

CHAPTER 4

Values, Assumptions, and Beliefs in OD

A set of values, assumptions, and beliefs constitutes an integral part of organization development, shaping the goals and methods of the field and distinguishing OD from other improvement strategies. Most of these beliefs were formulated early in the development of the field, and they continue to evolve as the field itself evolves. These values and assumptions developed from research and theory by behavioral scientists and from the experiences and observations of practicing managers. Let's begin with some definitions. A *belief* is a proposition about how the world works that the individual accepts as true; it is a cognitive fact for the person. *Values* are also beliefs and are defined as: "Beliefs about what is a desirable or a 'good' (e.g., free speech) and what is an undesirable or a 'bad' (e.g., dishonesty)."¹ *Assumptions* are beliefs that are regarded as so valuable and obviously correct that they are taken for granted and rarely examined or questioned. Thus, values, assumptions, and beliefs are all cognitive facts or propositions, with values being beliefs about good and bad, and assumptions being strongly held, relatively unexamined beliefs accepted as the truth. Values, assumptions, and beliefs provide structure and stability for people as they attempt to understand the world around them.

OD values tend to be humanistic, optimistic, and democratic. Humanistic values proclaim the importance of the individual: respect the whole person, treat people with respect and dignity, assume that everyone has intrinsic worth, view all people as having the potential for growth and development. Optimistic values posit that people are basically good, that progress is possible and desirable in human affairs, and that rationality, reason, and goodwill are the tools for making progress. Democratic values assert the sanctity of the individual, the right of people to be free from arbitrary misuse of power, the importance of fair and equitable treatment for all, and the need for justice through the rule of law and due process.

Evidence for the validity of these values and their supporting assumptions comes from many sources—the Hawthorne studies, the human relations movement, the laboratory training movement, the clash between fascism and democracy in World War II, increasing awareness of the dysfunctions of bureaucracies, research on the effects of different leadership styles, greater understanding of individual motivation and group dynamics, and the like.

Values and assumptions do not spring full grown from individuals or societies; they are formed from the collective beliefs of an era—the *zeitgeist*, or spirit of the time. Major ingredients of the *zeitgeist* that influenced OD values and assumptions are presented here in a brief chronology. As these ingredients accumulated, they were

fashioned into a coherent value foundation for the theory and practice of organization development.

CHRONOLOGY OF EVENTS IN MANAGEMENT AND ORGANIZATION THOUGHT

- 1911 Frederick Winslow Taylor's *The Principles of Scientific Management* launched the scientific management movement with its emphasis on time and motion studies and breaking jobs into small, repetitive tasks in an attempt to find "the one best way" to do each job. Expert engineers and supervisors designed each task and ensured it was done correctly. Piece-rate pay systems were designed to increase motivation and to prevent "soldiering," or slacking off. Simple, repetitive tasks minimized the skills required to do the job. Taylor's methods quickly swept the country and the world as the way to organize work.²
- 1922 The great German sociologist Max Weber introduced the concept of "bureaucracy" as the best, most efficient way to organize people. A strong hierarchy of authority, extensive division of labor, impersonal rules, and rigid procedures would create a well-oiled human machine called the organization.³
- Scientific management as the way to organize work and bureaucracy as the way to organize people were the prevailing paradigms for organizations in the early 1900s. These approaches possessed many desirable features, but also contained serious flaws that led to unintended consequences. In a sense, much of the research, theory, and practice since the late 1920s has focused on the shortcomings of these two paradigms and how to overcome the limitations.
- 1926 Mary Parker Follett, a management theorist and astute observer of labor-management relations, wrote an article on "The Giving of Orders" advocating participative leadership and joint problem solving by labor and management. Much of her career was devoted to finding ways to reduce adversarial relationships between workers and management. Her papers were collected and published as a book in 1941.⁴
- 1927 to 1932 The famous Hawthorne studies were conducted at the Hawthorne plant of Western Electric Company. Reports on these studies by Mayo in 1933 and 1945, by Roethlisberger and Dickson in 1939, and by Homans in 1950 profoundly and irreversibly affected people's beliefs about organizational behavior. The research demonstrated the *primacy* of social factors on productivity and morale. People came to work as whole people; their feelings and attitudes about the work, the work environment, and the supervisor determined their performance. Their simple, repetitive jobs left them feeling alienated and dispirited. Group norms had more powerful effects on productivity than economic incentives. People were not cogs; organizations were not machines.⁵
- 1938 *The Functions of the Executive* by Chester I. Barnard presented insights from his experiences as president of the New Jersey Bell Telephone Company. Barnard viewed organizations as social systems that must be effective (achieve goals) and efficient (satisfy the needs of employees). His acceptance theory of authority proposed that authority derives from the willingness of subordinates to comply with directions rather than from position power.⁶
- 1939 Research by Lewin, Lippitt, and White demonstrated that democratic leadership was superior to authoritarian leadership and laissez-faire leadership in affecting group climate and group performance. Democratic leadership seemed to bring out the best in the groups; authoritarian leadership caused dependency, apathy, aggressiveness, and poor performance.⁷

- 1940s Group dynamics—the scientific study of groups using experimental research methods—was launched by Kurt Lewin and his students.⁸ Some early experiments were conducted in the late 1930s.
- 1940s to 1960s The Hawthorne studies spawned the human relations movement that was in full flower from the 1930s to the 1960s. The human relations movement advocated participative management, greater attention to workers' social needs, training in interpersonal skills for supervisors, and a general "humanizing" of the workplace.
- 1946 and 1947 These years witnessed the beginnings of the laboratory training movement, a direct precursor of OD. Laboratory training taught people how to improve interpersonal relations, increase self-understanding, and understand group dynamics. Humanistic and democratic values suffused the movement.⁹
- 1948 Ken Benne and Paul Sheats, pioneers in laboratory training, proposed that the leadership functions of a group should be shared between the leader and group members and showed how that could be done.¹⁰
- 1948 Lester Coch and John R. P. French's article, "Overcoming Resistance to Change," reported that resistance to change could be minimized by communicating the need for change and allowing the people affected by the change to participate in planning it.¹¹
- 1950 Ludwig von Bertalanffy introduced general systems theory concepts and showed their application to physics and biology. His article on general systems theory followed in 1956.¹²
- 1951 Carl Rogers's *Client-Centered Therapy* demonstrated the efficacy of nondirective psychotherapy, which holds that individuals have within themselves the capacity to assume responsibility for their behavior and mental health when provided with a supportive, caring social climate. Rogers's focus on effective interpersonal communications was applicable to superior-subordinate relations.¹³
- 1951 Eric Trist and Ken Bamforth of the Tavistock Clinic published the results of their work in British coal mines. This article introduced the concept of organizations as sociotechnical systems, which postulates that organizations are comprised of a social system and a technological system and that changes in one system will produce changes in the other system.¹⁴
- 1954 *Motivation and Personality* by Abraham Maslow presented a new view of human motivation. Maslow suggested that human motivation is arranged in a hierarchy of needs from lower-level needs such as physiological and survival needs to higher-level needs such as esteem and self-actualization. The theory postulated that when lower-level needs are satisfied, higher-level needs become dominant.¹⁵
- 1957 Chris Argyris's *Personality and Organization* was the first of several books in which he stated that there is an inherent conflict between the needs of organizations and the needs of mature, healthy adults.¹⁶
- 1960 Douglas McGregor wrote *The Human Side of Enterprise* in which he described his famous Theory X and Theory Y assumptions. Those who subscribe to Theory X assume that people are lazy, lack ambition, dislike responsibility, are self-centered, are indifferent to the organization's needs, resist change, and need to be led. Those who subscribe to Theory Y assume that people have the potential to develop, to assume responsibility, and to pursue organizational goals if given the chance and the social environment to do so. The task of management is to change organizational structures, management practices, and human resource practices to allow individual potential to be released. In addition to presenting Theory X and Y, this book popularized Maslow's motivation theory, and introduced practicing managers to the concepts of need hierarchy and self-actualization.¹⁷
- 1961 Burns and Stalker described two very different forms of organization structure—mechanistic and organic. In an environment of slow change, a mechanistic organization

structure may be appropriate; in an environment of high change, an organic organization form is preferred. Organic structures encourage decentralized decision making and authority, open communications, and greater individual autonomy.¹⁸

- 1961 Rensis Likert's *New Patterns of Management* presented data and theory showing the overwhelming superiority of a democratic leadership style in which the leader is group oriented, goal oriented, and shares decision making with the work group. This leadership style was contrasted with an authoritarian, one-on-one leadership style.¹⁹
- 1966 *The Social Psychology of Organizations* by Daniel Katz and Robert L. Kahn presented the first comprehensive exposition of organizations as open systems.²⁰
- 1969 The Addison-Wesley Publishing Company "OD Six-Pack," a set of six little books on OD by prominent practitioners, summarized the state of organization development a decade or so after its inception. These six books presented the theory, practice, and values of the field.²¹

This chronology captures most of the significant influences from research, theory, and observations utilized by OD practitioners. To summarize the intellectual climate of this period, the initial enthusiasm for scientific management, bureaucracy, and authoritarian leadership gave way to increasing doubts about these organizational practices as theory and research pointed up their limitations, dysfunctions, and negative consequences. Out of this *zeitgeist*, organization development practitioners formulated a set of values and assumptions regarding people, groups, and organizations that is, as we have said, humanistic, optimistic, and democratic.

EARLY STATEMENTS OF OD VALUES AND ASSUMPTIONS

Values have always been an integral part of OD. We will examine three early statements regarding OD values that had a significant impact on the field. The Bennis and Beckhard quotations come from their books in the Addison-Wesley Six-Pack. Tannenbaum and Davis presented their ideas in an article appearing in *Industrial Management Review*.

Writing in 1969, Warren Bennis proposed that OD practitioners (change agents) share a set of *normative goals* based on their humanistic/democratic philosophy. He listed these normative goals as follows:

1. Improvement in interpersonal competence.
2. A shift in values so that human factors and feelings come to be considered legitimate.
3. Development of increased understanding between and within working groups in order to reduce tensions.
4. Development of more effective "team management," that is, the capacity for functional groups to work more competently.
5. Development of better methods of conflict resolution. Rather than the usual bureaucratic methods which rely mainly on suppression, compromise, and unprincipled power, more rational and open methods of conflict resolution are sought.
6. Development of organic rather than mechanical systems. This is a strong reaction against the idea of organizations as mechanisms which managers "work on," like pushing buttons.²²

Bennis clarified some of the salient differences between mechanical systems and organic systems. (The earlier work by Tom Burns and G. M. Stalker used the term

"mechanistic" in contrast to "mechanical."²³) For example, mechanical systems rely on "authority-obedience relationships" while organic systems rely on "mutual confidence and trust." Mechanical systems insist on "strict division of labor and hierarchical supervision" while organic systems foster "multigroup membership and responsibility." Mechanical systems encourage "centralized decision making" while organic systems encourage "wide sharing of responsibility and control."²⁴

He then went on to state what he believed to be the central value underlying organization development theory and practice:

The basic value underlying all organization development theory and practice is that of *choice*. Through focused attention and through the collection and feedback of relevant data to relevant people, more choices become available and hence better decisions are made.²⁵

Another major player in the field was Richard Beckhard. In his 1969 book he described "several assumptions about the nature and functioning of organizations" held by OD practitioners. Here is his list.

1. The basic building blocks of an organization are groups (teams). Therefore, the basic units of change are groups, not individuals.
2. An always relevant change goal is the reduction of inappropriate competition between parts of the organization and the development of a more collaborative condition.
3. Decision making in a healthy organization is located where the information sources are, rather than in a particular role or level of hierarchy.
4. Organizations, subunits of organizations, and individuals continuously manage their affairs against goals. Controls are interim measurements, not the basis of managerial strategy.
5. One goal of a healthy organization is to develop generally open communication, mutual trust, and confidence between and across levels.
6. "People support what they help create." People affected by a change must be allowed active participation and a sense of ownership in the planning and conduct of the change.²⁶

Robert Tannenbaum, professor at UCLA, and Sheldon Davis, director of organization development at TRW Systems, presented their view of OD values in a 1969 article. They asserted that an important shift in values was occurring and that this shift signaled a more appropriate and accurate view of people in organizations. They listed these "values in transition" as follows:

- Away from a view of people as essentially bad toward a view of people as basically good.
- Away from avoidance of negative evaluation of individuals toward confirming them as human beings.
- Away from a view of individuals as fixed, toward seeing them as being in process.
- Away from resisting and fearing individual differences toward accepting and utilizing them.
- Away from utilizing an individual primarily with reference to his or her job description toward viewing an individual as a whole person.

- Away from walling off the expression of feelings toward making possible both appropriate expression and effective use.
- Away from maskmanship and game playing toward authentic behavior.
- Away from use of status for maintaining power and personal prestige toward use of status for organizationally relevant purposes.
- Away from distrusting people toward trusting them.
- Away from avoiding facing others with relevant data toward making appropriate confrontation.
- Away from avoidance of risk taking toward willingness to risk.
- Away from a view of process work as being unproductive effort toward seeing it as essential to effective task accomplishment.
- Away from a primary emphasis on competition toward a much greater emphasis on collaboration.²⁷

These values and assumptions may not seem profound today, but in the 1950s and 1960s they represented a radical departure from accepted beliefs and assumptions. Beliefs such as trust and respect for the individual, the legitimacy of feelings, open communication, decentralized decision making, participation and contribution by all organization members, collaboration and cooperation, appropriate uses of power, authentic interpersonal relations, and so forth were seldom espoused and rarely implemented in the vast majority of organizations at that time.

We think most organization development practitioners held these humanistic and democratic values with their implications for different and "better" ways to run organizations and deal with people. The democratic values prompted a critique of authoritarian, autocratic, and arbitrary management practices as well as the dysfunctions of bureaucracies. The humanistic values prompted a search for better ways to run organizations and develop the people in them.

IMPLICATIONS OF OD VALUES AND ASSUMPTIONS

Let's examine specific assumptions and their implications for organization leaders and members. We answer the question: What are some of the implications of OD assumptions and values for dealing with individuals, groups, and organizations?

Implications for Dealing with Individuals

Two basic assumptions about individuals in organizations pervade organization development. The first assumption is that most individuals have drives toward personal growth and development if provided an environment that is both supportive and challenging. Most people want to develop their potential. The second assumption is that most people desire to make, and are capable of making, a greater contribution to attaining organization goals than most organizational environments permit. A tremendous amount of constructive energy can be tapped if organizations realize and act on these assumptions. The people doing the work are generally experts on how to do it—and how to do it better. The implications of these two assumptions are straightforward: Ask, listen, support, challenge, encourage risk taking, permit failure, remove obstacles and barriers, give autonomy, give responsibility, set high standards, and reward success.

Implications for Dealing with Groups

Several assumptions relate to the importance of work teams and the collaborative management of team culture. First, one of the most psychologically relevant reference groups for most people is the work group, including peers and boss. What occurs in the work group, at both the formal and informal levels, greatly influences feelings of satisfaction and competence. Second, most people wish to be accepted and to interact cooperatively with at least one small reference group, and usually with more than one group, such as a work group, the family, a church or club group, and so on. Third, most people are capable of making greater contributions to a group's effectiveness and development. Implications of these assumptions are several. *Let teams flourish* because they are often the best way to get work done and, in addition, are the best way to satisfy social and emotional needs at work. Also, *leaders should invest* in groups: Invest the time required for group development, invest training time and money to increase group members' skills, invest energy and intelligence in creating a positive climate. It is especially important that leaders *adopt a team leadership style*, not a one-on-one leadership style. To do this, leaders need to give important work to teams, not individuals.

Another assumption is that the formal leader cannot perform all the leadership and maintenance functions required for a group to optimize its effectiveness. Hence, group members should assist the leader with the multiple roles required for group effectiveness. One implication is that group members should receive training in group effectiveness skills such as group problem solving and decision making, conflict management, facilitation, and interpersonal communication. And because suppressed feelings and attitudes adversely affect problem solving, personal growth, and job satisfaction, group members should be encouraged to learn to deal effectively with positive and negative feelings. This skill is a trainable one. Dealing appropriately with feelings and attitudes increases the level of interpersonal trust, support, and cooperation within the group.

Finally, the assumption is that many attitudinal and motivational problems in organizations require interactive and transactional solutions. Such problems have the greatest chance of constructive solution if all parties in the system alter their mutual relationships. The question becomes not how A can get B to perform better, but *how A and B can work together to modify their interactions toward the goal of B becoming more effective and A and B becoming more mutually effective*. Frequently the challenge is broader, including *how persons C, D, and E can support these changes*. By implication, this group perspective requires a shift from viewing problems as "within the problem person" to viewing problems and solutions as transactional and as embedded in a system.

Implications for Designing and Running Organizations

Clearly, traditional hierarchical forms of organization—fairly steep pyramid, emphasis on top-down directives, grouping by specialized function, adherence to the chain of command, formalized cross-functional communication, and so on—are obsolete. They cannot meet the demands of the marketplace. Therefore, experimenting with new organization structures and new forms of authority is imperative. In addition, a growing awareness that "win-lose" organizational situations, in which one side wins and the other side loses, are dysfunctional over the long run and highlight the need for a "win-

win" attitude. Creating cooperative rather than competitive organizational dynamics is a primary task of the organization's leaders.

A key assumption in organization development is that the needs and aspirations of human beings are the reasons for organized effort in society. This notion suggests it is good to have a developmental outlook and seek opportunities in which people can experience personal and professional growth. Such an orientation creates a self-fulfilling prophecy. The belief that people are important tends to result in their being important. The belief that people can grow and develop in terms of personal and organizational competency tends to produce that result. By implication, an optimistic, developmental set of assumptions about people is likely to reap rewards beneficial to both the organization and its members.

Finally, it is possible to create organizations that on the one hand are humane, developmental, and empowering, and on the other hand are high performing in terms of productivity, quality of output, and profitability. Evidence for this assumption comes from numerous examples where "putting people first" paid off handsomely in profits and performance. The implication is that people are an organization's most important resource; they are the source of productivity and profits and should be treated with care.

A VALUES STUDY

A values survey given to OD practitioners suggests that, in practice, professionals in the OD field attempt to operationalize the values described in these statements of the late 1960s. The authors of the survey randomly selected 1,000 OD practitioners from the rosters of the OD Network and the OD Division of the American Society of Training and Development, sent them a brief survey, and received 289 responses in return. The survey addressed three broad areas: (1) What attracted you to OD? (2) Which values do you believe are associated with OD work today? (3) Which values do you think *should* be associated with OD work today?

In answer to the first question, the five most frequent response categories in order of frequency were: A desire to . . . (1) create change, (2) positively impact people and organizations, (3) enhance the effectiveness and profitability of organizations, (4) learn and grow, and (5) exercise power and influence.

To answer the two value questions, respondents rated 31 value statements on a five-point scale from 1 ("of little importance") to 5 ("extremely important"). For the question asking which values respondents believe are associated with OD work today, the top five values were (1) increasing effectiveness and efficiency, (2) creating openness in communication, (3) empowering employees to act, (4) enhancing productivity, and (5) promoting organizational participation. For the question concerning which values respondents think *should* be associated with OD work today, the five values considered most important were (1) empowering employees to act, (2) creating openness in communication, (3) facilitating ownership of process and outcome, (4) promoting a culture of collaboration, and (5) promoting inquiry and continuous learning.²⁸

These results are congruent with the discussion in this chapter. The hoped-for values all relate to humanistic and democratic concerns; the existing values relate to both organizational effectiveness and to humanistic and democratic concerns.

Still, values are never static; they change over time. The rapid technological, societal, and organizational changes taking place assure that tomorrow will bring new definitions of what is "true" and new beliefs about what is "good," as behavioral scientists and managers continue to develop better understanding of authority structures, organizing structures, and ways to optimize human potential.

CONCLUDING COMMENT

The field of organization development rests on a foundation of values and assumptions about people and organizations. These beliefs help to define what OD is and guide its implementation. This discussion was intended to articulate an appreciation of OD values and explain where they came from. These OD values were considered revolutionary when they emerged in the 1950s, but are widely accepted today.

Notes

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2. Frederick W. Taylor, *The Principles of Scientific Management* (New York: Harper, 1911).
3. Max Weber, "The Essentials of Bureaucratic Organization: An Ideal-Type Construction." Reprinted in H. H. Gerth and C. W. Mills, (trans. and eds.), *Max Weber: Essays in Sociology* (New York: Oxford University Press, 1946).
4. Mary Parker Follett, "The Giving of Orders," in H. C. Metcalf, ed., *Scientific Foundations of Business Administration* (Baltimore, MD: Williams and Wilkins Company, 1926). See also H. C. Metcalf, ed., *Dynamic Administration: The Collected Papers of Mary Parker Follett* (New York: Harper, 1941).
5. Elton Mayo, *The Human Problems of an Industrial Civilization* (Cambridge, MA: Harvard University, Graduate School of Business, Division of Research, 1933); Elton Mayo, *The Social Problems of an Industrial Civilization* (Cambridge, MA: Harvard University Press, 1945); F. W. Roethlisberger and W. J. Dickson, *Management and the Worker* (Cambridge, MA: Harvard University Press, 1939); George C. Homans, *The Human Group* (New York: Harcourt, Brace & World, Inc., 1950).
6. Chester I. Barnard, *The Functions of the Executive* (Cambridge, MA: Harvard University Press, 1938).
7. K. Lewin, R. Lippitt, and R. White, "Patterns of Aggressive Behavior in Experimentally Created Social Climates," *Journal of Social Psychology*, 10 (1939), pp. 271-299.
8. See D. Cartwright and A. Zander, *Group Dynamics: Research and Theory* (New York: Harper and Row, 1953).
9. See Edgar Schein and Warren G. Bennis, *Personal and Organizational Change Through Group Methods* (New York: John Wiley & Sons, 1965).
10. K. D. Benne and P. Sheats, "Functional Roles of Group Members," *Journal of Social Issues*, 4, no. 2 (1948), pp. 41-49.
11. Lester Coch and John R. P. French, Jr., "Overcoming Resistance to Change," *Human Relations*, 1 (1948), pp. 512-532.