> "In large organizations, the sense of the organization, as an entity, creates a tremendous pressure to comply with the organizational norms, and thus concern for individuals is lost. The result is that individuals become cogs in the machine, rather than individuals who deserve respect and care."

Virtue vs. Virus

Can OD Overcome the Heritage of Scientific Management?

By Alla Heorhiadi, John Conbere, and Chato Hazelbaker

It is dangerous to be right in matters on which the established authorities are wrong.—Voltaire (1694–1778)

The OD Network (ODN) is 50 years old. It has supported the work of OD practitioners through the years, and has been the vehicle through which many renowned OD scholars and practitioners have published their insights. As valuable as all this has been, we believe that there remains an unmet need that is essential to the practice of OD, and which we urge ODN to explore.

OD began with an emphasis on humanistic values and the need to create a humane workplace. This humanistic emphasis was evident in work of people like MacGregor, Schein, Argyris, Bennis, and so many others. Bartunek, Austin, and Seo (2008) offered a succinct history of OD, identifying different approaches of three "generations" since Lewin's work in the 1940s. The first generation included sensitivity training, team building, and quality of work life. The second added organization transformation and large group interventions. The third added learning organizations and appreciative inquiry. They also identified

"implementation motors" that were integral to the approaches, although only participation is present in all approaches: participation, self-reflection, action research stages, and narrative. Over the years, many good results have been generated by OD. However, many organizations still lack OD principles and humanistic values as part of their organizational culture. Moreover, through our practice, we see many organizations in which some people behave in destructive, wasteful, cruel, and, sometimes, merely stupid ways. Why?

The answer may lie in the mental model of managing organizations. Among the theorists of the 20th century who wanted to put management on a scientific basis, three persons attract the most attention of management scholars: Taylor, Fayol, and Weber. Let us remind the reader about their contributions. Frederick Taylor (1856–1915), an American engineer, developed the idea of scientific management, which has influenced many social scientists following him. He stressed the separation between the design and execution of work, and the study of how to obtain the maximum efficiency in work. Taylor's work may have been distorted, as Weisbord argued

(2004), but Taylor helped shape American thoughts about how business should be led by scientific management. As a measure of his influence, he was a major player in the creation of Harvard Business School. Henri Fayol (1841–1925), a French engineer, developed the theory of administration. He emphasized specialization, division of work, the authority and responsibility of the boss to expect obedience, a hierarchical chain of command, and the importance of order. Max Weber (1864–1920), a German sociologist, was known for developing the theory of bureaucracy. He posited that the ideal organizational bureaucracy is based on the definition of rules, which are then to be respected by the subjects in the bureaucracy.

While individually each of these theorists was trying to engineer the most efficient workplace, together Taylor, Fayol, and Weber (TFW) shaped some of the core concepts of modern management theory. Looking for the patterns in the TFW legacy, one can find certain beliefs about people and work that influenced their thinking in the search for work efficiency.

TFW Beliefs About People and Work

The core assumption about people is that the economic human is rational. Emotions and needs outside of the workplace have to be catered to at times, but essentially they are not very important. This core assumption about the rational nature of humans shapes two beliefs about work. The first is about losing one's individuality and becoming an organizational resource. To be more explicit, a hiring contract implies that employees sell a piece of their soul for the privilege of being paid. Thus, when people are hired, they must be obedient and work for the good of the organization and follow the workplace rules. In other words, with a work contract, an employee becomes a commodity, or human capital, to be used for the gain of owners.

The second belief is about the different natures of life at work and life at home. When coming to work, employees have to leave part of their self, e.g., their emotions, feelings, and desires, at home and turn into

rational, emotionless entities. An echo of this second belief could be found in modern discussions about the topic of work-life balance. While the idea of work-life balance is admirable, it carries in its heart the flawed assumption that work and life are different. Work is a part of life, not an alternative to life.

TFW Beliefs About the Workplace

No wonder these beliefs about people and the nature of work led to the following beliefs of what the efficient workplace looks like.

1. Hyper-specialization is the most efficient way of working. This means people should be narrow specialists rather than generalists, and thus people are divided into increasingly narrow, and more isolated, roles.
2. Separation is the most effective way to manage. This includes, but is not limited to, separating the generation of ideas from the execution of the work; the thinkers from the doers; the "noble" tasks from the "menial" tasks.
3. Business is about making a profit. Thus the work process is most important and the value of the person is and should be minimized. This leads to the concept of workers as human capital, as tools which can be disposed whenever it is convenient for the employer.
4. People can and should be submissive to the organization.

The descriptions of these beliefs, as well as their consequences, were first posited by Henri Savall around 10 years ago and later elaborated upon by Savall and his colleagues at the Institute for Socio-Economic Organizational Research (ISEOR) as the source of many problems in the modern workplace (Cristallini & Savall, 2014). They created a metaphor for the phenomenon and called it the TFW virus. While the idea of a virus is a metaphor, the consequences of the virus are very real. They are seen in a variety of social dysfunctions and in hidden costs which amount to a minimum of $28,000 per employee per year (see Conbere & Heorhiadi, 2011).

Observations About the Modern Workplace

We have seen signs of the TFW virus sickness in our practice, research, and everyday life, and have made some observations. Our first observation is that the workplace is fractured; it is broken into many separate parts in different ways. This *separation* is seen in divisions between people, between departments, between employer and employee. The separation is not only physical but mental: between generations, genders, ranks, groups, "us and them," and of course between "noble" and "menial" tasks. The separation hurts people, which in turn hurts productivity and effectiveness. Human trust is weakened; cooperation is undercut; communication is broken; joy is minimal; and satisfaction, even if present, does not come from a deep sense of participating in meaningful work. The separation contradicts systems theory, according to which all elements of the system are inter-related and inter-dependent, and the relationships between the elements are as important as the elements themselves.

Our second observation is that too often in the workplace we find *heartless processes*. The needs of the organization are more important than the needs of the individual. Rules must be obeyed and "if we let one person do this, we have to let everyone do it." So reason and compassion go out the door in favor of conformity and organizational convenience. And here is a real story that we were told about a heartless process:

> At our company, you have to follow the policies. A man's father was slowly dying of cancer, and finally he was put into hospice care. The man had used up all his sick leave for the year. He stayed out of work in the last few days of his father's life, caring for him in hospice. We had to write him up for his absence. This meant he could get no pay raise and no promotion for the next six months.

In large organizations, the sense of the organization, as an entity, creates a tremendous pressure to comply with the

organizational norms, and thus concern for individuals is lost. The result is that individuals become cogs in the machine, rather than individuals who deserve respect and care.

This leads to our third observation, *depersonalization*, which is especially obvious on manufacturing assembly lines, but can be seen in all kinds of organizations. Fromm (1955) described it as alienation, "a mode of experience in which the person experiences himself as an alien. He has become, one might say, estranged from himself. He does not experience himself as

rank in the organization, and to be higher on an organizational ladder implicitly means to be better, superior to those who are below. Some people truly believe that they are actually superior to others, and so they deserve their perks and sometimes exorbitant salaries. For example, in May 2014, the CEO of Target Corporation resigned under pressure. His separation package is $26,000,000. In what reasonable world does this make sense? The package is an insult to every employee who makes far less. It would take a cashier, who makes a yearly salary of $25,000,

leaders to be self-serving; and the self-justification of differences helps to secure the status of those higher in the hierarchy. This mindset is vividly seen in some executives' salaries, which can reach tens of millions of dollars a year. Their earnings, 500 to 2,000 times the earnings of someone at the bottom of the hierarchy, are justified with reasons like the need to be competitive for the best leaders. No leader is worth $50,000,000, but some receive this much or more. However the logic of self-justification dances around reason, allowing greed to flourish.

We claim that many modern organizations are infected by TFW virus, whether they recognize it or not, whether they admit this or not. In good conditions, the virus works slowly and lowers the organization's "immunity," and thus hurts organizational health. The symptoms are most easily seen in the time of stress or crisis.

the center of his world, as the creator of his own acts" (p. 120). This loss of one's sense of self is the opposite of self-actualization, and results in diminishing the human person, the withering of the human soul. People lose interest in their work, and lose hope that change is possible. They become disengaged. Employees' disengagement has become an epidemic and it is not just our imagination. Gallup's (2013) "State of the American workplace report" classifies 70% of the American workforce as disengaged with an annual cost of $450 to $550 billion.

Our fourth observation might surprise the reader. However we repeatedly see this destructive behavior. It is *elitism*, the belief that some individuals are superior to others, and it is ingrained in the modern workplace. The idea of elitism was described in *Protestant Ethic and the Spirit of Capitalism*, in which Weber (1930) posited that Puritan Protestantism led to the belief that if one is successful, one must be favored by God, otherwise God would not allow the person to be successful. By this belief, to be successful means to have a status, or to be in a superior position. Today superiority is demonstrated by

104 years to make as much as the CEO received for failing to lead as well as the board wanted. The example conveys a vivid sense of elitism, with the underlying belief that the leaders are worth so much to the organization that even when they fail, they must be exorbitantly rewarded.

When one notes that the average reimbursement for serving on the board of directors of a large company averages over $140,000, for 8-12 board meetings and a few committee meetings per year, the scope of the elitism can be seen (Schafer, 2014). The belief here is that the business elite deserve their wages, for doing very little work, and for the most part people are hopeless about changing the system.

Elitism feeds separation. People, who believe they are superior, also believe that they have to be seen separately from those who are lower in rank, and thus they need to preserve and reinforce their place. To do this, those who feel superior create a series of laws, rules, and traditions that serve to protect their superior place. Their mindset uses the following logic: there are noble tasks and menial tasks; status comes with certain attributes and symbols, which are deserved and important; it is acceptable for

At this point, many readers have perhaps already raised their defenses and prepared their arguments about why our critique of the modern workplace above is not true; and some may say that it is not as bad as we propose. And this rejection actually leads to our fifth observation, which is *blindness*. People stop seeing the four phenomena described above, or if they see these phenomena, they dismiss their observation as something not worthwhile. The idea of blindness is not new. Argyris (1990) described how, in many organizations, people become blind to what actually is happening and live in a semi-delusional world, in which they pretend to themselves and to others that life is better than it actually is. He called these phenomena "organizational defensive routines." And to maintain their delusion, people use "fancy footwork." Argyris described fancy footwork as a mechanism to explain away the inconsistencies between what people say and what they do. This mechanism consists either of denying that the inconsistencies exist, or placing the blame on other people. An example of fancy footwork from our experience is a CEO who claimed he only wanted to help a manager and did not want to micromanage, and then micromanaged. When challenged about this behavior, he denied that there had been any micromanaging.

Understanding how the TFW virus works is easier when comparing this metaphor to a virus in a human body. A real virus is a small infectious agent that replicates only inside the living cells of other organisms. The virus lives in a host cell and eventually leads to its

death. Disease-bearing viruses weaken an immune system, which in turn, limit the body's healthy homeostasis and the ability to resist stress and/or environmental impact. We claim that many modern organizations are infected by TFW virus, whether they recognize it or not, whether they admit this or not. In good conditions, the virus works slowly and lowers the organization's "immunity," and thus hurts organizational health. The symptoms are most easily seen in the time of stress or crisis. The examples of symptoms are: massive layoffs or in other words, getting rid of expensive human "commodities" (heartless processes); offering golden parachutes to failed leaders (elitism); unhealthy competition between departments that leads to professional jealousy and intra-organizational conflict (separation); the total disregard for the value of the individuals involved (depersonalization); followed up by a pretense that all this is normal (blindness). Our conclusion is that the TFW virus not only became epidemic in western societies, but it turned into the dominant ideology of modern business and its management.

Manufacturing Corp. Case

While it was very easy to find examples of the TWF virus to illustrate the theoretical concepts, we were interested in original research which would specifically look for evidence of the TFW virus at a US company. One of the co-authors deliberately chose one unit in a tremendously successful company, with a pseudonym "Manufacturing Corp." The unit was the most productive plant in a company posting strong earnings year over year, ahead of the industry average. In fact, interviewed employees spoke highly of the company, management, working conditions, and pay and benefits. However, throughout the course of his research, he found ample evidence of the TFW virus. Manufacturing Corp. proved to be a place where depersonalization, elitism, heartless processes, separations, and blindness were all apparent. One employee, when asked about the positive experience of being highly engaged in his workplace, mentioned a change

event two years ago with the negative lesson that it was actually better to not be too engaged because then he would not be disappointed. The employee added, "The general vibe is you're dumb, know your place, and don't think." He had come to believe that being disengaged was a key to personal survival at Manufacturing Corp. (Hazelbaker, 2014).

Of course, Manufacturing Corp. was not aware of its infected ideology. In fact, everybody shared their positive motives and described a much different ideology. Yet signs of the infected ideology emerged through the employees' behavior, nonverbal signs, Freudian slips, and inconsistencies between their behaviors and the espoused beliefs of their employer, which were eloquently shared with the researcher. One of the interesting things at Manufacturing Corp. was the way in which organizational change efforts, like Lean, were actually increasing the amount of submission and depersonalization in the organization. These change efforts were helping gain efficiency, and for a short term were engaging employees. However, over the long term, these change efforts were creating more rigid structures and an environment where people did not want to engage.

What It Has to do With OD

So what does all this have to do with the 50th anniversary of the OD Network? Through its history, OD worked on changing people's beliefs about work. This is obvious in works of several OD giants. MacGregor's Theory X and Theory Y highlighted in essence two different ways of believing about people and work. Likert attempted to change a belief about an effective management model. He argued that participative management was the only one of four models that would bring sustainable organizational growth. It took three years to make the transition to a truly participative workplace, but most organizations, trying to use participative management, gave up before the transformation was complete. Schein's model of organizational culture placed great importance on collective beliefs and values that are

key when it comes to changing organizational culture. Argyris's concepts of double loop learning and Model II theory-in-use called for changing the governing people's beliefs. All of these great minds were looking for ways to create a more humane and productive workplace and they gave a clear recipe – in order to create such workplace, one has to aim at changing beliefs and values. It looks like these OD giants, while not using the term of TFW virus, were nonetheless fighting the infected ideology.

We also believe that the practice of OD is about changing people's beliefs about work. Anything less is tinkering rather than going to the heart of the problem. And we suggest that OD has to face two important tasks. The first task is to explore the TFW virus as a concept. It is worth exploring because of the implications that there may be an unexplored ideological flaw that shapes the mental model of management in western society. Peter Drucker, a great supporter of Taylor, claimed that Taylor's impact on the modern world should be considered alongside Karl Marx and Sigmund Freud (Locke, 1982). If Taylor's impact can be compared to Marx and Freud, it is worth considering how greatly the ideas of Marx and Freud have been debated and either adapted or changed with the consideration of new research, experience, and information. It is hard to imagine what the field of modern psychology would look like if people had not been willing to study, challenge, and build on the theories of Freud. So the question for the field of OD is whether it has the same courage to look at its own ideology. The ideology matters, as a flawed foundational level is never likely to work over the long term. One of the criticisms that we can anticipate is that ideology is unimportant to individuals in the organization, and is unimportant to the goals of the organization. However, that argument in itself serves the dominant ideology. Edward Deming is credited with saying, "Every organization is perfectly designed to produce the results it's producing" (Clawson, 2012, p. 122). The ideology of the organization is the foundation of organizational design.

Thus, the other task for OD is to explore the extent to which the TFW virus infected its own ideological foundations. So if OD is true to its own values (see *Table 1*), OD must continually reassess its own foundational ideology. To begin, one has to answer the question, "is the field of OD infected by TFW virus?" To be blunt, this questions means, "To what extent do OD practitioners, OD academics, and OD as a field, recognize the context in which the TFW virus can flourish? To what extent do they name, and then work to eliminate, destructive ideological factors that lead organizations to embrace separation, heartless processes, elitism, and depersonalization?"

The problem is that these questions can make the TFW virus flare up and cause resentment. This is not surprising, as challenging the very core of what people believe raises huge anxiety (see Heorhiadi, La Venture, & Conbere, 2014). At the same time, the commitment to creating a better future for workers, organizations, and communities requires OD to look at its own ideology, and make sure that OD practices reflect the OD espoused values.

We do understand that there is some arrogance in calling for a fundamental rethinking of management education, OD practice, and the way that American organizations are managed on a day to day basis. At the same time, having the discussions about what people think and believe is very important. It is also likely that in those discussions, there will be a need to question some people and practices that have gone years without critical study. Perhaps this work will be keeping ODN busy for the next 50 years. Happy Birthday!

References

Argyris, C. (1990). *Overcoming organizational defenses*. Needham Heights, MA: Allyn and Bacon.

Bartunek, J., Austin, J., & Seo, M. G. (2008). Conceptual underpinnings of intervening in organizations. In T. C. Cummings (Ed.), *Handbook of organization development* (pp.151–166). Thousand Oaks, CA: Sage Publications, Inc.

Cristallini, V., & Savall, H. (2014). The Taylorism-Fayolism-Weberism virus. In H. Savall, J. P. Conbere, A. Heorhiadi, V. Cristallini, & A. F. Buono (Eds.), *Facilitating the Socio-Economic Approach to Management: Results of the first SEAM conference in North America* (pp.13–18). Charlotte, NC: IAP-Information Age Publishing.

Conbere, J. P., & Heorhiadi, A. (2011). Socio-Economic Approach to Management: A successful systemic approach to organizational change. *OD Practitioner, 43*(1), 6–10.

Fromm, E. (1955). *The sane society*. New York: Holt, Rinehart and Winston, Inc.

Hazelbaker, C. (2014). Looking for evidence of the TFW virus (Doctoral dissertation). Available from ProQuest Dissertations and Theses database.

Heorhiadi, A., La Venture, K., & Conbere, J. P. (2014). What do organizations need to learn to become a learning organization? *OD Practitioner, 46*(2), 5–9.

Gallup Inc., (2013). *The state of the American workplace: Employee engagement insights for U.S. business leaders.* Washington DC: Gallup

Locke, E. A. (1982). The ideas of Frederick W. Taylor: An evaluation. *The Academy of Management Review, 7*(1), pp. 14–24.

Schafer, L. (2014, May 10). Imation board's pay is unhinged from results. *The Minneapolis Star Tribune*, pp. D1–D2.

Weisbord, M. (2011). *Productive workplaces: Dignity, meaning, and community in the 21st Century 3rd Edition, 25 Year Anniversary.* Hoboken, NJ: Wiley, John & Sons.

Alla Heorhiadi, PhD, EdD, is Co-director of the SEAM International Institute at the University of St. Thomas, Minnesota. She has taught in the OD doctoral program since 2005; and co-designed and launched the MA and certificate programs in Socio-Economic Approach to Management. She can be reached at *aheorhiadi@ stthomas.edu.*

John P. Conbere, MDiv, EdD, is Co-director of the SEAM International Institute at the University of St. Thomas, Minnesota. He has taught in the OD doctoral program since 2002; co-designed and launched the MA and certificate programs in Socio-Economic Approach to Management. He can be reached at *jpconbere@stthomas.edu.*

Chato Hazelbaker, EdD, is Chief Communication and Information Officer at Clark College, Washington. He is an adjunct instructor at Bethel University (MN) and Warner Pacific College (OR). He can be reached at *chazelbaker@ clark.edu.*