Reclaiming pragmatism: turning management on to its philosophical head

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*'We are in trouble just now because we do not have a good story. We are
in between stories' (Berry cited in Senge, Caestedt & Porter, 2001,p3).*

*'It is imagination rather than reason that acts to extend our sensibilities
and our understanding of others' (Rorty cited in Phillips 1992:15).*

Abstract

This paper links the current preoccupation with narrow framings of 'knowledge management' with wider deeply-embedded rationalist scientific principles that underpin dominant management narratives. In light of the complexities managers face in the post-industrial context, this reductionist model represents a barrier to achieving sustainable innovative business processes. An alternative integrated theory-practice framework is posited catering to contemporary unstable and unpredictable organisational conditions. As a relationships-centred sensibility the perspective has potential to stimulate capacity for creativity in terms of people management and operational processes. Replacing the outdated 'work ethic' concept, it is represented operationally as a 'serious-play' ethic which caters to the contradictory and nuanced embodied character of organisational *living*. The model is demonstrated by reference to particular exemplary avant-garde companies.

Knowledge-management, relationalism, embodiment, innovation, pragmatic-philosophy

Introduction - Management, as a field, reflects a dominant historical cultural narrative which has privileged empirically-focused practice, positively represented by the 'pragmatic' nomenclature (see BJM special issue 2001:12 debates). Indeed management prides itself on its opposition to conceptual reasoning which it characterises negatively as abstracted academic theorising. This epistemological positioning is frequently expressed by MBA students, for example, in relation to their stated search for 'practical knowledge'. However 21st century management knowledge priorities call for the adoption of a more philosophically attuned story-line in which a self-reflective conceptual process-orientation is favoured as a basis for continuous adaptive individual and organisational learning and development. The need to initiate innovative capacity so that companies can improve product competition and productivity levels, as well as advance effective management of a range of stakeholder interests, has seen organisations re-image themselves as conducive sites that welcome such contemplative practice (Rizova 2006). Nonetheless, these developments continue to be hampered by the persistence of an outdated rationalist ontological model that underpins the intersection between knowledge and practise. This trend can usefully be represented as the emerging postmodern organisation being restricted by the pervasive influence and presence of modernist principles and attitudes and their associated modes of operation. The postmodern

organisational context reflects developments in automated technological manufacturing and the introduction of global telecommunications systems, including the internet, which require *organic* modes of production and people management processes involving agile organisational systems serviced by multi-skilled, highly committed and engaged participants. Current research suggests however despite this 'flexible specialisation' production context, organisations continue to operate according to a traditional 'control-orientated' modernist mindset, leading to counter-productive outcomes (Twiname, Humphries & Kearins 2006). Contemporary empirical studies, documenting the uptake of new technology for example, demonstrate that rather than facilitating creative process, electronic capacity is utilised as a surveillance mechanism to intensify output - replacing traditional supervisors (see Jones & Kriflik's 2006 empirical study of the super-bureaucratic results).

Knowledge management: the subject/object nexus - As a related development the highly instrumentalist theorising and application of 'knowledge management' illustrates the persistence of reductionism. In relation to human intellectual 'inputs' rather than recognising the type of nebulous intellectual know-how which typifies today's knowledge economy cannot be commodified, organisations attempt to *capture* intellectual 'property' in order to document, map, codify and measure it (Storey & Quintas (in Storey 2001, p343). In contrast the 'learning as becoming' emergent perspective (Sturdy, Brocklehurst; Winstanley & Littlejohns 2006) envisages the transmission of knowledge and identity work as a continuous integrated *intellectual-experiential* developmental process, and thus not profitably 'extractable'. This reflects a postmodern awareness of knowledge as a socially produced phenomenon in which the acquisition of skills and competencies is integrally intertwined with the formation of an individual's unique identity characteristics. It seems then that despite the desire of organisations to move to more socially progressive modes of organising to facilitate a new economy type of knowledge production process, the disembodied empiricist legacy, coupled with a mechanistic mindset, continues to undercut their objectives. As Doorewaard & Benschop (2002, p272) put it, in relation to HR knowledge management, due to the '*unambiguous, instrumental, and rationalistic conceptualization of the relationships between the HRM practice [and] the HR outcomes in terms of knowledge, skills and commitment, the success of the organization remains limited*'. To break out of this dilemma a 'new narrative manifesto for living' (Kane 2004), not just working, in the organisation is necessary to rescind

the dominance of overly simplified theory/practice polarities. This would entail reframing knowledge management according to a broader embodied way of knowing and being thus facilitating the emergence of fulfilling creative organisational contexts where both management and staff can engage in 'serious-play' (Kane 2004) innovative processes. I outline a framework, informed by the particular 'Both-And' relational perspective of poststructuralism. My contribution is to demonstrate that the model can be operationalised as an expansive embodied mode of knowledge management capable of delivering improvisational potential due to its embracing of complexity. Reclaiming the pragmatic ground I identify this conceptually-applied, know-how model 'pragmatic philosophy', following Rorty (1991). The paper begins by discussing how contemporary strategic organisational requirements are undermined by a persisting dated mindset and accompanied practices. The relational framework is then elaborated and demonstrated through reference to a number of commentaries that re-integrate 'pragmatic thought' and in so doing signify the complexity of lived organisational experience. This is followed by analysis of a number of avant-garde companies who display a sophisticated understanding of poststructural ideas and fruitfully apply them moving from a control to collaborative focus. The overall intention of the paper is to show how an academic perspective, commonly portrayed as esoteric, can aid managers to productively meet meaningful social as well as economic objectives.

Part I. Interrogating the terrain - While organisations, attempting to compete in the global 'knowledge economy' environment claim they understand the need to engage in radical change processes to survive, thus far, Storey & Quintas (in Storey 2001, p341) point out that the focus and allocation of resources, relating to intellectual capital for example, has been largely restricted to information technology. This reflects a continuing modernist instrumentalist love affair with high-tech solutions. Storey & Quintas contend however that it is now time to concentrate on human resources as they are more likely to produce the unique core capabilities organisations depend on today to establish a market edge. In this regard, Lennon & Neuhold (2006) suggest there is a growing recognition that staff are central to the new economy knowledge management agenda which is why empowering employees, to produce a heightened level of innovative capacity, has become a mantra for the enterprising organisation (see Salaman 2001 in Storey). A significant change in management roles is also called for with collaborative, nurturing approaches, designed to engender staff commitment and facilitate creative potential, replacing

old economy, directive supervision. Similarly organisations too now need to learn how to build more collaborative relationships with other companies to compensate for the breadth of global knowledge and customisation resource requirements (Fulop in Linstead, Fulop & Lilley 2004).   Massini, Lewin, & Pettigrew (2001) argue the growth of relationship building is related to operational decentralisation where people at all levels of the organisation are drawn into strategic processes. This impetus gives rise to new organisational forms represented as 'stakeholder alliances', 'enterprise webs' and the 'networked firm'. As well as enhanced forms of global trade and communication, Kramer (2001, p.5) sees population growth and employment re-distribution, also leading to changes in social and ethical values regarding acceptable business practice. In relation to the managing people function, this means the behavioural change expectations called for are not just restricted to specialist HR functionaries, and corporate strategists as all managers are expected to participate in delivering delayered team-orientated adaptive agendas and processes, for both internal and external applications (Majchrzak, Logan, McCurdy & Kirchmer 2006).   This situation has knowledge management implications for managers themselves, as professionally they can no longer rely solely on a particular technically orientated knowledge capability (e.g., accountancy, engineering, marketing, etc) as a secure basis for career building because the knowledge economy demands additional forms of 'socially orientated' skills (Watson & Harris 2002). Moreover, while previously the managing people role primarily involved subordinate individuals it now expands to include a vast array of multifaceted relationships (Raelin 2006). Fulop and Linstead (Linstead, Fulop & Lilley, 2004, p10) for example, identify five overlapping formations managers now have to contend with: 1) internal constituents, 2) external stakeholders, 3) interpersonal contacts, 4) socially diverse groups, and 5) wider cultural, political and economic contexts. Managers thus face the onerous task of attempting to create collaboratively functioning cultures derived from various 'communities of purpose' relationships (Leidtka 1999).

Knowledge economy employees: management colleague or commodity? - The widespread presence of diverse working populations would appear to provide an ideal forum from which to expand ways of thinking and practising to meet the knowledge management creativity impetus. However the continuing dominance of a short-term focused market model, where people continue to be regarded as a Taylorist 'means to an end', both works against valuing individual potential and ultimately reduces employee commitment to improvisational output ((Jones & Kriflik 2006; Twiname, Humphries & Kearins 2006).

As Kupers (2005, p.1) puts it: *'employees or team members are considered only as they are available to be known and manipulated in subject-object relations'*. Organisational culture change research also reveals a dominance of consensus-driven, conformist, 'values' operating in such programs, which end up stifling the desired plurality of innovative contribution (Cross & Brodt 2001). In this regard, Chan and Clegg (2002, p.264) argue current managing culture practices represent just another historical translation of management's attempt to instrumentally control meaning by governing the subject through bodily

I define rationalism as a dominant discursive explanatory mechanism, premised on scientific principles, which underpins the principle knowledge system of the West. In relation to the nature of human affairs and their relationship to matter, it calls on notions of individuation, separation and segmentation, as a means of classifying 'objects' as external to 'subjects'. Rationalism represents this objectified apprehension of the world (organisation) through dualistic logocentric modes of language, e.g. reason versus emotion, objective versus subjective, mind versus body, theory versus practice, fact versus value, logus versus matter, science versus belief (Bissett 1997).

surveillance schemes like Six-Sigma. Equally, the pervasively narrow focus on measurement of people in organisations, applied through Myers Briggs type psychological testing and continuous performance appraisals and monitoring systems, adds weight to the persisting disembodied rationalist mindset claims made in this paper.

Hence the consequences of the schism, between the publicised 'softly softly' articulated 'cultures of excellence' (Wray-Bliss 2003) management discourse and the 'hard-script' organisational realities, leaves practising manager's ill equipped to deliver on improvisational potential. While claiming to be committed to diversity, creativity and sustainability initiatives for example, organisations fail to translate these values into appropriate procedures (Kirton & Greene 2000). Illustrating this, Bond's (1999) empirical organisational diversity research noted the presence of a formally espoused discourse, where managers claimed interdependence and collaboration as prime company values and practises, yet informally traditional macho, independent and autonomous behavioural modes were privileged with various kinds of subtle sanctions existing to ensure such norms were not challenged. In this regard, the difficulty I seek to draw attention to in this paper, is that much of this is unintentional in that it reflects the presence of deeply embedded, modernist assumptions (that pertain to the rationalist knowledge system and its associated practices) which are simply taken for granted and thus not readily acknowledged. The important implication is that this state of play precludes adequate understanding of, and attention to, savvier strategic knowledge management learning processes (see Samra-Fredricks 2005; Senge et al, 2001 and Leidtka 1999, for instance). Hence my take-up of the terms strategic, knowledge management and pragmatism, reflect an attempt to reclaim this rhetorical space to name more effective new economy priorities and trajectories. As a critical theorist, informed by the poststructuralist analysis of the relationship between language and social constructionism, my objective is to create a bridge for dialogue with managers built on an expanded discursive narrative structure where content is framed relationally rather than

oppositionally. Throughout the text while poststructuralism provides the philosophical framing of the pragmatic philosophy model, references to postmodernism allude to the wider contemporary organisational and social context

Part II. Naming the absence: poststructural narrative presence - Taking the life and practice of managers themselves as a starting point provides scope for alternative narrative scenarios from the dominant diminished discourse and thus more adequately represents their complex, and often contradictory, everyday organisational experiences (Watson 2001). Storytelling is an effective way of allowing managers to recognise and engage in analysing the dichotomous modes of representation utilised in managerialist scientific discourse. Reference to narrative construction is central to poststructural methodology because it breaks the dichotomous realist frame to reveal a plurality of perspectives that inhabit organisations. This transparency enables one to see it is context that determines meaning and validity not prefixed categories of truth. Material like Watson and Harris' (1999) first-hand studies, which juxtapose the formalistic prescriptive, control orientated, content of superhero/ine discursive constructs, illustrated in managerial job advertisements, with the much more ad hoc, tentative and emergent, informal personal storytelling accounts presented by the managers they interview, allows management students/practitioners to identify and name the gaps they are intuitively aware of. Hopfl, Letiche & Dugal (2006 abstract) see such *'practice based research [as rigorous because it] does justice to others, situations and experiences [through] rich vocabularies [that] make acute and significant observation possible'*. Equally, Doorewaard & Benschop (2002, p272) contend that by '*sensitiz[ing] managers to [the] emotional subroutines [of everyday organisational practice]...that an empathetic and respectful approach towards people's authenticity [can] be cultivated'*. However while an indepth ethnographic-style cultural lens and training in reflective practice can effectively illustrate the complexities that represent the postmodern organisation a deeper understanding of poststructural framework to make sense of this multifaceted ambiguous reality is required to manage effectively in the 21st century. The following section elaborates the merits of such a perspective. Postmodernism tends to be critiqued as apolitical on the grounds of its 'relativist' focus in which all accounts are treated as equal (Hardy & Clegg 1997). The poststructuralist reference to 'relationalism' in contrast (with its post-Marxist take on *structural* analysis) demonstrates that while all meaning and

subsequent action takes place via inter-subjective negotiated processes, the context (and content) in which meaning-making is played out is marked by structured political constraints (hierarchical organisational systems, the presence of logocentric language representational processors) and thus moral judgments are called for. Poststructuralism shows that meaning is not dichotomous but rather that classifications are both interdependent yet unstable. Gender representations provide an example of rationalism in that the male/female binary is conveyed as exclusive terms yet our lived experience of sexual identity is much more continuously fluid and interrelated. So too divisions between reason and emotionality deny the grounds for the embodiment organisational success today depends on Doorewaard & Benschop (2002).

While recognition of the presence of multiple negotiated, often competing, realities can initially be challenging for practising managers (given the hegemony of conventional reductionist discursive processes) there is evidence to suggest that managers find this awareness of *presence* to be ultimately empowering (Miller 2005). Moreover, given that most of the issues managers face today are neither simple nor predictable then these circumstances call for a form of knowledge management that can address the embodied life-world. In this regard, being exposed to poststructuralist relational understandings that reflect an integrated way of seeing and being in the world which is more in tune with building 'network relationships' (Rizova 2006) can equip managers with a meaningful set of strategies. Klein (2004), an interdisciplinary social scientist, notes that from the middle of the twentieth century a new science of complexity emerged in domains like biology and physics which embraced complexity as a continuous state of being. In the management field, such developments mainly appear as a 'systems theory' approach which tends to entail expansion, via multifactor analysis and the like, rather than a rejection of scientific causal modelling. Reflecting the influence of postmodernism, Klein outlines a more relationally centred interdisciplinary perspective, which blurs the boundaries between science and humanities and, in so doing, challenges the modernist techniques approach to problem-solving (as taught in business schools particularly - see Hughes' critique, 2006). Complexity and interdisciplinary perspectives both explicitly reference breadth and plurality at the same time as holding to integration and synthesis (Klein 2004, p.2). In that sense they more accurately reflect the contemporary organisational context where, in poststructural terms, the dynamic interplay of phenomena is represented dialectically as

'Both-And' rather than the 'Either/Or' predilection of logocentrism (Collinson 2005, p.1420). As Stimpson puts it, since:

> the structures of discourse have boxed up difference [poststructuralists are wary] of both monolithic and dualistic thinking; of too great a trust in the article 'the' and the conjunctions 'either' and 'or'. [They opt for] heterogeneous thinking prefer[ring] the article 'a" and the conjunctions 'both/and' (1989:30).

The following graph outlines the distinctive epistemological and ontological values of traditional modernist (I - instrumental) and emergent poststructural (R - relational) knowledge management postulations.

I – Assumptions: rational systems, prediction, control, linearity, singularity, consensus, progress, simplicity, order, calculation, boundaries, accumulation.

R – Assumptions: embodied relations, organised chaos, collaborative process orientation, plurality, diversity, flexibility, complexity, embracing disorder, uncertainty, ill-defined boundaries, integration

Knowledge depicted according to this more embodied experiential processual approach takes on a hybrid quality where modernist preoccupations with universalised linear structures are displaced by information networks (or webs) with multiple nodes of interconnection typified by the metaphor of plural relationality (Klein 2004). The fundamental relational quality of the pragmatic philosophy I am outlining therefore is its dynamic characterisations and apprehension of complexity as facilitating imaginative capacity (Watson 2001). From a poststructural pragmatic philosophy perspective, reasoning and imagining are represented as interwoven capacities unlike logocentric language constructions that depict them as divided functions. Rather than relying on deterministic measurement toolkits from which management decontextually predicts who will be the 'right' individual to employ, this embodied mode of representation facilitates management which attempts to create the 'right' context for employees to *manage themselves* (Watson 1999) facilitating increased task discretion and scope for self-development for example. While managers may readily acknowledge the complexity of the environment within which they operate, nevertheless the reductionist scientific cultural precepts, which underpin their knowledge management responses to organisational relationships and processes, leads them to seek tools of simplification as a learnt response. The image of technical machinery is a powerful metaphorical symbol of this dominant, mechanistically framed, analytical approach where definitive knowledge is thought to be gained through reducing an object to its component parts (as exemplified in Pirsig's legendary text *Zen and the art of the motorcycle maintenance*). As organisational circumstances and events today tend to be open ended and ill-defined,

marked by context driven meanings - giving rise to a preferred relational notion of 'best situational practice' - then the symbol of the kaleidoscope, with its '*shifting shapes and colors [reflecting] new and unpredictable patterns and hues'* (Klein 2004, p.5), appears to be a more fitting symbol for the new economy manager. As Klein sums it up: '*the art of being a professional is becoming the art of managing complexity...[where] complex problems are not solved once and forever [but] must be continuously managed'* (2004, p.4). Those of us who teach practicing managers have a role to play in assisting our students to adopt a more expansive, information age, attitude to knowledge management by increasing their awareness of the breadth of resources to be accessed relative to the specific issues in question. Fulop and Rifkin (Linstead, Fulop & Lilley, 2004) for instance, believe that managers would benefit from adopting a more pluralistic approach to their own knowledge practices. Outlining the range of sources managers traditionally call on as: *a) learning by doing, b) hearing local accounts, c) reading popular accounts.* They encourage managers to become more critically aware of the strengths and weaknesses of each of these approaches; to take time to be more reflective about their relevance to particular situations; and to extend themselves by: *d) testing, not just blindly adopting, fads and fashions approaches and, e) engaging with both soft and hard academic theory.* As more and more of the latter material, in the critical management studies field, is being presented in accessible formats (see Fineman, Sims & Gabriel 2005; Clegg, Kornberger & Pitsis 2005, for instance), if this recommendation were followed through it would begin to address the problematic reductionist issues outlined in this paper by facilitating the combining of reflective practitioner methods with complexity theorising (poststructural relational understandings), à la Klein. Various organisation studies researchers are beginning to embrace more expansive modes of contemplation authenticating aspects of subjectivity, emotionality and aestheticism represented by literature tuning into emotional intelligence, for instance (Fineman 2003; Jordan 2004). However, the focus still tends to be on balancing out managerial preoccupations with scientific objectivity and rationality rather than deconstructing the imposed divisions (Taylor 2002). Thus a bipolar mode of representing humanity and human activities (e.g., reason versus emotion, mind versus body, science versus the arts, etc) is retained (see Boje 1999 for instance). Consequently Montuori (2003, p239), addressing the relationship between social science, art and creativity, suggests if we are to take the drive to establish innovative processes seriously than we need to 'change the very way we think' .

Part III. Operationalising the Both-And pragmatic philosophy - Critiquing the scientific (managerialist) preoccupation with prediction and control, and its link with decontextualised and disjunctive modes of perception, Montuori contends such segmentation ends up repressing individual and organisational imaginative capacities. In particular, he challenges the restrictive, hierarchically valued, distinctions that are made between such notions as 'serious/playful [and] order/disorder' (2003, p239). Drawing an analogy with the activities of a jazz musician, he identifies the creative improvisational qualities displayed as emerging from democratically valued states of *openness and uncertainty,* which serve as spaces from which to question taken for granted (musical) assumptions and practices. (While Humphreys, Brown & Hatch, 2003, also identify a metaphorical relationship between jazz and organisational activity, drawing attention to the absence of the aesthetic realm in rational managerial discourse, they present a *supplementary* rather than deconstructive perspective). The linking of these two features is pertinent for management in that rather than the current organisational context of extreme 'uncertainty' giving rise to a fetish of control-orientated behaviours (in the name of strategic decision-making) attention to developing appreciation of, and a capacity for, 'openness' to unplanned processes (Watson 1999) could be a more productive tactic. As well as facilitating adaptability, flexibility and responsiveness - attributes greatly needed by the new economy organisation in relation to its management and general staff – Montuori's (2003) attempt to imagine engendering organisational innovation by referencing the arts rather than the sciences, enables him to validate the strongly subjective and emotionally expressive learnings of the improvisational capacity of jazz musicians. However his insider account (as a musician and organisation theorist himself) resists the reductionist tendency to depict such activities dualistically. Instead it is embodied practice that he describes where the individual's intellectual and expressive sensibility is integrally interwoven. Doorewaard & Benschop's (2003, p277-8) process-relational description of emotions as part of an undivided body perspective advances a parallel integrated account of human organisational functioning. Unlike those who retain binary conceptions, unconventional accounts of pragmatic philosophy (combining Both-And praxis) like Montuori's referencing to jazz practice, allows us to radically reframe structure as no longer signifying stable meanings (thereby challenging logocentric language structuring). Rather than structure imposing constraints as in bureaucratic impositions, this process driven approach treats structure as a potentially

empowering frame of reference which facilitates creative engagement in that it sets organisational participants free to experiment with practices marked by 'flexible spontaneity' - following Watson's (1999) recommendation for managers to provide conducive environments that 'free up' employee constraints. Those of us who have played a parenting role have been made aware that a degree of structure provides children with a sense of security, whilst also serving as a source of resistance, thus allowing them to continuously test the boundaries as they grow. As Senge et al frame it '[*c]onstraint and creativity are always connected. No artist paints on an infinite campus. The artist understands that rather than just being limits, constraints can be freeing'* (2001, p.11). Hence structure is not abandoned -the musician retains the written music sheet and the manager the strategic plan - but the frame serves as a guide (rather than a blueprint) thus allowing the musician/manager to performatively move beyond conventional restrictions. There is a growing minority of organisations who utilise a Both-And notion of structure-as-process recognising that structure provides both support and scope for the exercise of flexible creativity. The next segment explores specific companies that exemplify this pragmatic philosophy style of knowledge management in which embodied activity plays a central role.

From control to experimental emancipation - IDEO is an international industrial design company who deconstruct the order versus disorder dualism in favour of integrated (and consciously anti-authoritarian) innovative practice management they call 'organised chaos', which typifies the relational structure-as-process approach. This term refers to their brain-storming sessions where, organised into various democratic teams, they reframe *structure to facilitate spontaneity, constraint as possibility, tradition as innovation, and leading as supporting.* Montuori's report of an attempt to phenomenologically document the improvisational character of jazz musicianship parallels the type of 'dialectical paradoxical' (2003, p250) work-life encounter that IDEO embraces where a collective state of interdependent instability (which traditionally we are socialised to avoid as anxiety producing) enables the participants to feel safe enough to risk improvisation. This effectively 'shatter[s] the rule of law and regularity in the mind' (Barron 1990, p249, cited in Montuori) that rationalism has come to represent, as the group engages in organising, disorganising and reorganising as a symbiotic reflective sequencing process. Mirroring Klein's intra-disciplinary focus, the IDEO group is staffed by individuals from various discipline backgrounds (e.g., medicine, linguistics, psychology, as well as engineering) that collectively produce diversified social inputs. Following Montuori, they explicitly position themselves as social analysts, bridging science and the arts, rather than acting as corporate agents. Consequently they define themselves as covering the domains of 'human factors, psychology, business, design, engineering and manufacturing' and following Kane, represent their working situation as one where *fun* is a central

ingredient. Symbolising an active engagement with complexity, they name their free-flowing information exchange sessions 'the deep dive' and reflecting new economy ethical concerns, manage their team communication as 'power for' (rather than 'power over') processes, to ensure relations of mutual respect are maintained. Actively disavowing the managerialist control fetish, they pursue a liberating agenda identifiable in all aspects of their organisational functioning. Senge et al (2001) suggest that it is only in such a mutual trust context that individuals gain a relative sense of *freedom and confidence* to readily engage in experimentation and commit to continuous expansive learning processes - a lesson the 'cultures of excellence' corporates could well take on board. The 'engaged sensibility' procedures IDEO pursue mirrors Montuori's conception of jazz improvisation as expressing freedom within structure, which figures '*creativity as an emergent property of the relationship between order and disorder*' (2003, p237). Following Fulop & Linstead (Linstead, Fulop & Lilley, 2004) the company also operates from a stakeholder perspective, initially consulting with community participants, when designing products, through a values-driven process (prior to the staff brainstorming sessions) where interactions take place in the environment of the individuals/groups involved. The staff represent this process as 'ethnography', which entails working in dialogue with people to serve their everyday needs, not just manufacturing a product or process that suits the company's exclusive interests. People at IDEO are equally free to design/inhabit their own office space on their own terms. This has seen the introduction of quirky objects (like a DC3 airplane wing) while Dave, the senior operational manager, actively rejects the trappings of corporate status in relation to his allocated space. Proactively embracing the 'unforeseen and uncertain' (Montuori 2003), rather than the 'known', has led them to design a vast range of user-friendly items, including new age functional supermarket shopping carts, toothbrushes, large aircraft items and toys, to name but a few. Hence this suggests that the comfort IDEO staff exhibit in *working-living* with ambiguity and complexity leads to an exceptional capacity for improvisational action. Remaining in a liminal 'organised chaos' space stimulates diverse reflections and thinking patterns enabling them to practice a Both-And form of imaginative reasoning. This entails combining moral codes of behaviour with unconventional strategic concerns, thus modelling the post-industrial contemplation-as-practice, pragmatic philosophy, outlined in this paper. The overall outcome for IDEO is that they are exceptionally successful such that they no longer just manufacture physical products but additionally advise other organisations on appropriate knowledge management cultural practices. This involves working with organisations on how to pursue more relationally approaches. Reflecting this expansive way of framing organisational activities, they describe themselves as dedicated to the process of producing innovation, rather than just manufacturing specific 'objects'. Demonstrating the effectiveness of this type of approach economically as well as socially, IDEO recently saved a hospital unnecessary expenditure on information technology infrastructure by inhabiting the location ethnographically; observing and gaining narrated accounts of the experiences of being a patient. This embodied activity enabled them to show that improved communication, a more strategic use of staff and the development of user-friendly processes could inexpensively solve the organisation's problems. This relationally sensitive approach supports

Storey & Quintas' (2001 in Storey) claim that it is the low-tech use of people, in terms of their technical skills and social competencies, not reliance on high-tech information technology, which will provide the competitive knowledge management edge in the new economy. In this regard, Senge et al (2001) hold that such company behaviours, encompassing 'collaborative action research networks combined with a spirit of learning together' (2001, p10), set the scene for an ethically based form of knowledge management.

Omtanke: the 'ethic of care' relational organisation - Scandia, a US backed, Swedish company that runs a hotel chain (now located in over nine countries) also carries out its daily functions according to the type of embodied pragmatic philosophy this paper references. Operating from a holistic appreciation of the integral relationship between diversity, creativity and sustainability, they explicitly describe their mission in business language as shifting from 'cost' to 'value' accounting. While environmental sustainability is their prime focus, it is the associated social value (not just economic) that results from this orientation, which drives the company and its staff to commit to a mutual benefit *Omtanke* (meaning 'ethic of care' see Leidtka 1999) approach in all their business relationships. Supporting a fluid leadership model, where employees get to exercise significant, not just token, decision-making capacity they work in small teams in their local context but have input into broader strategic planning. Individuals have direct access to funding to support the sustainability initiatives they come up with and get to follow through with the projects long-term. Like IDEO, Scandic reject the anti-intellectual managerial tradition and embed their relational approach in a 'pragmatic philosophy' knowledge management framework as a guide to pursue organisational processes that mimic nature (informed by *Natural Capitalism* 1999). While avant-garde companies like IDEO might be characterised as atypical in that they explicitly employ knowledge workers, Scandic operates its creative relational knowledge management approach with the support of 'blue-collar', housemaids, bar staff, drivers, etc. Brazil's manufacturing company Semco also employs staff covering a spectrum from labourers to engineers. The CEO, Ricardo Semler, operates an expansively democratic, 'flexible specialisation' mode of structuring where staff determine the scope of their own job profile, according to their skills and interests. Semler argues, by giving employees' *control* over their own work situation; allowing them to act in their own best interests, this translates into the organisation's interests being secured particularly as the resulting varied inputs, actively introduced by the staff, injects vitality into the organisation. Like IDEO and Scandic, Semler reflects a 'McGregor Theory Y' conception of embodied humanity (referred to earlier) where people are seen as inherently curious, stimulated by continuous learning, and capable of exhibiting abundant creative capacities. This premise is supported by anthropologist Edward Hall's comments, cited in Senge et al, that 'humans are learning organisms par excellence' (2001, p6). Exhibiting a relational, structure-in-process, take on knowledge management, Semco's employees are made fully aware of (and trained to decipher) the organisation's financial functioning and encouraged to set up their own separate organic units, utilising company machinery and staff. Semler contends that by '*allows[ing] Semco to transform itself continuously and organically [in this way] - without formulating complicated mission statements and strategies*' (Video

citation) it becomes endlessly experimental. This 'stewardship leadership' style of knowledge management recognises that job 'responsibility' on its own, devoid of elements of significant skill-based discretion, calls into question the employee empowerment claims made by corporate culture instrumentalists. Semco's learning space may appear disorganised and disaggregated and particularly threatening to managers who gain a sense of security from imagining they are in control. However, given that Mintzberg (1994) depicts this to be one of the greatest fallacies of conventional management, then we can see that organisations based instead on freedom and trust principles and practices (as the organisations canvassed here represent) are more likely to develop innovative potential. While Semler says his company *'reap[s] benefits from running a business without labels, boundaries and restrictions'* (Video citation) he does represent the system as 'management without control'. Like the other organisations I have cited, this approach would appear to facilitate elements of discretion, connection, participation and collaboration. This criterion would appear to model the type of significant empowerment needed to survive and thrive in the knowledge economy. Organisations that behave in co-operative ways may have been around for a very long time, but it is the outright rejection of narrow empiricist notions of practice ,and a mechanistic command and control mindset, coupled by their sophisticated uptake of pragmatic philosophy relational understandings and embodied operations that mark these avant-garde companies as exemplars of a new economy approach to knowledge management. Organisations in general will need to adopt such a lens in the future, as Senge et al (2001, p6) warn, for learning processes to be meaningful:

> many organisations have attempted to build learning organisations with little grasp of the depths of the changes required. They want to increase imagination and creativity without unleashing the passion that comes from personal vision….They espouse systems thinking, without realising how threatening that can be to established 'quick fix' management cultures. There is a difference between building more-sustainable enterprises because there is profit in it and because it is one's life's work. The journey ahead will require both.

Beyond 'fear of freedom': knowledge management as serious-play - Nonetheless Pat Kane (2004) a director of the company New Integrity, contends that 'Generation Y' folk are less willing to live out their lives as modernist economic organisational drones. Having been shaped by the expansive scope of electronic informationalism, he argues they now seek a form of 'social flexibility' to engage in what they regard as meaningful activity which tends to be conducted outside the workspace. While the 'work ethic' may have served the modern industrial era, he claims it is incapable of delivering a thriving post-industrial knowledge management outcome. Kane suggests if individual and organisational learning is to play a meaningful role in aiding creativity in the 21st-century then deconstructing the pervasive work/play *dualism* is a vital first step. Hence he outlines an embodied principled notion of valuable activity, more appropriate to the postmodern era, which he names the 'play ethic'. Writers like Pullman (2005, p.3) validate this call on the grounds that: *'[i]t's when we do this foolish, time-consuming, romantic, quixotic, childlike, thing called play that we are most practical, most useful, and most firmly grounded in reality'*. Reflecting an integrated and embodied relational perspective, Kane perceives play as a fundamental requirement for the wellbeing and success of the economy and the society at large, not simply as a basic

need for individual development and sustenance. Mark Dodgson's forthcoming (2006) *Think, Play, Do: Technology and the New Innovation Process* text, also portrays 'playful thinking' processes as central to the effective functioning of a number of innovative organisations, he has studied, who successfully stimulate creative output. Kane calls the type of brainstorming activities that IDEO engage in, where an informal knowledge management culture facilitates expansive, fun-orientated modes of learning, 'serious play', The companies I have referred to (IDEO, Scandic, Rockcote and Semco) all see themselves as experimental 'crafting' enterprises and positively frame their structure- in-process approach as 'serious fun' (organised chaos).

Conclusion - Beyond Rationality

> Today's world of abundant financial capital and limited natural and social capital differs profoundly from the world of a century ago…In a world where learning and knowledge generation are the basis of corporate survival and wealth creation, managers must see a company as a living being, a human community (Shell executive Arie de Geus).

As the evolving trends I have outlined indicate that organisational learning needs to be delivered in markedly different ways to meet this growing qualitative impetus, I have attempted, in this paper, to creatively imagine what type of operational narrative could address the growing postmodern sentiment. References to interconnectedness and relationality have signified an expansive, organic, knowledge management system which moves beyond reductionist, mechanistic thinking and practices. Rejecting top-down prescriptive knowledge sources, a collegial 'values-based' learning philosophy and environment has been outlined and shown to be in the interests of the organisation long-term. While Senge et al perceive the idea of a complex knowledge management learning model as '*a radical concept [because] it stretches our current ideas about rationality'* (2001, p.4), in substance I have been attempting to reframe a world *beyond rationality*, to more adequately represent the embodied existence we all inhabit. Senge et al (2001, p3) reflect that we have been reared on a modernist narrative:

> story of the supremacy of humanity and it is still shared by the vast majority of modern society. It is not easy to let it go… when we are uncertain about what the new story will be. We are just beginning to explore what it means to be part of the universe that is alive, not just cosmos but cosmogenesis. The new [postmodern] story will [be about] personal accountabilities [and] new communities in business and elsewhere. But first we must go through a kind of eye of the needle.

A pragmatic philosophy knowledge management system, which acknowledged that 'thinking and doing' are not neat dualistically divided activities, could open the door to a Both-And sensibility where improvisational capacity would be continuously stimulated through open reflection on emergent structure-as-process activities, not kept sacrosanct as 'best universal practice'.

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