



# Professional Ethics and Values in Organization Development

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## Introduction:

### 1. Exploring the Foundation of Organizational Development

In this portion I would like to explore from Beckhard's defines on Organization Development (OD) as "an effort, planned, organization-wide, and managed from the top, to increase organization effectiveness and health through planned interventions in the organization's processes, using behavioral-science knowledge.<sup>24</sup>" In essence; organization development is a planned system of change. Organization development takes a long-range approach to improving organizational performance and efficiency. It avoids the (usual) "quick-fix". Organisation focuses on the total system. It must have the support of top-management. The organisation development process must admit the ownership of workers throughout the organization. Organisation development is tied to the bottom line. Its goal is to improve the organization, to make it more efficient and more competitive by aligning the organization's systems with its people. After proper preparation, organization development activities try to make the system wide and bring permanent changes in the organization. By using behavioral science, organisation development becomes a discipline that combines research and experience for understanding people, business systems, and their interactions.

We usually think of organization development only in terms of certain offers taken by the management. This work seeks to emphasize that these activities are only the most visible part of a complex process of development. These activities include Total Quality Management and reengineering. And there are also dozens of other initiations included such as strategic planning and team building. It is difficult to select the correct initiative to be taken and this can only be done with proper preparation.<sup>25</sup>

Today's organizations operate in a rapidly changing environment. Consequently, one of the most important assets for an organization is the ability to manage change and for people to remain healthy and authentic. Consider the following definition of organization development: "Organization development is the attempt to influence the members of an organization to expand their candidates with each other about their

views of the organization and their experience in it, and to take greater responsibility for their own actions as organization members. The assumption behind organization development is that when people pursue both of these objectives simultaneously, they are likely to discover new ways of working together that they experience as more effective for achieving their own and their shared (organizational) goals. And that when this does not happen, such activity helps them to understand why and to make meaningful choices about what to do in light of this understanding.”<sup>26</sup> Experts might agree that the following definitions of organization development represent the major focus and thrust of many of today's organization development which says. “Organization development is a system-wide application of behavioral science knowledge to the planned development and reinforcement of organizational strategies, structures, and processes for improving an organization's effectiveness”<sup>27</sup>

Organization Development is a body of knowledge and practice that enhances organizational performance and individual development, viewing the organization as a complex system that exists within a larger system, each of which has its own attributes and degrees of alignment. Organization Development intervenes with in these systems that have inclusive methodologies and approaches with strategic planning, organization design, leadership development, change management, performance management, coaching, diversity, and work/life balance. There is need to do organization development as the following. Human Resources- our people may be a large fraction of our costs of doing business. They certainly can make the difference between organizational success and failure. We better know how to manage them.

*There is a need to change the nature of work.* Our workers today want feedback on their performance a performance is associated with a sense of accomplishment, feelings of value and worth, and commitment to social responsibility. They need to be more efficient, to improve their time management. And, of course, if we are to continue doing more work with less people, we need to make our processes more efficient. The *global markets are* our environments, which are changing, and our organizations must also change to survive and prosper. We need to be more responsible to and develop closer partnerships with our customers. We must change to survive, and we argue that we should attack the problems, not the symptoms, in a systematic, planned, humane manner.

*Accelerated rate of change* is taking an open systems approach. We can easily identify the competitions on an international scale for people, capital, physical resources, and information. To be successful, organization development must have the buy-in, ownership, and involvement of all stakeholders, not just of the employees throughout the organization. Organization development is usually facilitated by change. People or teams that are the agent that have the responsibility for initiating and managing the change effort. These change agents may be either employees of the organization (internal consultants) or people from outside the organization (external consultants). Effective change requires leadership with knowledge, and experience in change management. We strongly recommend that external or internal consultants be used, preferably a combination of both. "These people are professionals; don't try this at home"<sup>28</sup>. Bennis notes: "external consultants can manage to affect ... the power structure in a way that most internal change agents cannot."<sup>29</sup> Since experts from outside are less

subjective to the politics and motivations found within the organization, they can be more effective in facilitating significant and meaningful change

This means that three components must all be present to overcome the resistance to change in an organization: *Dissatisfaction* with the present situation, a *vision* of what is possible in the future, and achievable are the *first steps* towards reaching this vision. If any of the three is zero or near zero, the product will also be zero or near zero and the resistance to change will dominate.

We use this model as an easy, quick diagnostic aid to decide if change is possible. Organization development can bring approaches to the organization that will enable these three components to surface, so we can begin the process of change. Organization development is a process. Action research is a process which serves as a model for most organization development interventions. French and Bell describe action research as a "process of systematically collecting research data about an ongoing system relative to some objective, goal, or need of that system. Feeding these data back into the system; taking actions by altering selected variables within the system based both on the data and on hypotheses; and evaluating the results of actions by collecting more data"<sup>30</sup>.

## 2. Apply Professional Ethics and Values in organization development

As per the Kenneth R. Andrews, in "Ethics in Practice,"<sup>31</sup> contends that there are three aspects to ethical behaviors in organizations: the development of the individual as an ethical person, the effect of the organization as an ethical or unethical environment, and the actions or procedures developed by the organization to encourage ethical behavior and discourage unethical behavior.

### (a) Influences on Ethical Behavior

1. Prior development of individual as ethical person,
2. The organization as an ethical environment,
3. Procedures that encourage ethical behavior.

Most of an individual's ethical development occurs before entering an organization. The influence of family, organizational sector, business professional, and school will determine individual values. The organization, to a large extent, is dealing with individuals whose value base has been established. This might imply that ethical organizations are those fortunate enough to bring in ethical individuals, while unethical organizations brought in unethical people. But it is not that simple. While the internalized values of individuals are important, the organisation has a major impact on the behavior of its professional members, and can have a positive or negative influence on their values. One example of the development of ethical individuals is the service academics. In their admissions processes, the academies attempt to get individuals of good character with the values integral to the management profession. However, the academies also recognise that their core values may be different than those prevalent in society, and they devote considerable effort to the development and internalization of their core values.

There are three qualities that individuals must possess to make ethical decisions. The first is the ability to recognize ethical issues and to reason through the ethical consequences of decisions. The ability to see second and third order effects which is one of the elements of strategic thinking is very important. The second is the ability to look at alternative points of view, deciding what is right in a particular set of circumstances. This is similar to the ability to reframe. And the third is the ability to deal with ambiguity and uncertainty; making a decision on the best information available.

### **(b) Attributes for ethical decisions**

1. Seeing second and third order consequences as organizational ethical consequences of decisions.
2. Seeing alternative points to view reframing
3. Dealing with ambiguity and uncertainty in order to making decisions with best information available.

As important as these are individual characteristics and the influence of the organization on individual. The ethical standards that one observes in the organization will have a significant effect on individual behaviour. "People will do what they are rewarded for doing".<sup>32</sup> The organisation has its greatest impact on the standards it establishes for ethical and unethical conduct in its formal reward systems. Informal norms also have a strong influence on individuals' behaviour as do the actions of the leaders of the organization. Professional manager must understand that their actions, more than words alone, will determine the operating values in the organization.

The influence of the organizational context is underscored in "Why Be Honest If Honesty Doesn't Pay?"<sup>33</sup> In this article, Bhide and Stevenson note that there often are no economic or other incentives to encourage ethical behaviour and discourage unethical behavior. Bhide and Stevenson see room for optimism despite the lack of financial gain for ethical behavior, or the absence of negative consequences for unethical behavior. Their reasoning is based on the fact that so many people do behave ethically, in spite of the apparent lack of gain. Ethical behavior must be intrinsically rewarding; and most people behave ethically because it's the right thing to do. People are guided by their personal value systems. They often choose the harder right instead of the easier wrong specifically because of their intrinsic values of what is right. Bhide and Stevenson make further observation. We should remember, however, that this...works only as long as most of us live by an honorable moral compass. Since our trust isn't grounded in self-interest, it is fragile. And, indeed, we all know of organizations, industries, and even whole societies in which trust has given way either to a destructive free for all or to inflexible rules and bureaucracy. Only our individual wills our determination to do what is right, whether or not it is profitable, save us from choosing between chaos and stagnation.

### **(c) Ethical Responses**

How to Influence one's Organization," asserts that organization members have only three choices when confronted with unethical behaviour: exit, voice, or loyalty. Exit is the most direct response. If you can't live with behavior that does not meet your own ethical standards, leave it. However, to exit is not only a direct response; it is a final one, so the personal and organizational consequences must be considered. The most

important personal consequences are the costs. Where do you go from there? What other options are available? How marketable are you? Can you afford the financial loss? There are specific organizational consequences as well. Will the ethics of the organization's leader's change? Will they do business with someone else who doesn't have the high standards you do? In leaving, one gives up the ability to influence the organization directly. When considering exit, one must ask, "Could I have had more of an impact by remaining in the organization and trying to change it from within?"<sup>34</sup>

'Voice' means expressing discomfort with and opposition to the observed unethical behaviour. To whom do you voice your objections? The obvious choice is your supervisor. But what if your supervisor condones the unethical behavior, or worse, is its source? You may be jeopardizing your position, and may be your membership in the organization. A second choice is to go to senior management. This also has potential risk. The senior leadership may be condoning or even directing the unethical behavior. This action may bring your loyalty into question. If so, your objections may be covered up or ignored, and you may end up being forced out of the organization. On the other hand, it may be that the senior manager is unaware of the unethical behavior, and you may have initiated an organizational response eliminating unethical behavior and restoring ethical standards. A third option is to go public, to engage in "whistle blowing."<sup>35</sup> This is also risky, because it can lead to reprisals with negative consequences. The level of risk depends on the commitment of the organization to high ethical standards and on its willingness to encourage whistle blowing in its own best interests. Many organizations have shown commitment to ferreting out unethical individuals and maintaining high ethical standards by establishing procedures for anonymous reporting of ethical breaches and safeguards to protect whistleblowers.

Exit and voice may be combined. An individual resigns in protest and goes public with his or her reasons for leaving. This leaves the individual vulnerable to the label of a professional who quit before being fired, but it also can lead to increased credibility as someone acting on conviction in spite of personal cost. Exit combined with voice is most effective if taken by someone at the upper levels of the organisation. An organization can more easily ignore the "exit and voice"<sup>36</sup> of a lower level employee than it can the resignation of a professional manager, followed immediately by a press conference. The widely publicized resignation of former President Bush from the National Rifle Association over what he viewed as extreme actions is an example of exit combined with voice.<sup>37</sup> It undoubtedly had a much greater effect on the NRA than the resignation of someone less well known and respected. The resignation of James Webb as Secretary of the Navy is another example of effective exit combined with voice.<sup>38</sup> Loyalty is the final response to unethical behavior in an organisation. This is the alternative to exit. Instead of leaving, the individual remains and tries to change the organization from within. Loyalty thus discourages exit. Loyalty also may discourage public voice, since being loyal to the organisation means trying to solve problems from within that is, without causing public embarrassment or damage. Loyalty can also encourage unethical behavior, particularly in organizations which promote loyalty above all. These organisations discourage exit and voice, and basically want their members to "go along" with organizational practices. An interesting question is, "Can an individual be loyal to an organisation by engaging in exit or voice as a response to unethical behaviour?"<sup>39</sup>



To maintain that both exit and voice must exist for continued organizational effectiveness, additionally, an organization cannot maintain high ethical standards without mechanisms for eliminating unethical behaviour. Also, loyalty is not always a virtue. Loyalty should be predicated on the organization's ethical demonstration that it is of loyalty. If the organization condones unethical behaviour, it relieves the individual of any responsibility to be loyal.

#### **(d) Building an Ethical Climate**

How can the professional managers of an organization build an ethical climate? Andrews suggests a number of steps that foster corporate ethics<sup>40</sup>. First, are the actions of the professional manager and the way they deal with ethical issues. The pattern of top manager' behavior determines organizational values. A second step is to make explicit policies relating to ethics. Ethical codes are one common example. The next step is to increase awareness of how to apply those ethical codes. Training on how to deal with situations with an ethical dimension, and how to anticipate situations that involve ethical choices, can go a long way toward ethical institutional practices. Another step to increase the salience of ethics is to expand the information system to focus on various areas where ethics may come into play. Knowing what actually is going on in the organization is essential to understanding the ethical principles which govern behaviour. The information system should also support ethical behavior, and allow the strategic leader to know when or where there are potential ethical breaches so that corrective action can be taken. The real danger is that when unethical behaviour is unnoticed, or not punished, members will assume it is condoned by the organization's leadership.

#### **Conclusion:**

Establishing moral principles means determining the core values which should guide the organization. O'Brien suggests four for consideration: "localness, merit, openness, and leanness."<sup>41</sup> By localness, he means adopting a philosophy of pushing power down to the lowest level possible, and encouraging initiative and autonomy. By merit, he means directing actions toward the overall goals of the organization, and what is best for all. By openness, he means being forthright and honest in all dealings. And by leanness, he means efficient use of resources and economies when possible. "Ultimately, the quest for organizational transformation must begin with a personal commitment within each individual to pursue moral excellence".<sup>42</sup> Encouraging professional managers to pursue their own ethical development are critical at higher levels because professional manager set the moral climate for the organization. O'Brien believes that moral development is even more important than professional development. "Creating a culture based on moral excellence requires a commitment among managers to embody and develop two qualities in their leadership. Virtue and Wisdom." However, creating an organization characterized by moral excellence is a lengthy process. It involves organizational development culture.<sup>43</sup>

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