Coming to grips with organisational values

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A starting point

There are two NGOs. We can call them AID (Action in Development) and DIA (Development in Action). Their programmes have many things in common: main areas of work, the community organisation approach, size, infrastructure, annual budget, geographic location, the kinds of community in which they work, and so on. People often refer to them as twin organisations. Yet the differences between the two organisations cannot be ignored: the contrasts in rates of staff turnover, level of community involvement in the programmes, relations with government offices, among other things. It should not be difficult to see that similarities in the classic '3 Ss' (strategy, structure, systems) cannot predict the 'character' of either organisation as it actually functions. Such differences-over-similarities can be observed in any group of organisations — in government, in business and industry, in educational institutions, in sports. On the other hand, organisational groupings also reveal certain similarities-over-differences — the typicalities within textiles, pharmaceuticals, information technology, railways, banks, and so on, including NGOs in development.

The typicalities in organisational behaviour have been dealt with from various theoretical perspectives. Whether we choose to call it character or culture or climate, it is clear that the common factor being referred to is the *internalisation of norms of behaviour*. The subject of human values appears best suited to explain the phenomenon of organisational culture and, equally, to help us to manage that culture effectively. Values can be seen as forming the core of organisational culture.

A natural first question in approaching the subject of organisational values is: so what? Why bother to understand values in organisational behaviour, as long as the organisation does what it is supposed to do and does it well enough? In other words, is the 'soft' subject of values in any way related to the 'hard' facts of performance? The 'excellence' literature of the 1980s sought to convince us that attention to certain key organisational parameters was all that mattered. (The '3 Ss' extended to '5 Ss' and then to '7 Ss' for poetic consistency.) Further, the inadvertent implication was that the attention to those parameters could be value-free. Imagine the dismay when most of the corporations listed as 'excellent' had plummeted within the decade. In contrast, the 'robustness' line of thinking in the 1990s (without the pushy marketing of the earlier literature) identifies characteristics associated with the long-term health and effectiveness of organisations (Collins and Porras 1994; Ackoff 1994). One such characteristic is a clear organisational value system that provides depth, stability, and consistency to management practices. Far from being contradictory, values and performance may be seen as a necessary unity. The significance of organisational values in management is gaining recognition steadily (Roe and Ester 1999).

A natural second question would be about the relevance of this issue for NGOs, especially those in development programmes. Yet, within only three decades, we have seen shifts in emphasis in development interventions from charity through development to sustainability. Correspondingly, although usually a step behind, the *management* of development NGOs' programmes has also had to evolve, along with changing assumptions of what constitutes good performance and, therefore, good management. Most NGOs, at one time or another, will have confronted conflicts between the requirements of good management and the demands of good development (for instance, the 'product' outcomes versus the 'process' outcomes). At the base of these assumptions are certain core convictions of what is *good* (or bad) and what is *right* (or wrong) about the tasks that we undertake, and how we go about them. In other words, the organisational value system.

The term *values* is used in many varied ways. The first tasks before us are to move away from the realm of catchphrases towards a framework that meets the requirements of internal consistency as well as of operational validity and relevance. To do this, we need to examine briefly the key premises that support a unified concept of values in our social behaviours. For a study of values to benefit management policy and practice, we should ensure, at the minimum, the following:

- an acceptable theory of what values are (for 'there is nothing so practical as good theory');
- an acceptable methodology for observing and assessing these values;
- an empirical base to make comparative statements from the observations made.

Definitions

The highly integrative work of Milton Rokeach (1970, 1973) provides an excellent explanation of values. It begins with a description of the organisation of beliefs in the human cognitive system. There is a strong neuro-physiological basis to the cognitive organisation. However, it seems possible to understand the working of the system in non-technical terms.

Beliefs, attitudes, values in the cognitive system

The organisation of our beliefs as units in a composite cognitive system is understood better if we imagine a global mass of all our beliefs — from the best value for money in toothpastes, through the best ways to bring up a baby, to the best approach in community development. This mass of beliefs can be seen in a *central–peripheral continuum*. In other words, some of our beliefs can be at the periphery of our cognitive system. We shall call them peripheral beliefs. Some beliefs can be at the core of the system. We shall call them central beliefs. The term *system* is used to describe the organisation of our cognitions, because the individual units are seen as being interdependent and interacting. The properties exhibited by the system are summarised in Box 1.

The term *belief* should be used when there is evidence of cognitive organisation (true/false, yes/no, likely/unlikely, very much/very little, etc.), but insufficient evidence of any feeling or emotion aroused (for example, a belief about a pop singer — here today, gone tomorrow). The term *attitude* should be used only when there is sufficient evidence that the individual can be placed on a dimension of emotional involvement (like/dislike, approve/disapprove, good/bad, etc.). An attitude represents an organisation of beliefs (for example, beliefs about singers, bands, and lyrics as part of an attitude to music). The term *value* should be used when there is evidence of a relatively enduring behaviour pattern (would/would not, willing/unwilling, readiness/hesitation, etc.). A value represents an organisation of attitudes. A *value system* is a cluster

- At the periphery, the beliefs can exist with fewer associations with other beliefs, and even in isolation.
  Towards the centre, the specific units of beliefs are integrated through generalisations into more meaningful entities that are interrelated and consistent among themselves.
- At the periphery, beliefs may be transient, fleeting, and 'under test'.
  Towards the centre, beliefs are likely to be 'proven' and enduring.
- At the periphery, beliefs are not accompanied by definite feelings and emotions.
  Towards the centre, beliefs are organised into attitudes and have a definite emotional accompaniment, an 'organismic commitment'.
- At the periphery, beliefs have a low likelihood of being associated with sustained behaviour.
  Towards the centre, beliefs are more likely to be associated with sustained behaviour.
- At the periphery, beliefs are more easily changed or replaced and (because they are associated with fewer others) involve very little change in other beliefs.
  Towards the centre, beliefs are more difficult to change and involve changes in many other beliefs.

For a diagrammatic representation of our belief system, we can think of them as being arranged in a sphere, with increasing density and stronger bonds among units towards the core. Disturbances in the system can occur at the periphery or at a deeper level. Surface explosions cause much less damage than subterranean ones that set off quakes and fissures.

of values, often interrelated, that governs the characteristic thinking-feeling-behaviour pattern of the person (for example, beliefs about music, drama, painting, and dance in an aesthetic value).

Value as an individual attribute

Since the basis is in the organisation of an individual's belief system, the correct and precise meaning of the term 'value' is as an individual attribute. It is formed in the individual, is observable in the individual, and is assessable, too, as an *individual* attribute, (for example, as materialistic value, religious value, or altruistic value).

Organisational values as shared beliefs

The collection of individuals that constitutes an organisation may thus be viewed also as a collection of individual belief systems. The organisation displays a recognisable identity or 'character' when there is considerable agreement, typicality, or overlap among the individual belief systems over and above the differences among them. Typically, this means a small set of interrelated values, rather than any one single value. This composite set of values, internally consistent, may be referred to as the *organisational value system*. The task of assessing organisational values therefore requires the following steps:

- identifying the predominant belief clusters among a critical mass of people in the organisation;
- assessing the extent of consensus among them;
- if necessary, identifying the forces or mechanisms by which prevalent value systems are maintained or may be altered.

Differing organisational value systems

Questions arising here would be:

- Why do organisations differ in their value systems, and how are value systems shaped?
- Why do organisations differ in the extent of consensus in values, and how is consensus shaped?

Values and behavioural fields

In contemporary, pluralistic societies, individuals exist and function in different social organisations that might uphold (and demand conformity to) quite different value systems. Likewise, the organisation itself may exist in multiple 'behavioural fields', each with its own value premises — the financial institutions, the raw-material trade, the NGO network, the community traditions, the environmental movement, and so on. The influence of the external environment on the value system is examined later in this paper.

Value conflicts and resolution

Value conflicts may be regarded as natural, normal, and even healthy in any organisation. However, exactly as with conflict resolution in the individual, the organisation's conflict-resolution modes, too, may be viewed as purposeful and healthy or self-defeating and unhealthy. One way of understanding the 'health' of an organisation's coping mechanisms is in terms of the balance struck between internal processes and the demands from external or institutional forces. Indeed, a diagnostic framework for organisational effectiveness may be constructed on these premises.

Methodology for studying values

Over the last 15 years, the practical value of the theoretical framework, presented in a nutshell above, has been amply demonstrated in numerous organisational settings in both the business and industry sectors and the voluntary and development sectors. The methodology for profiling an organisational value system has steadily evolved (Woodcock and Francis 1989; Padaki and Padaki 1998). Some approaches found useful by the author are given below.
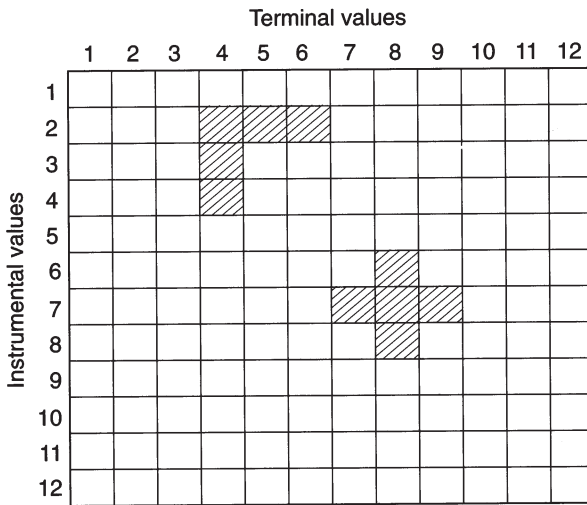
Individual values

The values prevalent in an individual can be visualised as being of two types:

- *Terminal values*: the end-states considered highly desirable, such as material comfort, freedom, religious bliss, i.e. the ends.
- *Instrumental values*: the best ways to conduct oneself, often to achieve the desired end-states, such as honesty, hard work, discipline, i.e. the means.

An individual value system may thus be viewed as a combination in a matrix of terminal and instrumental values. Table 1 presents lists of terminal and instrumental values identified by Rokeach (1970, 1973), and Figure 1 illustrates how an individual value system may be clustered in the matrix.

Terminal values

The shaded cells represent the combination of the strongest terminal values with the strongest instrumental values in the person.

In addition to individual predispositions, there are the values upheld by the organisation as a whole, which can also be viewed in terms of terminal and instrumental values. Some examples:

- **Organisational terminal values**: for instance, contributing to quality of life in society, being a model corporate citizen, achieving social justice.
- **Organisational instrumental values**: for instance, continuous innovation in products or services, transparency in management, activism in plans and programmes.

Organisational values

In an organisational setting, people carry within them two sets of values:
- **Personal conduct values**, such as: *I believe that honesty is the best policy … I must excel in everything I do … Life must be enjoyed …* etc.
- **Task-related values**, such as: customer-centred; committed to equal opportunities/empowering structures/targets at any cost, etc.

Table 1: Terminal and instrumental values	
Terminal values	**Instrumental values**
A comfortable life (a prosperous life)	Ambition (hard-work, aspiration)
An exciting life (a stimulating, active life)	Broad-mindedness (open-mindedness)
A sense of accomplishment (lasting contribution)	Capability (competence, effectiveness)
A world at peace (free of war and conflict)	Cheerfulness (lightheartedness, joy)
A world of beauty (beauty of nature and the arts)	Cleanliness (neatness, tidiness)
Equality (brotherhood, equal opportunity for all)	Courage (standing up for your beliefs)
Family security (taking care of loved ones)	Forgiveness (willingness to pardon others)
Freedom (independence, free choice)	Helpfulness (working for the welfare of others)
Happiness (contentedness)	Honesty (sincerity, truthfulness)
Inner harmony (freedom from inner conflict)	Imagination (daring, creativity)
Mature love (sexual and spiritual intimacy)	Independence (self-reliance, self-sufficiency)
National security (protection from attack)	Intellectual rigour (intelligence, reflectiveness)
Pleasure (an enjoyable, leisurely life)	Logic (consistency, rationality)
Salvation (saved, eternal life)	Love (affection, tenderness)
Self-respect (self-esteem)	Obedience (duty, respect)
Social recognition (respect, admiration)	Politeness (courtesy, good manners)
True friendship (close companionship)	Responsibility (dependability, reliability)
Wisdom (a mature understanding of life)	Self-control (restraint, self-discipline)

The task of assessing organisational values is a challenge, because it includes:

- identifying the set of values prevailing in the organisation;
- identifying areas of conflict between individual predispositions and organisational positions;
- identifying areas of conflict between different groups of people — between levels, between functions/departments, between different units, and so on;
- identifying internal inconsistencies within the organisational values — i.e. conflicts between the practices from one value and the practices from another. (For example, '*People are our greatest assets*' and '*No one is indispensable in this organisation*'.)

Value reinforcement

Organisational values can exist in the form of a strong consensus, or be superficial and weakly shared. The absence of consensus has often a diagnostic value in itself. The organisational analysis should attempt not only to assess the extent of consensus on an organisation's stated values, but also to examine the organisational factors that might explain either the reinforcement of the value system or its weak consensus. This is precisely the exercise in the Motorola Ethics Renewal Process, undertaken regularly and seriously by the corporation (Moothy et al. 1998).

The sources of organisational values

Most of the literature is polarised towards two main explanations of organisational culture: the *micro*, looking at factors within the organisation, with a heavy emphasis on the leadership, especially the characteristics of the leader; and the *macro*, looking at historical, political, and even religious traditions in the society, seeking common features in all socio-cultural groups.

Considerable work in India has shown that there is an intermediate level of analysis that may be both relevant and significant, namely, the *sectoral field* in which the organisation exists (Padaki and Padaki 1998). For instance, most textile mills in Western India have remarkably similar management practices and top-management 'styles'. Attempts to introduce certain 'modern' management practices have generally failed. Management trainers and consultants tend to see this 'resistance to change' as located in the short-sightedness of the top management, i.e. the chief executive. What is not seen is that the same chief executive displays a quite different 'style' in another business of the same corporate entity — in electronics or pharmaceuticals or petrochemicals. In other words, the leader is the same, but the leadership process is different.

Each sectoral field makes its own demands on the management of the enterprise and, therefore, calls for an appropriate configuration of core practices that characterise the sector (Padaki and Radhakrishnan 1984). The similarities-over-differences are clearly recognisable. The work of the author's team has shown that it is possible to identify a cluster of values that are predominant in a sector. This mapping can be done for almost any sector.

What are the values most likely to be found in the NGO sector? The extensive exploration of organisational values in India has revealed

that all NGO work is covered by a 'spectrum' of values (see Table 2). The spectrum applies to all types of NGOs in development — donor agencies, operational NGOs, resource/support NGOs, grassroots organisations. Each NGO is likely to have a smaller set of closely related values, drawn from the spectrum that constitutes its characteristic culture. The explanation for this characteristic set should interest us. It might well be traced to internal factors, such as the leadership in the organisation. In most cases, however, it is likely to be the product of an interactive process between internal and external factors. The spectrum itself represents the similarities-over-differences in the NGO sector.

Combinations of three primary colours give us an amazing range of hues. Combinations of three primary emotions give the human species a range of emotional states that are still not fully categorised, but are nevertheless the basis for a lot of personality categorisation. The 'personality' of an organisation, too, can be derived from combinations of value positions. As with the charting of human personality, no two organisations are likely to be exactly the same. Yet organisations may be seen as falling into certain clusters, based on the predominant value orientations.

Organisational values in management

It must be recognised that organisational values form the core of all management practice. This recognition is typically absent or weak, because the values usually operate silently, without direct articulation. Values are also likely to be regarded as 'soft' matter, and not given serious attention. However, the intimate connections to 'hard' management practice cannot be denied. For instance:

- **Values and performance**: What constitutes good performance, satisfactory achievement? What kinds of 'output' receive reward, recognition, reinforcement? What is unacceptable, punishable?
- **Values and organisation structure**: Is it possible that we need teamwork and co-operation but the organisation structure reinforces individualistic or competitive behaviours? When an organisation is not 'walking the talk', the gap can usually be explained by an inappropriate, unhelpful structure for the desired process. The interesting question that arises is: Can features of organisational structure influence the values in an organisation? Or do espoused values invariably shape structure? NGO managements are often surprised when they discover that the 'models' of structure and

Table 2: NGO organisational values

Given below is a list of values that an organisation may stand for. They refer to an organisation's beliefs and convictions, as reflected in policy and practice.

- **Achievement**: To set high standards of accomplishment, to persevere in their pursuit, to take risks if necessary, along with innovation and enterprise.
- **Accountability**: Responsibility for organisational objectives with full recognition of the constituencies — donors, partners, communities; evaluative reflection, ownership of what is said and done.
- **Conflict resolution**: Acceptance that there are inter-group and inter-organisational conflicts in all human transactions, along with the determination to confront conflicts and resolve them.
- **Conservation**: Simplicity in appearance, restraint in consumption, awareness and concern for long-term consequences of resource wastage.
- **Empathy**: Sensitivity to needs and emotional states of people concerned, along with the desire for positive action.
- **Equality**: Relationships and transactions that respect and accept differences among people (class, community, faith, etc.) but provide equal opportunities for all.
- **Gender equity**: Equal opportunity and affirmative action with respect to gender, in the conviction that true development will come from gender equality.
- **Non-violence**: Confrontational but constitutional, people-based political processes as a powerful methodology for social change.
- **Participation**: The involvement of all in the organisation in its functioning, especially in policy and direction, with democratic and open styles of communication and supervision.
- **People development**: A policy of deliberately developing people's abilities, skills and competence, along with investment of time and resources in actual practice.
- **Secularism**: Pursuit of programme objectives without consideration of religion or creed, but with understanding and respect for the importance of religious faith in people's lives; acceptance of diversity of faith.
- **Self-reliance**: To work towards levels of competence and resource mobilisation by which an organisation may be relatively free of exploitative manipulation by other groups or institutions.

systems that they brought into the organisation have actually been influencing their lives silently, powerfully.

- **Values and strategy**: One of the most important requirements in an organisation's strategic plan is its clear position about why it is pursuing this line of work, the core convictions about it. What are vision and mission statements, after all?

$$\text{Organisational aim} + \text{values} = \text{vision}$$

$$\text{Organisational goals} + \text{values} = \text{mission}$$

Without shared clarity and conviction about values, vision statements and mission statements become exercises in writing clever copy.

- **Values and partnership**: Organisational effectiveness, viewed either in the short term (operational achievements) or in the long term (institutional achievements), depends to a great extent on the combined ability of several people in the organisation to work with other organisations in a collaborative mode — the community organisations, government agencies, donor groups, support NGOs, and so on. Conventional 'capacity building' methods often succeed in enhancing within-group competencies, but in the process inadvertently retard between-group competencies for collaborative behaviours. The work of the author's team has shown that partnerships and inter-organisational effectiveness are the most important tasks in NGO management (Padaki 1995, 1999) and need to be viewed as a strategic requirement in development intervention itself, as institutional development beyond organisational development (OD). In facilitating effective partnerships, it is seen that the most important process is that of clarifying the values underlying the tasks at the interfaces between organisations. This seems particularly crucial in cross-cultural partnerships in large development programmes.

Going back to the two NGOs, AID and DIA, can we see how the differences in their observed 'character' can be traced to the inescapable bind between organisational values and management practice? Table 3 attempts the comparison.

Dealing with organisational values

The exercise of exploring organisational values is a useful and relevant *gateway* for an Organisational Development (OD) process. A strategic planning exercise sometimes provides a timely opportunity to initiate an OD process. Interestingly, the concept and practice of OD itself is based

Management processes: sampler	Organisation 1: AID	Organisation 2: DIA
Table 3: Differing values in management		
Performance or behaviours rewarded	• Achieving targets • Adherence to laid-down procedures • Contribution to internal co-operation	• Facilitating processes • Innovation and exploration • Contribution to external co-operation
Organisation structure	• Group-based • Unidirectional accountability • Emphasis on individual role clarity • Single-point leadership, decision making	• Team-based • Multidirectional accountability • Emphasis on role interdependencies • Multi-point leadership, decision making
Participatory methodology in programmes and systems	• To get things done • As a technique • As steering	• To empower people • As a commitment • As learning
Strategic perspective	• Maximisation — operational efficiency	• Optimisation — systemic effectiveness
Transactions — external	• Task-specific • Turf protection	• Empathetic • Collaboration
Transactions — internal	• Conforming	• Adaptive
Project management	• Blueprint approach	• Action-research approach
Vision or Mission Statements	Both organisations claim that they are people-oriented, working for social justice through sustainable development programmes.	

on certain value premises that are likely to be congruent with the spectrum of NGO values (Miles 1975, Padaki 1997). Understanding the prevailing value system, appreciating its implications in organisational realities, and working towards an alternative values–practice balance, can all be part of the exercise. Needless to say, although the exercise benefits from a starting framework and some structure, the process is highly participatory. Two illustrative case studies are presented below.

Case study 1: internal and external realities at MYRADA

The list of organisational values relevant to development work (Table 2) can be examined by an NGO to arrive at its own profile. The typical

procedure would involve a critical mass of opinion makers using a valid scaling technique to reveal (a) the differences in significance among the values, and (b) the extent of consensus within the group. The exercise can be repeated to derive comparative profiles.

MYRADA is a large, multi-project NGO in India with several integrated rural development projects spread over several States. The organisation receives funds from various donor agencies and, in turn, has several programme heads within the project areas. Over the years, the organisation has earned a reputation for successfully combining a good development perspective with hard professionalism in programme management. Always open to new ideas and developments, MYRADA has experimented with several management systems and techniques.

In an attempt to understand more fully the dynamics of donor–partner relations, the organisation decided to first examine the prevailing internal value system. After a charting of individual value profiles from a wide cross-section of staff, the management team undertook an exploration of values prevalent at the system level of the organisation. For this purpose, nine values were first identified as the most relevant for MYRADA, out of the twelve in the spectrum for NGOs (Table 2). Next, members of the management team ranked the nine values under four organisational conditions:
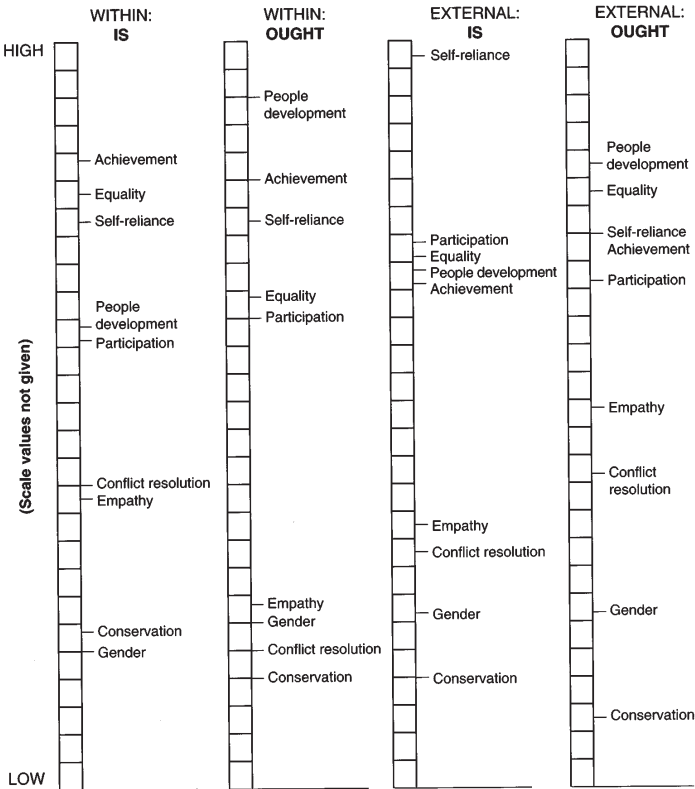
1 *Within* the organisation: as it *is* currently, in internal practices and conventions;
2 *Within* the organisation: as it *ought* to be;
3 *External*: as it *is* currently, in the organisation's development perspective and what is promoted in the communities being served;
4 *External:* as it *ought* to be.

The sample size of the managers' team was adequate to derive approximations of interval scale positions from the rankings of the nine values in each of the four conditions.

Figure 2 shows the four value profiles derived from the assessment. Readers are welcome to draw their own inferences from the two profiles. The organisation itself benefited greatly from this 'mirror' on the following counts:

• understanding inconsistencies within the 'internal' and 'external' profiles;
• understanding inconsistencies between profiles;

Figure 2: Specimen scaling of organisational values

WITHIN: IS	WITHIN: OUGHT	EXTERNAL: IS	EXTERNAL: OUGHT
HIGH		Self-reliance	
	People development		
Achievement			People development
Equality	Achievement		Equality
Self-reliance	Self-reliance		Self-reliance / Achievement
		Participation / Equality / People development / Achievement	Participation
People development / Participation	Equality / Participation		
			Empathy
Conflict resolution / Empathy			Conflict resolution
		Empathy / Conflict resolution	
	Empathy / Gender	Gender	Gender
Conservation / Gender	Conflict resolution / Conservation	Conservation	
			Conservation
LOW			

(Scale values not given)

- seeking causes for the differences in consensus between profiles;
- seeking the connections with organisational structures and processes.

Case study 2: Oxfam (India) Trust in transformation

In one of the most elaborate and multifaceted exercises in organisational restructuring, involving the eight offices in India of Oxfam (UK) (now called Oxfam GB), the Oxfam India Trust (OIT) found itself tackling such sensitive issues as grades, salaries, tenure, job descriptions, performance standards, and career paths, all at once, and with all the ramifications of interconnectedness. The single most

important operating principle throughout the exercise during a period lasting almost three years was the complete conviction in the rightness of consultative processes, involving every category of staff, from Office Attendants to the Regional Managers. The Staff Association played an especially constructive and facilitative role, ensuring full collaborative effort from all staff. The restructuring was completed and implemented with remarkable thoroughness, although it was extremely taxing for many involved in the process.

At the core was the obvious egalitarian organisational value — practised, not preached, noticeable in such mundane everyday events as meetings and greetings, as well as in policy-driven practices such as equal opportunities, gender relations, joint reviews, and the role of the Staff Association in management.

In the second phase of the OD process, the offices opted to move towards a team-based performance management system in which the Regional Manager was seen as part of the office team and therefore would have his/her own performance reviewed and goals set by the team in the quarterly review and goal-setting cycles; and the National Director was part of the team of Managers and, therefore, would have his/her own performance reviewed and goals set by the Management Team.

The introduction of the system was preceded by an exploration of the values of Oxfam-in-India, using the same instrument as in Table 2. The process revealed an internal polarisation around two nodal clusters: the *task-related values* (achievement, accountability, etc.) and the *people-related values* (empathy, participation, etc.). This is a common occurrence in many organisations, resulting in two sub-cultures. In NGOs that are old and large, the polarisation is more likely to be associated with a 'generation' difference — between the older, people-oriented staff and the younger, management-oriented staff. The difference is viewed very often as fundamental and irreconcilable (Padaki 1995). The management team-building process in OIT succeeded in viewing the value clusters as *complementary* rather than conflicting. More importantly, the management team was able to identify the organisation structures and systems by which the complementarity could be achieved.

A model workshop in organisational values

There is obviously no one correct way for an organisation to work towards a congruence between values and practice. However, it seems possible to visualise a minimum coverage in a first exercise in coming to grips with

organisational value systems. A two-day workshop has been seen to serve the purpose rather well.

Day 1

- A critical-incident methodology is used to identify highly satisfying and highly frustrating experiences. This data pool is analysed to identify both the typicalities and the inconsistencies in management practices.
- An exploration of the concept of values follows, to ensure a shared understanding: the bases in individual cognitive organisation, the types of value, the presence or absence of consensus in groups and organisations, and the mapping of organisational value systems.
- A first exploration of the organisation's value system is undertaken, using the framework described above.

Overnight

An individual, semi-structured exercise for exploring one's own value system is done by all participants.

Day 2

- An extension of the overnight exercise is undertaken to examine the organisation's expectations from its members.
- The group attempts a convergence from the analyses so far towards producing a profile of the organisation's value system.
- The areas of congruence and conflict between the organisation's value system and the prevailing management practices are examined.
- A first action agenda is adopted, including timeframes and responsibilities.

Organisational values in action

Every system of management — made up of methods, tools, and techniques — has underlying assumptions about what *ought to be* the way of doing things in the organisation. Many of these assumptions have implications in terms of how people ought to relate to other people in the various roles they play. Whether stated explicitly or merely implied, these central beliefs and assumptions may be identified in all the prescriptive models of management, from the earliest ones in the

What are the value premises in Quality Circles and Total Quality Management (TQM) for the line manager (also brought into NGO management in recent times)?
- The person on the job knows the working conditions better than I do – hence the value of suggestions.
- My best efforts on the job are meant for the benefit of others – hence the customer orientation, both internal and external.

Without these central beliefs, the motions of quality drills can never produce results. When TQM fails (which is not uncommon), one does not have to look far for the explanation.

What are the value premises in systems like ZOPP and PRA? What is the 'sense of ownership' or the 'feeling of participation' without the real things in experience?

industrial engineering era to the most contemporary attempts to humanise the workplace. A system of management is invariably a product of its time and, therefore, a carrier of a value system (Box 2).

On the other hand, there is in every organisation an existing culture — some traditions, conventions, outlooks, norms of conduct, ways of relating with others — that have their own *ought to* assumptions. It is important for the two sets of assumptions to be compatible. It is, therefore, necessary for an organisation deliberately to examine the value implications of a management system before installing it in the organisation (Padaki and Padaki 1989).

When there is an incompatibility between prevailing organisational values and the value premises of a management system, we have the all too common phenomenon of parallel systems at work in the organisation: the ritual of the formally introduced system, co-existing with the 'real' system by which decisions and actions take place. The frustration arising from maintaining the parallel systems is as inevitable as the dysfunctional state that follows in the organisation.

A prime requirement in any organisational intervention is to create the awareness among all stakeholders concerned of one inescapable fact in management practice: *the need for compatibility between organisational values and the management systems adopted.*

In seeking the necessary compatibility, do we choose systems to match prevailing organisational values, or can the values be altered to match the system? What should we look at first, the values or the system?

The essence of the expression *paradigm shift* is in the realignment of basic assumptions and premises in order to be able to adopt a new way of doing things. In planned interventions, we have a few simple but reliable guidelines:

• If the organisation already maintains values compatible with the value premises in the management system being considered, this might be the ideal situation and it is therefore a good bet that the new system will succeed.

• If the organisation maintains values diverging significantly from the value premises in the management system, it may be best to leave things alone and keep the new system out.

• If the organisation shows inconsistency in values or an absence of clear value positions, there is likely to be inconsistency in management practice as well. The organisation is best assisted to clarify its value positions before tampering with management systems.

• If the organisation shows a clear predisposition towards a set of values, it can be assisted to arrive there and reinforce the value system through actual practice, i.e. by introducing the new or more appropriate management systems.

In sum, organisational values are too important to be taken for granted. They need to be identified, articulated, and revisited periodically. The compatibility between organisational values and management systems (as they actually work) must constantly be verified. Indeed, exercises in changing organisational structures or management systems must be seen as serving the purpose of reinforcing the organisation's value system.

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