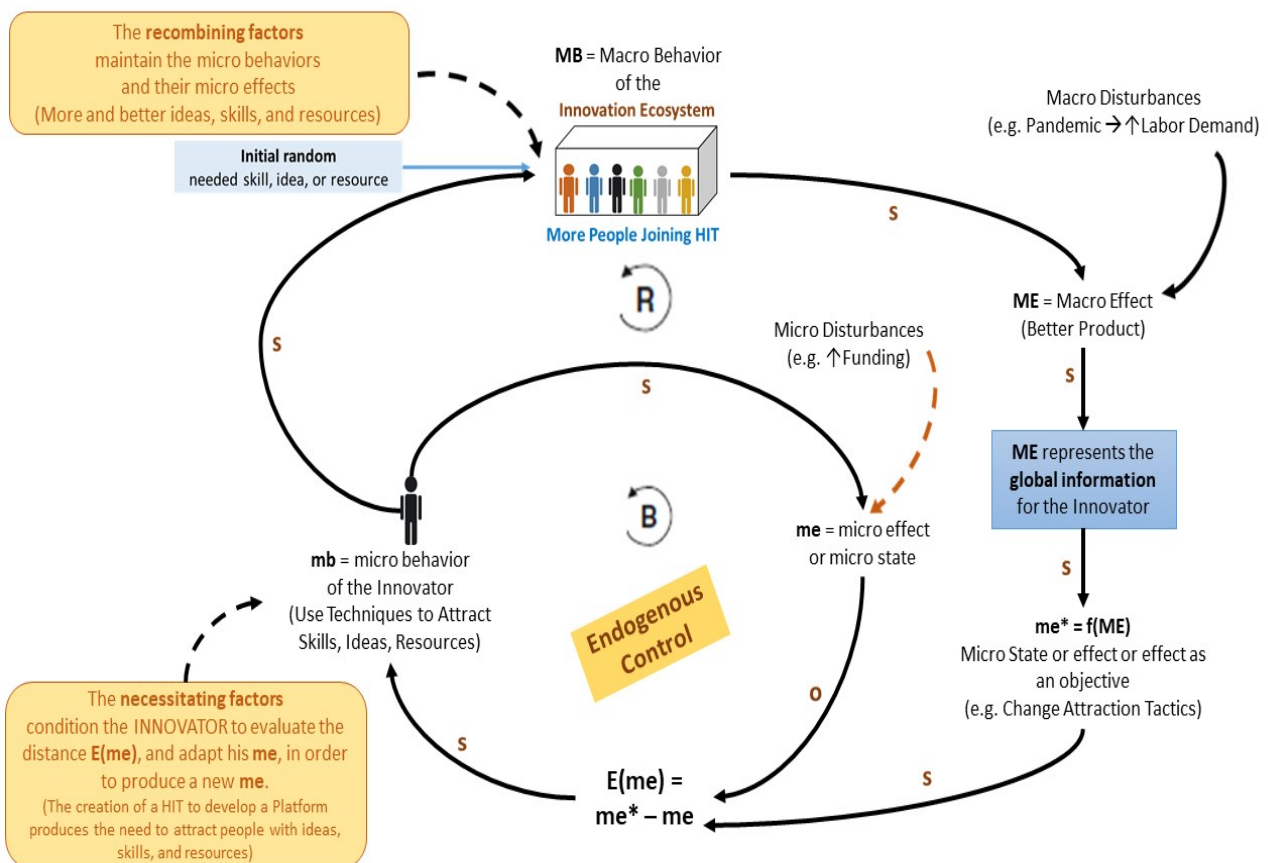


Fig. 7 – Schematic General Model of the HIT Social Combinatory System (adaptation of Mella’s Figure 1.13, 2017, p. 63. Schematic general model of a Social Combinatory System. Key: \textcircled{R} = Reinforcing Loop, \textcircled{B} = Balancing Loop, s = same direction, o = opposite direction, \textcircled{R} & \textcircled{B} = Individual Control Systems, mb = micro behavior; me = micro effect; MB = Macro Behavior; ME = Macro Effect; me^* = innovator’s objective at time “t”; $E(me)$ = gap (error) between objective and actual state)

Because Michael has an excellent HIT, *The Wall Street Journal* (WSJ) interviews him and his team. The WSJ article catches the attention of the US Government. This in turn creates “positive” *external macro and micro controls* for the HIT where the US Government provides incentives to influence the behaviors of both Michael (*mb*) and the Innovation Ecosystem (*MB*), illustrated in Figure 8. As Mella states

By using the proper *necessitating* and *recombining* factors, it is possible to activate two forms of *external controls*: an external *macro control* which, by acting directly on the *recombining*

factors, tries to modify the *macro behavior* of the collectivity as a whole, and an external *micro control* which, by acting on the *necessitating* factors, seeks to modify the agents' *micro behavior*.

...When the *macro behavior* (MB) – or, in many cases, directly the *macro effect* (ME) – of the combinatory system must be guided toward a desired objective or limit (MB*), set by some policy maker in the socio-economic environment within which the combinatory system operates, specific external control systems can be activated whose control levers, [Xn], are represented by *reinforcing* or *weakening measures* (actions, provisions, constraints, limits, obligations, etc.) which, operating at a macro and/or micro level, modify the *recombining* and *necessitating* factors, influencing the *macro* and/or *micro* behavior and thus directing the *macro* behavior of the combinatory system (Mella, 2017, p. 67).

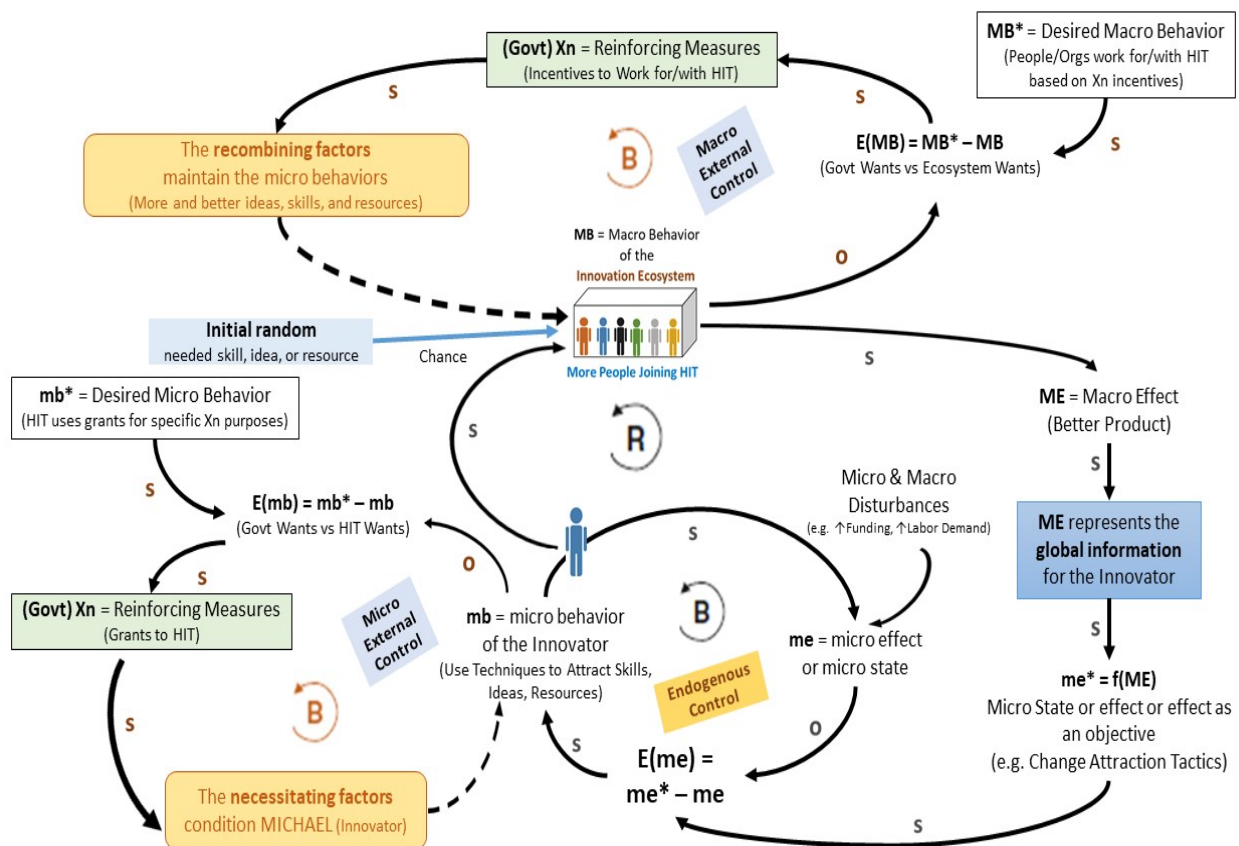


Fig. 8 – External Macro and Micro Controls on HIT (adaptation of Mella’s Figure 1.16, 2017, p. 68)

In Figure 8, the US Government (Xn) recognizes the significance of Michael’s Platform to US workforce development and creates incentives for *desired macro behavior* (MB*) and *desired micro behavior* (mb*) for the Platform to be developed and applied. At the *macro* level, the Government (Xn) provides incentives, e.g. tax discounts, to individuals in the Innovation Ecosystem (Xn working on the *recombining factors*) for the desired purpose of developing the Platform as a national workforce development tool (MB*). At the *micro* level, the Government (Xn) gives grants to Michael’s HIT (Xn working on the *necessitating factors*) for desired purposes (mb*): a) developing the Platform, b) implementing the Platform for (Xn) desired goals, and c) collecting data to share with (Xn) on the effectiveness of the Platform. The US Government (Xn) support of Michael’s HIT is reported by *The Wall Street Journal*. This in turn creates positive *micro-macro*

feedback (\textcircled{R} & \textcircled{B}) that reinforces the *recombining factors* and the *necessitating factors* which is observed as a national outpouring of people and companies using the Platform (MB^*).

For both the *macro external control* and *micro external control* loops, we have balancing loops. The gap of $E(MB)$ is a gap between *what the Government wants* (MB^*) vs *what the Innovation Ecosystem wants* (MB). The gap of $E(mb)$ is a gap between *what the Government wants* (mb^*) vs *what the HIT wants* (mb). The gaps are signified by the (o) lines. To close the $E(MB)$ gap, the Government (X_n) provides incentives for the Innovation Ecosystem to work on the Platform and is signified by an (s) line between (MB^*) and the formula $E(MB) = MB^* - MB$. Since closing the gap activity moves in the same direction as the incentives, an (s) line is drawn between $E(MB) = MB^* - MB$ and (X_n) as well as between (X_n) and the *recombining factors* which is more and better ideas, skills, and resources. These *recombining factors* feed back into the Innovation Ecosystem and is illustrated as a dotted (s) line. This in turn helps (X_n) reach its (MB^*) and an (o) line is drawn between (MB) and the formula $E(MB) = MB^* - MB$. This creates a balancing loop in which an $\uparrow(X_n)$ Incentives $\Rightarrow \downarrow(MB^*)$ and (MB) Gap.

To close the $E(mb)$ gap, the Government (X_n) provides grants to the HIT for very specific desired behavioral outcomes. Since closing the gap activity moves in the same direction as the government grant incentives, an (s) line is drawn between $E(mb) = mb^* - mb$ and (X_n) as well as between (X_n) and the *necessitating factors* which is the *need* to attract more and better ideas, skills, and resources. These *necessitating factors* feed back into Michael and the HIT's behavior and is illustrated as a dotted (s) line. This in turn helps (X_n) reach its (mb^*) and an (o) line is drawn between (mb) and the formula $E(mb) = mb^* - mb$. This creates a balancing loop in which an $\uparrow(X_n)$ Incentives $\Rightarrow \downarrow(mb^*)$ and (mb) Gap.

The *exogenous control* balancing loop and the accompanying reinforcing loop are the same as in Figure 8. The important point to remember is that both the *macro external control* and the *external micro control* reinforce these two loops. Luckily for Michael and his HIT, both external controls are positive influences that help Michael create a better Platform for society.

In closing, the aforementioned exposition on CST is the basic requirement for building a philosophy of HITs. Though we have skipped many other aspects of CST, we intend to address these in future papers.

3 – A Philosophy of HITs

3.1 – HITs Tripartite Philosophical Model

Norton's self-actualization ethics or *eudaimonism* and Mella's CST inform our understanding in developing a HITs Philosophy. First, we have learned the vital significance of the individual and one's role in actualizing inner potential (the *daimon*). Second, boundaries exist in regard to the process of self-actualization that is summed up in the word *integrity*. Third, this actualization of one's potential occurs through the activity of *meaningful work*, which we call "creative work" and is defined by Reber and Gazzola as

The application of synthetic and creative human imagination that actualizes the full potential of a human being who transforms, according to the laws of nature, given elements through arrangement and combination to produce utility in the world (Reber & Gazzola, 2022, p. 724).

Finally, creative work best occurs through the combinatory system of a HIT since combinatory systems are collectivities whose members act on global information most

efficiently, effectively, and economically that updates their micro-behaviors and the micro-macro feedback between the HIT and the outside world in order to create value-added utility for humanity.

Because of the expansive discussion required to address a HITs Philosophy, we will only establish the philosophical context of HITs in this paper. A subsequent paper on HITs Principles will further expound upon the philosophical underpinnings.

Based on the aforementioned cursory review of self-actualization ethics and CST, the philosophical context of HITs can be considered tripartite as illustrated in Figure 9. At the base of our philosophy is the ideal of *human dignity*, i.e. the individual's irredeemable and recognizable worth. This human value is actualized through the activity of *creative work*, as we just defined. Furthermore, creative work within a fast-paced, interconnected, and chaotic world is at its best when it is *holarchical combinatory value-creation* with other self-actualizing individuals who recognize and value their own internal worth as well as recognize and value the internal worth of others. When the conditions of human dignity, creative work, and holarchical combinatory value-creation exist and people come together to create a valuable product, we call this social unit a HIT.

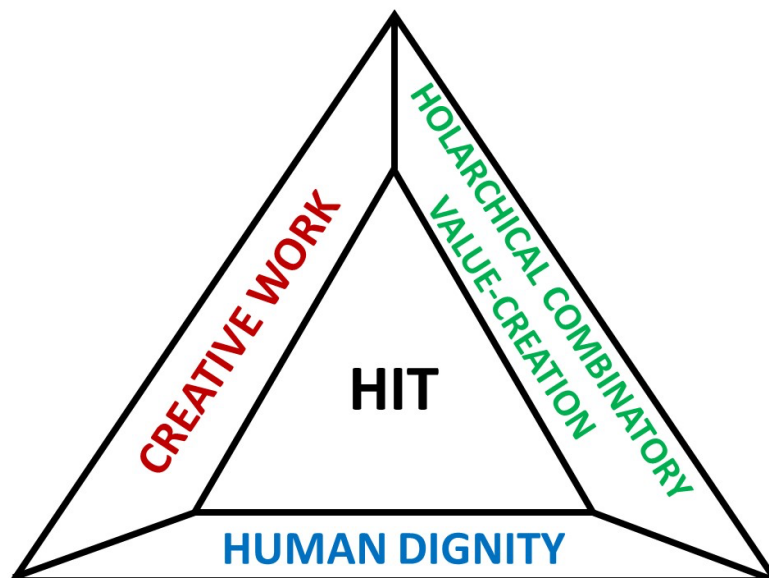


Fig. 9 – HITs Philosophical Context

3.2 – *Human Dignity*

Many definitions of human dignity exist. Emmaline Soken-Huberty in “What is Human Dignity? Common Definitions” on the Human Rights Careers website explains how the word “dignity” has evolved over time:

Originally, the Latin, English, and French words for “dignity” did not have anything to do with a person’s inherent value. It aligned much closer with someone’s “merit.” If someone was “dignified,” it meant they had a high status. They belonged to royalty or the church, or, at the very least, they had money. For this reason, “human dignity” does not appear in the US Declaration of Independence or the Constitution. The phrase as we understand it today wasn’t recognized until 1948. The United Nations ratified the Universal Declaration of Human Rights (Soken-Huberty, 2022).

In addition, she identifies some common definitions of human dignity (Soken-Huberty, 2022):

- *Soken-Huberty's Basic Definition of Human Dignity (2022)*: "The belief that all people hold a special value that's tied solely to their humanity"
- *International Covenant on Civil and Political Rights Preamble (1966)*: "these rights derive from the inherent dignity of the human person"
- *Article 1 of the Universal Declaration of Human Rights (1948)*: "All human beings are born free and equal in dignity and rights"
- *Religion (Christianity, Islam, and Judaism)*: "humans were created in the image of God, becoming children of God"
- *Religion (Hinduism and Buddhism)*: "dignity is inherent because humans are manifestations of the Divine or on a universal journey to happiness"

For our purposes, human dignity is grounded in the ideal of distributive justice that we cited earlier:

...the allocation of goods and utilities via the voluntary ubiquitous human interaction of self-actualizing individuals who not only recognize the human dignity of the self and other and the rights which flow from and guarantee it, but also actively will goods and utilities toward the self and other so as to manifest human dignity (Reber, 2010, p. 5).

Human dignity is more than just a "belief" as Soken-Huberty states, or "*born free and equal in dignity and rights*" as Article 1 of the Universal Declaration of Human Rights proclaims, or "*derived from the inherent dignity of the human person*" as the International Covenant on Civil and Political Rights expresses in its Preamble. Human dignity in the context of HITs is

THE ACKNOWLEDGEMENT OF, RECOGNITION WITH, AND EMPATHY FOR AN INDIVIDUAL'S IRREDEEMABLE WORTH THAT IS TO BE PROGRESSIVELY ACTUALIZED BY ONESELF AND WITH OTHERS IN ORDER TO FOSTER THE COMPLEMENTARITY AND CONGENIALITY OF PERSONAL EXCELLENCES.

First, human dignity requires *acknowledgement of* both a person's own individual irredeemable value and the irredeemable value of others. As Norton stated in his self-actualization ethics, each person's purpose is to acknowledge her or his *daimon* and live in truth to it. But more importantly, each person must acknowledge the *daimon* of others in order to manifest justice in the world.

Second, *recognition with* a person's own individual irredeemable value and the irredeemable value of others goes beyond acknowledgement. Acknowledgement is a person saying, "Yes, I know I have value and others have value, too." However, recognition is a person saying, "I not only know I have value, but I can *see, sense, or feel* my value and the value of others, too." Recognition is *conscious acknowledgement* of irredeemable human value plus *conscious sensory perception* of irredeemable human value.

Third, *empathy for* the irredeemable value of others is one more step beyond recognition. According to the Merriam-Webster online dictionary, empathy is

the action of understanding, being aware of, being sensitive to, and vicariously experiencing the feelings, thoughts, and experience of another of either the past or present without having

the feelings, thoughts, and experience fully communicated in an objectively explicit manner (Merriam-Webster, 2022).

Sympathy, on the other hand, falls within the realm of *recognition*. Merriam-Webster distinguishes between sympathy and empathy stating that

Sympathy is a feeling of sincere concern for someone who is experiencing something difficult or painful. *Empathy* involves actively sharing in the person's emotional experience (Merriam-Webster, 2022).

The Psychiatric Medical Care's website is even more explicit in that it states

Empathy is shown in how much compassion and understanding we can give to another. Sympathy is more of a feeling of pity for another. Empathy is our ability to understand how someone feels while sympathy is our relief in not having the same problems (Psychiatric Medical Care, 2022).

Therefore, when we say "*empathy for the irredeemable value of others*," what we are really saying is that we can *actively share* in another person's self-actualization. *Active sharing* goes to the heart of distributive justice as Norton stated previously:

An individual who possesses self-knowledge and lives by its direction recognizes goods to which [s/he] is not entitled as distractions from [her or his] proper course of life.... And to will to others their true utilities is at the same time the concrete expression of respect for them as ends in themselves and recognition that we stand to gain from the worthy living of others (Norton, 1991, pp. 121 – 122).

In closing, this ability to acknowledge (A), recognize (R), and empathize (E) irredeemable value is what separates our species from others and contributes to Human Dignity (HD). *Empathy for* is *conscious acknowledgement* of irredeemable human value plus *conscious sensory perception* of irredeemable human value plus *active sharing in* another individual's actualization of that irredeemable human value, and this is what fosters the complementarity and congeniality of personal excellences. Human Dignity can be expressed in the following equation:

$$HD = A + R + E$$

3.3 – Creative Work

Creative Work is a synergies cycle of Live, Create, Enjoy, and Love as illustrated in Figure 10. Creative work, as defined, occurs when the four basic elements of LIVE, CREATE, ENJOY, and LOVE commensurably exist.

"LIVE" is the living of a *self-actualizing* life. As Reber states in *The Celandine Way*:

Work...is human activity that makes a person whole. When an individual is doing the work that is one's to do in life, then the past, present, and future are all one. Wherever in time we might find a person in adolescent and adult life doing work, we should find that person living out life as one sees it should be lived out in accordance with the Principles of Creative Work. A person's past actions build upon the work of present actions and present actions build upon the work of future actions. This is what is meant by "the unity of a life" – Though an individual will never reach ultimate potential through the work that is one's to do, it is

the journey to achieve that potential which defines an individual. The generally accepted notion is...*the journey is the purpose and meaning of one's life* (Reber, 2019, pp. 11 – 12).

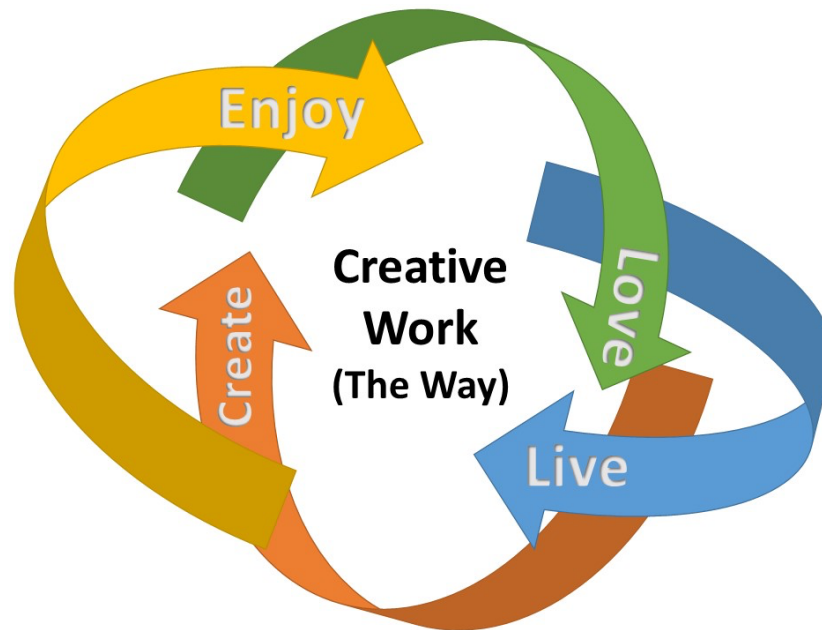


Fig. 10 – The Synergies Cycle of Creative Work

“CREATE” is the creation from one’s *imagination* something of value for society to enjoy. In “Holarchical Innovation Teams: Terms & Definitions” Reber and Gazzola identify *synthetic imagination* which is “reflecting on and understanding of the past and present to arrange old concepts, ideas, or plans into new combinations” and *creative imagination* which is “receiving hunches and inspirations as a basis for new ideas” (Reber & Gazzola, 2022, p. 724). These two kinds of imagination are integral to the definition of creative work.

“ENJOY” refers to value-creation because value-added items have both utilitarian and self-actualizing purposes. Therefore, the tea set that Jane designs, Jack manufactures, and Sarah markets is a value-added product with both utilitarian and self-actualizing purposes. In terms of utility, tea sets are used for the basic function of drinking tea. However, Wedgwood tea sets are something more than just for drinking. They are to be “enjoyed” by those who use them, those who collect them, and those who make them. To enjoy a value-added product means that it is something that makes a person whole, or makes a person “civilized” as in the Old French *civil* that means “to bring out of barbarism, introduce order and civil organization among, refine and enlighten” (Online Etymology Dictionary, 2022), or as Norton puts it, “enjoy” is an individual responding positively “to excellences different from [one’s] own.... [And] that in each individual are countless potentials that [oneself] cannot fulfill in virtue of [one’s] own singular destiny” (Norton, 1976, p. 25).

Finally, “LOVE” is the *collective consciousness of humanity* as expressed by Reber in “The Role of Work”:

The collective and conscious intent, will, capacity, and ability of humankind to have a sense of wholeness and belonging to the universe, a consciousness that continuously renews and transforms humanity to a higher holarchical level of existence (Reber, 2012, p. 2).

Collective Consciousness of Humanity is grounded in the ideal of distributive justice as previously discussed. For an individual *wills* to her- or himself goods s/he needs for her or his own self-actualization as well as *wills* to others those goods which they can use for their own self-actualization. In this sense, the idiom “labour of love” is derived from this meaning, and is defined in the Cambridge Dictionary as “a piece of hard work that you do because you enjoy it” (Cambridge Dictionary, 2022).

In closing, when the elements of LIVE, CREATE, ENJOY, and LOVE are synergistically applied to transform “according to the laws of nature, given elements through arrangement and combination to produce utility” (Reber and Gazzola, 2022, p. 724), we have what Musashi Miyamoto refers to as “The Way” of an occupation:

There are various Ways. There is the Way of salvation by the law of Buddha, the Way of Confucius governing the Way of learning, the Way of healing as a doctor, as a poet teaching the Way of Waka, tea, archery, and many arts and skills. Each man practices as he feels inclined (Miyamoto, 1644/n.d., p. 4).

3.4 – Holarchical Combinatory Value-Creation

Holarchical Combinatory Value-Creation is when

SELF-ACTUALIZING INDIVIDUALS FORM INTO A HOLARCHY IN A COMBINATORY MANNER TO CREATIVELY WORK TOGETHER SO AS TO MAKE A VALUE-ADDED PRODUCT FOR SOCIETY.

First, as we stated in the Introduction, Mella’s presentation of the holonic vision and Norton’s self-actualization ethics are compatible. Holism, as Mella states, is the foundation of the holonic vision:

“Holism” – from the Greek *holos*, which means *all*, in the sense of unity, whole, complete in all its parts, with reference to persons, things, events or phenomena – is a term introduced by Jan Smuts who – following Aristotle (Metaphysics) «The whole is more than the sum of its parts» – defined holism as «the tendency in nature to form wholes that are greater than the sum of the parts through creative evolution» (Mella, 2009, p. 1).

Second, like Norton does in addressing the *Cartesian-Newtonian-Scientific Management Paradigm*, Mella asserts

Holism...contrasts with reductionism or molecularism, which are typical of mechanism, in that it focuses attention:

- a. on the globality, on all (the whole), rather than on the particular or the part, considering the whole as characterized by emerging properties that are not found in its constituents, or in sub-wholes of the latter;
- b. on the relations between parts and whole, and on the function of the parts in the whole;
- c. on the context (or environment), which must be considered an essential element for understanding and analyzing any particular phenomena (Mella, 2009, pp. 1 – 2).

Third, the holonic vision *is* associated with systems thinking since holism means having a holistic viewpoint or vision. Virginia Anderson and Lauren Johnson characterize systems thinking into the following principles (Anderson & Johnson, 1997, p. 18):

- Thinking of the “big picture”;

- Balancing short-term and long-term perspectives;
- Recognizing the dynamic, complex, and interdependent nature of systems;
- Taking into account both measurable and non-measurable factors;
- Remembering that we are all part of the systems in which we function, and that we each influence those systems even as we are being influenced by them.

Furthermore, not only are the people involved in making the value-added product self-actualizing persons, they are also systems thinkers. Linda Booth Sweeney and Dennis Meadows describe a systems thinker as one who (Sweeney & Meadows, 2008, p. 2):

- Sees the whole picture;
- Changes perspectives to see new leverage points in complex systems;
- Looks for interdependencies;
- Considers how mental models create our futures;
- Pays attention to and gives voice to the long-term;
- “Goes wide” (uses peripheral vision) to see complex cause and effect relationships;
- Finds where unanticipated consequences emerge;
- Focuses on structure, not on blame;
- Holds the tension of paradox and controversy without trying to resolve it quickly;
- Makes systems visible through causal maps and computer models;
- Seeks out stocks or accumulations and the time delays and inertia they can create;
- Watches for “win/lose” mindsets, knowing they usually make matters worse in situations of high interdependence; and
- Sees oneself as part of, not outside of, the system.

A fourth important aspect of Holarchical Combinatory Value-Creation is that it is best suited for a fast-paced, interconnected, and chaotic world. Mella recognizes that in today’s global community

we are witnessing the continual and accelerated economic progress of mankind. There is an increase in the quantity and quality of needs that are satisfied and those still to be satisfied, and in the aspirations achieved and yet to be achieved. The increase in productivity and quality is unstoppable, and appears to guide the other variables in the system (Mella, 2009, p. VII).

In addition, as was discussed in the Literature Review in regards to combinatorial systems, Holarchical Combinatory Value-Creation is

self-generated and self-organized in the context of *reticular holarchies* and *orgonic networks* formed by production enterprises or production organizations that comprise the integrated process of global production (Mella, 2009, p. VII).

The reason for this is that

...an economy based on knowledge, where the limits of time and space are tenuous, production must increasingly refer not to a single firm but to a system of firms (a super-

organizational network) or to operational units (inter-organizational network) conceived of as an operative, information or cognitive network (Mella, 2009, p. VIII).

Therefore, as was demonstrated in Figure 7, value-creation activity must respond to *global information, external macro controls, and external micro controls* in order to produce the value in a most efficient, effective, and economical manner. For this to happen, the value-creation activity is *arranged holarchically and operates combinatorially*. These arrangements are established through the practice of organizational systems design architecture (Banathy, 1992, 1996) and embodied in the holon as defined by Reber and Gazzola

An independent, self-regulating open system that displays both the autonomous properties of wholes and the dependent properties of parts without any connection to other systems; and also contains the elements of Mission and Purpose, Specifications, Functions, and Structures (Enabling Systems) (Reber & Gazzola, 2022, p. 726).

Though just about any social grouping that is organized according to the above can be called a holon, such as a manufacturing holon or a production and supply chain system holon (Mella, 2009, pp. v – vi), we are only concerned with the “innovation team” holon. Let us recall some key points Reber and Gazzola mentioned in their previous paper.

Unlike other holonic systems, a HIT is *self-assembling* in that the individuals who comprise a HIT are responding to *global information* (Reber & Gazzola, 2022, p. 730). Each person is an independent agent who acts spontaneously to *global information* s/he receives (ibidem). At a certain point, each person aligns with others in an obligate mutualistic symbiotic relationship (ibidem). This alignment is a *holonic connection* and occurs

When two or more holons interact with one another to create a holonic connection that allows the two holonic systems to exchange information and align with each other so as to create synergies and a new holonic structure greater than the two holons individually; thereby creating a new purpose, specifications, functions, and structures in the holarchical form (Reber & Gazzola, 2022, p. 727).

Again, let us consider our Jane, Jack and Sarah example. Table 1 provides the “holonic” characteristics for each person based upon their function at Wedgwood Company.

Table 1. Holonic Characteristics of Jane, Jack, and Sarah

Jane	
Mission	To design excellent tea sets for Wedgwood customers
Purpose	To design excellent tea sets using creative and cutting-edge Wedgwood techniques
Specifications	Design Division designs tea sets for Wedgwood customers based on market data and manufacturing capabilities
Functions	Design Division designs tea sets for various purposes and clients
Structure	Design Division organizes members according to skill, interest, and personality
Jack	
Mission	To manufacture excellent tea sets for Wedgwood customers
Purpose	To manufacture excellent tea sets using creative and cutting-edge Wedgwood manufacturing techniques
Specifications	Manufacturing Division manufactures tea sets for Wedgwood customers based on approved designs

Functions	Manufacturing Division manufactures tea sets for various purposes and clients
Structure	Manufacturing Division organizes members according to skill, interest, and personality
Sarah	
Mission	To provide excellent tea set market intelligence to Wedgwood
Purpose	To develop and implement excellent market intelligence praxis for Wedgwood
Specifications	Marketing Division collects market intelligence for Wedgwood Design & Manufacturing Teams
Functions	Marketing Division collects tea set market intelligence for various purposes and clients
Structure	Marketing Division organizes members according to skill, interest, and personality

In a traditional hierarchical company, Jane, Jack, and Sarah would not have the opportunity to interact in a HIT. This kind of management system has earned the infamous name of “stovepipe management” (Sundberg & Sandberg, 2006). However, in a holarchical organization, members have the flexibility to create a HIT in which missions align. As we stated previously, Jane has an idea for a new tea set design and requires the acumen of Jack and Sarah. Fortunately, Wedgwood is a “self-actualizing” company. Therefore, Jane, Jack, and Sarah are able to form a HIT to create Jane’s new tea set. Figure 11 illustrates the mission alignment of Jane, Jack, and Sarah.

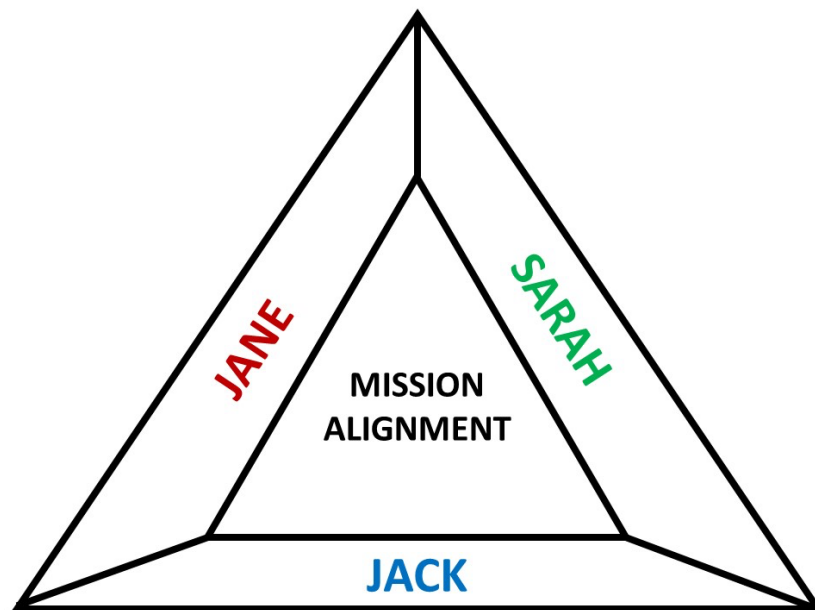


Fig. 11 – “Jane, Jack, and Sarah” Mission Alignment

As stated in Table 1, Jane’s mission is to *design excellent tea sets for Wedgwood customers*, Jack’s mission is to *manufacture excellent tea sets for Wedgwood customers*, and Sarah’s mission is to *provide excellent tea set market intelligence to Wedgwood*. By aligning their missions, they develop a new mission:

“CREATE A PERPETUAL LIFESPAN USAGE TEA SET THAT APPEALS TO TEA SET CONNOISSEURS”.

The above mission assumes that the word “create” contains the components of market intelligence, design, and manufacturing, all the acumen synergies of Jane, Jack, and Sarah combined. In the field of mergers and acquisitions (M&A), synergies is a common term in measuring value creation activities. Investopedia defines synergy as

the combined value and performance of two companies will be greater than the sum of the separate individual parts (Barone, 2022).

In addition, the equation for M&A synergies is expressed as (Jelies, 2022):

$$\text{Synergy} = \text{NPV (Net Present Value of Newly Created Company)} + \text{P (Premium)}$$

In terms of work teams, *workplace synergies* exist when Jane, Jack, and Sarah’s combined efforts are “more than the sum” of their individual value-creation. It occurs

...when employees work together to create a more productive working experience. This can include areas such as feedback, clearly defined goals, performance-based compensation, and overall teamwork to tackle problems that would be more impactful than if done alone (Barone, 2022).

For the HIT established by Jane, Jack, and Sarah, we can express their synergies as an equation, too.

S_{JN} = Synergies of Jane = Jane’s Skill or Acumen, Interest, and Personality Traits

S_{JK} = Synergies of Jack = Jack’s Skill or Acumen, Interest, and Personality Traits

S_{SA} = Synergies of Sarah = Sarah’s Skill or Acumen, Interest, and Personality Traits

V = Value Created

TS = Total Synergies

$$TS = S_{JN} + S_{JK} + S_{SA} + V$$

This is more difficult to quantify than an M&A because we are dealing with the human attributes of skill, interest, and personality. In other words,

...we are speaking of potentials as such, which are inaccessible to observation. No aptitude test can *show* anything but performance—the rest is inference. The inaccessibility of potentials to observation means that all that we can indubitably know is that some individuals in the course of their lifetimes achieve surpassing excellence at what they do, while many do not rise above mediocrity (Norton, 1976, p. 23).

Given this, perhaps the best way to measure a HIT is to use standard financial analysis metrics, such as profitability ratios, efficiency, and management effectiveness.

In closing, holarchical combinatory value-creation exists when self-actualizing individuals form themselves into a holarchical social unit within a combinatory manner as a means to establish synergies that in turn create a value-added product for society.

4 – Conclusion

Building upon “Holarchical Innovation Teams: Terms & Definitions” in volume 13, issue 4 of *Economia Aziendale Online*, the authors have put forth a HITs Philosophy where the context is a

tripartite model of human dignity, creative work, and holarchical combinatory value-creation. Therefore, we can confidently say, a HIT exists when these conditions are present.

Though the HITs Philosophy builds upon the self-actualization ethics or *eudaimonism* of Norton, the *holonic view* as expressed by Mella in *The Holonic Revolution*, as well as Mella's CST, the authors acknowledge that a greater dialogue is necessary within the community. Furthermore, in order to announce better the tripartite model presented here, a subsequent paper on HITs Principles is required.

One strength of the philosophy is that it addresses the growing requirement for a social unit to respond to the value-creation demands of our fast-paced, interconnected, and chaotic world. Because it is difficult to make five or even ten year plans in today's business environment, people need to organize themselves according to the principles of combinatory systems.

Furthermore, this "organization" is not a hierarchical organization, but a holarchical organization since it is

Self-assembling holons that form in an obligate mutualistic symbiotic relationship to achieve a common stated mission and purpose, creating specifications, functions, and structures with holonic connections that obliterate the dichotomies of far/close, small scale/large scale, and inside/outside to achieve the mission and purpose of the new holonic structure (Reber & Gazzola, 2022, p. 727).

Finally, the HITs Philosophy is in direct opposition to the Cartesian-Newtonian-Scientific Management Paradigm. Instead of viewing the individual as an "interchangeable part" in the organizational machine, s/he is a valuable self-actualizing individual who complements her or his value with other self-actualizing individuals in a congenial manner; thereby creating the necessary workplace synergies to actualize that value.

In closing, it can be argued that a HITs Philosophy is one in which a better world is fostered in the context of human dignity, creative work, and holarchical combinatory value-creation.

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