

**Subject: Human Resource Management**

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**Paper 11: Organisational Change and Development**

**Module 22: Values, Beliefs and Assumptions of Organisation Development**

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Items	Description of Module
<b>Subject Name</b>	Management
<b>Paper Name</b>	Organisational Change and Development
<b>Module Title</b>	Values, Beliefs and Assumptions of Organisation Development
<b>Module Id</b>	Module no.-22
<b>Pre-Requisites</b>	Basic knowledge of organisation development
<b>Objectives</b>	To study the components of values, beliefs and assumptions of organisation development
<b>Keywords</b>	Values, Beliefs, Assumptions, Organisation Development.

## QUADRANT-I

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### 1. Learning Objectives

After completing this module, the students will be able to:

- Describe the concept of values in organisation development.
- Explain the values, beliefs and assumptions in organisation development.
- Explain the main organisation development assumptions.
- What are the main implications of OD values and assumptions?

### 2. Introduction

A set of values, beliefs and assumptions are an important part of the organisation development which helps in shaping the goals and methods of the field and also help in distinguishing the organisation development from other improvement strategies. Most of these methods have been formulated early in the development of the field and also they continue to evolve as the field itself evolves. There are various assumptions and beliefs which are developed from research and theory by various behavioural scientists and from the experiences and observations of the practising managers. There are various studies done which provide as a source for the validity of values and their supporting assumptions. These

sources are the Hawthorne studies, human relations movement, laboratory training movement, clash between fascism and democracy in World War II, increasing awareness of dysfunction of bureaucracy, research on effects of different leadership styles, group dynamics and many more. Values and assumptions do not spring from full grown individuals and societies but they are formed from the collective beliefs of the era.

### 3. Seven basic organisation development assumptions

There are several assumptions which help in determining the Organisation development programmes that can be utilised to the fullest potential. These assumptions are basically based on French and Bell.

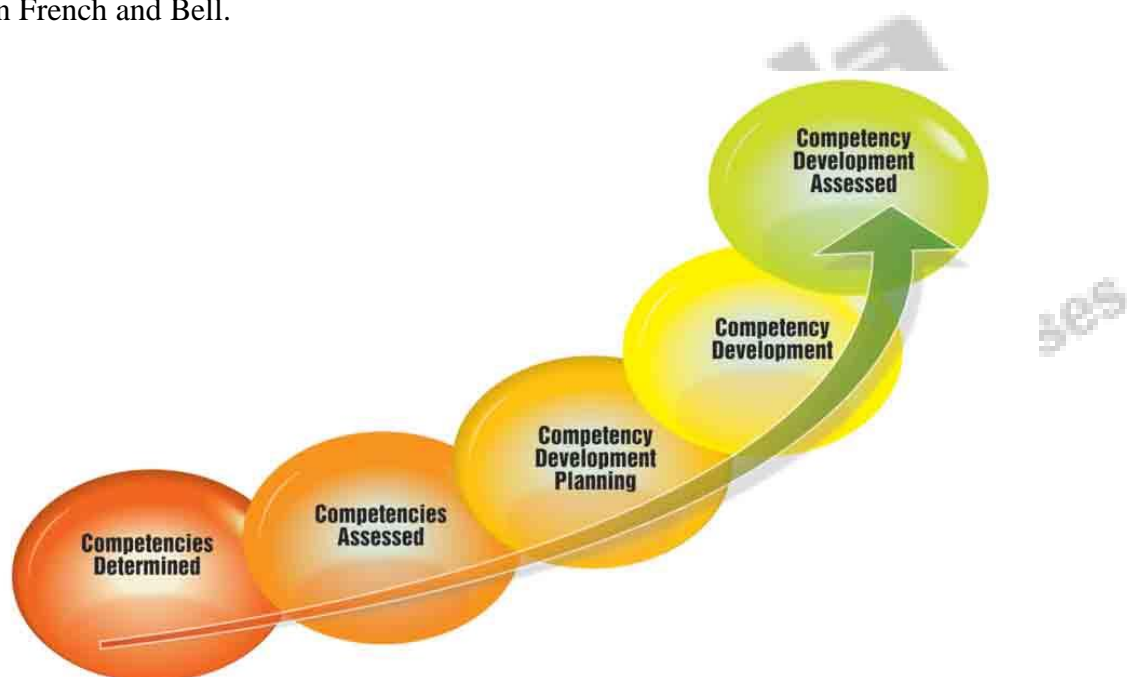


Image Courtesy: [leadershipadvisors.com/wp-content/uploads/2012/04/Development-Model-Final.jpg](http://leadershipadvisors.com/wp-content/uploads/2012/04/Development-Model-Final.jpg)

- Most of the individuals work towards the achievement of their personal growth and development. But the work habits of a person are the result of the work environment as to their personal goals. And according to the work environment the work habits of a person should be directed towards changing how the person is treated rather than towards attempting to change the person.
- The productivity level can be increased by integrating the individual goals with the organisational goals. And such integration would also improve the quality of the product.

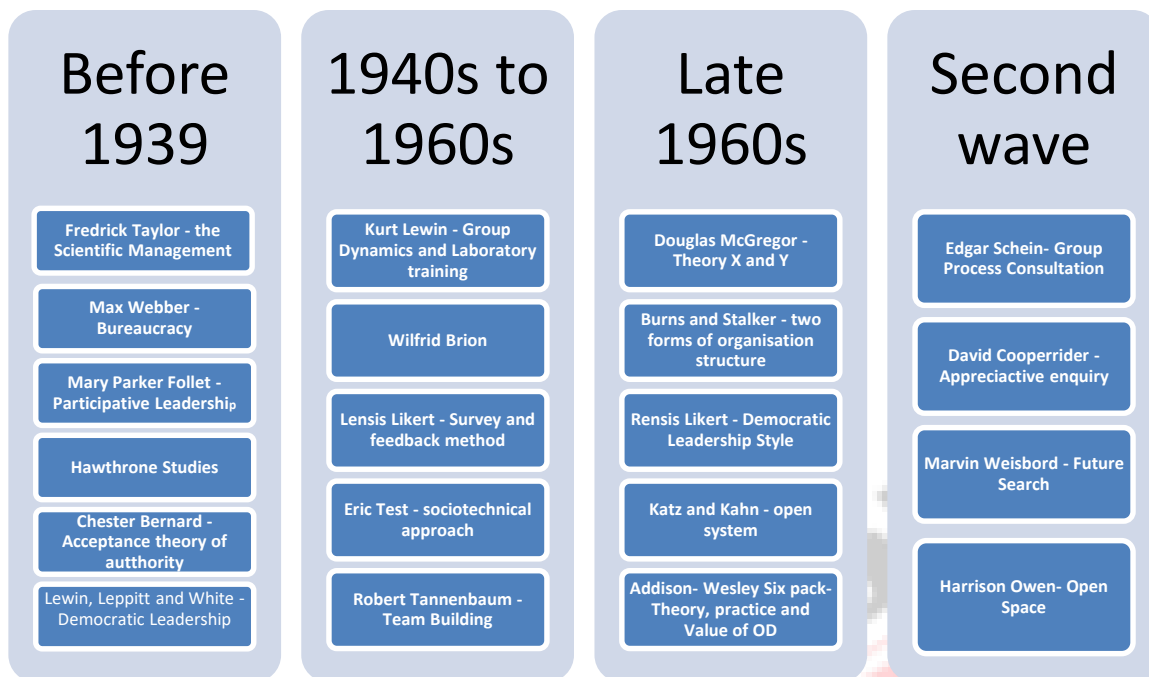
- In organisations, the cooperation among employees proves to be more effective than the competition. Conflict and competition would reduce trust, forbid collaboration and would ultimately reduce the effectiveness of the organisation. For a healthy organisation, the efforts should be made at all levels and the problem should be solved by using the problem solving methods.
- The dominance of the adverse feelings affect the problem solving approach and also affect the personal growth and satisfaction level of an individual. So there should be free expression of the feelings which is a great ingredient for the higher commitment to work.
- The growth level of the individuals is according to the level of relationship which they have with other employees. The relationship could be open, supportive and trusting. Accordingly, the level of interpersonal trust, support and cooperation level is determined.
- The difference between the level of commitment and agreement must be fully understandable. Agreeing to do something which is different from being committed to do something. The sense of commitment makes it very easy to accept change and its implementation for change for the purpose of organisational development is even easier when such commitment is based on the participation of employees.
- Organisational development programmes must be reinforced by the organisation's total human resource system.

#### 4. Definitions

- **Beliefs:** A belief is a proposition about how the world works that the individual aspects is true. It is an intellectual fact for the person.
- **Values:** Values are also beliefs and are defined as beliefs about what is desirable or a good like free speech and what is undesirable or bad like dishonesty.
- **Assumptions:** Assumptions are beliefs that are regarded so valuable and obviously correct that they are taken for granted and are rarely examined or questioned.

Thus, values, assumptions and beliefs all are intellectual facts or propositions with values being beliefs about good and bad, assumptions being strongly held relatively unexamined beliefs which are accepted as truth. Values, assumptions and beliefs provide structure and stability for the people as they attempt to understand the world around them.

## 5. Events in Management and Organisation thoughts



Source: <http://www.slideshare.net/charissemacalag/values-assumptions-and-beliefs-in-organization-development>

## 6. Values of Organisational Development

There is a set of underlying values concerning the nature of the man and his work in the organisational context which exerts a powerful influence on the process and technology for developing the fully functional organisation. These values are as follows:

- Providing opportunities for people to function as human beings rather than as resources in the production process.
- Providing opportunities for each organisation member as well as for the organisation itself to develop to his full potential.
- Seeking to increase the effectiveness of the organisation in terms of all of its goals
- Attempting to create an environment in which it is possible to find exciting and challenging work
- Providing opportunities for people in organisations to influence the way in which they relate to work, organisation and environment.
- Treating each individual as a person with a complex set of needs and all of which are important in his work and life.

The values provide the guidelines and directions for what will be undertaken in an organisational development effort and how the program will evolve and be sustained.

## 7. Types of Organisation Development Values

The types of OD values are humanistic, optimistic and democratic. These are explained as below:

- **Humanistic Values:** Humanistic values are those values which are important for the individual's respect and dignity and it assumes that everyone has intrinsic view and all individuals have potential for growth and development.
- **Optimistic Values:** Optimistic values are those that suggest that people are basically good, progress is also possible and desirable in human affairs and that rationality, reason and goodwill are the main tools for making progress.
- **Democratic Values:** Democratic values emphasize the sacredness of individual. The rights of people to be free from misuse of power, importance of fair and equitable treatment for all and the need for law and justice.

## 8. Early statements of OD Values and Assumptions

Values are integral part of the organisation development. There are three statements regarding the organisation development values which have significant impact on the field. As written by Warren Bennis in 1969, proposed the Organisational Development Practitioners also known as change agents have given the normative goals which are based on the humanistic and democratic philosophy. These normative goals are as follows:

- There should be improvement in interpersonal capability.
- There should be shift in the values of human factors and feelings have come to be considered genuine.
- There should be development of increased understanding between and within working groups for reducing tensions.
- More effective team management should be developed and the capacity for function groups to work more competently.
- There should be development of better methods of conflict resolution.

- Development of organic system in place of mechanical system. The mechanical system rely more on authority-obedience relationship and the organic system rely on mutual confidence result. The mechanical system comprises of division of labour and hierarchical relationships while the organic system comprises of multigroup membership and relationships.

There are various players of organisational development and they have formulated various assumptions for the functioning of the organisations. These values and assumptions may not seem profound today, but in 1950s and in 1960 they represented a large departure from accepted beliefs and assumptions. Beliefs like trust, respect for the individual, open communication, decentralised decision making, participation and contribution by all the members of the organisation were exposed and rarely implemented in the majority of the organisations at the time.

## 9. Implications of OD Values and Assumptions

On the examination of the assumptions and their implications for the organisation leadership members, the main implications which arise are as follows:

- **Implications for dealing with individuals:** There are about two main assumptions in the organisations for organisation development. The first assumption is that the most individuals work for their personal growth and development if they are provided with the supportive and challenging environment as most individuals have potential. The second assumption is that the most of the individuals desire to make and are capable for making contribution to the organisational goals. The main implications of these two assumptions is that the individuals should be asked, listen to, supported and should be encouraged to permit failure, remove obstacles and should be given freedom, responsibility and the success must be rewarded.
- **Implications for dealing with groups:** There are various assumptions with regard to the importance of the work teams and collaborative management of the team culture. The first assumption is that psychologically the reference groups for most of the individuals is work groups and it also greatly influence the feelings of satisfaction and competence. The next assumption is that most people interact with at least one small reference group and that can be work group, peer group or family group. The next assumption states that most people make greater contribution to the effectiveness and development of the group. All these assumptions provide various implications. Like

let the team flourish states the best manners in which the work can be done and through which the social and emotional needs of the individuals are achieved. Also the team leadership style should be adopted which will give importance to teams than individuals.

- **Implications for Designing and running organisations:** Clearly, the traditional hierarchical forms of organisations like emphasis on the top down directions, grouping by specialised functions, following of chain of command and many more which have become obsolete. They can't meet the social needs of the market place. Thus, experimenting with the new organisational structures and new forms of authority are introduced. The organisation should not follow win lose organisation structure in which one side wins and other loses, rather an organisation should follow the win-win strategy in which cooperation is created rather than competitive organisational dynamics which is primary task for the organisational leaders.

Further, it is possible to create the organisations which are humane, developmental and empowering on one hand and high performing, profitable and gives quality products on the other hand.

## **10. Basic assumptions**

Some of the basic assumptions regarding the organisational development programs are similar to Theory Y's assumptions. The main assumptions for the organisational development efforts are as follows:

### **a. About people:**

- i. Most individuals work for personal growth and development and these are most likely to be actualised in an environment which is both supportive and challenging.
- ii. Most people desire to make and are capable of making a higher level of contribution to the attainment of the organisational goals than most of the organisational environment would permit.

### **b. About people in groups**

- i. Most of the people in the organisation wish to be accepted and to interact cooperatively with at least one reference group, that group can be work group or family group.
- ii. The most psychological reference group is the work group including peer group and supervisor.



- iii. Most people are capable of greatly increasing the effectiveness in helping the reference groups, solving their problems and in working for their effectiveness.

**c. About people in organisation system**

- i. Organisations tend to be characterised by independent work groups which are function of supervisors and other needs.
- ii. The happenings of the major work groups in the organisation affect the small working groups.
- iii. The culture in the organisation conquers the expression of feelings which people have for each other and where the employees and the organisation are heading.
- iv. The level of interpersonal trust, support, and cooperation is much lower in most organisations that are necessary.
- v. Improved performance stemming from the organisational development efforts needs to be sustained by appropriate changes in the appraisal, compensation, training staffing and task specification; in the other words, in the total personnel system.

**11. Example**

For example a company has adopted the following values of openness, confrontation, trust, authenticity, proactiveness, autonomy, collaboration and experimentation. These main values form the OCTAPACE culture in a company which is necessary for initiating the Organisational Development Activities and interventions. These values are interpreted in the Sales and Marketing functions and the examples for each value is as follow:

- Openness: Informing the superiors about the shortfall in the targets to be achieved.
- Confrontation: Discussion regarding the distribution functions about the non-availability of the physical stock.
- Trust: Restricting the improper utilisation of information and data available on the product marketing strategy.
- Authenticity: Establishment of the procedures by the sales manager.
- Proactiveness: preparing the contingency plans for maintenance of the sales targets to be achieved.
- Autonomy: Allowing the line managers to take decisions about investment plans.
- Collaboration: Providing necessary inputs to the sales administration for quicker settlements of the grievances of the field employees.
- Experimentation: Encouraging the new marketing strategies for new products.

## 12. Summary

A set of values, beliefs and assumptions are an important part of the organisation development which helps in shaping the goals and methods of the field and also help in distinguishing the organisation development from other improvement strategies. Most of these methods have been formulated early in the development of the field and also they continue to evolve as the field itself evolves. There are various assumptions and beliefs which are developed from research and theory by various behavioural scientists and from the experiences and observations of the practising managers. There are various studies done which provide as a source for the validity of values and their supporting assumptions. These sources are the Hawthorne studies, human relations movement, laboratory training movement, clash between fascism and democracy in World War II, increasing awareness of dysfunction of bureaucracy, research on effects of different leadership styles, group dynamics and many more. Values and assumptions do not spring from full grown individuals and societies but they are formed from the collective beliefs of the era. Most of the individuals work towards the achievement of their personal growth and development. But the work habits of a person are the result of the work environment as to their personal goals. And according to the work environment the work habits of a person should be directed towards changing how the person is treated rather than towards attempting to change the person. The productivity level can be increased by integrating the individual goals with the organisational goals. And such integration would also improve the quality of the product. The difference between the level of commitment and agreement must be fully understandable. Agreeing to do something which is different from being committed to do something. The sense of commitment makes it very easy to accept change and its implementation for change for the purpose of organisational development is even easier when such commitment is based on the participation of employees. Thus, values, assumptions and beliefs all are intellectual facts or propositions with values being beliefs about good and bad, assumptions being strongly held relatively unexamined beliefs which are accepted as truth. Values, assumptions and beliefs provide structure and stability for the people as they attempt to understand the world around them. There is a set of underlying values concerning the nature of the man and his work in the organisational context which exerts a powerful influence on the process and technology for developing the fully functional organisation. The values provide the guidelines and directions for what will be undertaken in an organisational development effort and how the program will evolve and be sustained. The types of OD values are humanistic, optimistic and

democratic. Humanistic values are those values which are important for the individual's respect and dignity and it assumes that everyone has intrinsic view and all individuals have potential for growth and development. Optimistic values are those that suggest that people are basically good, progress is also possible and desirable in human affairs and that rationality, reason and goodwill are the main tools for making progress. Democratic values emphasize the sacredness of individual. The rights of people to be free from misuse of power, importance of fair and equitable treatment for all and the need for law and justice all are the examples of the democratic values. There are various players of organisational development and they have formulated various assumptions for the functioning of the organisations. These values and assumptions may not seem profound today, but in 1950s and in 1960 they represented a large departure from accepted beliefs and assumptions. Beliefs like trust, respect for the individual, open communication, decentralised decision making, participation and contribution by all the members of the organisation were exposed and rarely implemented in the majority of the organisations at the time. It is possible to create the organisations which are humane, developmental and empowering on one hand and high performing, profitable and gives quality products on the other hand. People always support what they have created themselves, so the individuals should be encouraged to participate in the organisational developmental process.

