

## PART 1

# Philosophy and Research

---

## 1

## The Production of Management Knowledge: Philosophical Underpinnings of Research Design

Robert Chia

### OVERVIEW

Management research deals fundamentally with the production and legitimation of the various forms of knowledge associated with the practices of management. Most traditional approaches to management research and knowledge creation involve a varied combination of the key processes of observation, reflection, theoretical conjecturing and the testing of theories and models developed to capture the essence of management realities. A seemingly wide panoply of theoretical perspectives has been proffered in recent times in the social sciences and in management research in particular, including positivism, hermeneutics, phenomenology, critical theory and realism. Despite this apparent diversity of philosophical approaches, this chapter will show that they basically represent various amalgams of two opposing epistemological impulses driving research and knowledge creation in the Western world. Only the more recent rise of postmodernism poses a radical ontological challenge to the metaphysical premises of modern research.

This chapter traces the philosophical roots of modern Western thought and identifies the key philosophical traditions and assumptions shaping perceptions of knowledge and knowledge creation in general and in management research in particular. I begin by examining the crucial link between philosophy and research in order to show how the former informs the latter in the academic production of management knowledge. This is followed by a systematic tracing of the intellectual origins of Western thought

## 2 ESSENTIAL SKILLS FOR MANAGEMENT RESEARCH

and the identification of the key metaphysical foundations of modern knowledge. This, in turn, leads to a discussion and comparison of the two basic strategies of knowledge creation associated with these foundations. The relationships between each of the various theoretical derivatives commonly used and the two basic forms of philosophic thinking are then carefully examined and explained.

### PHILOSOPHY AND MANAGEMENT RESEARCH

What is the nature of reality? Are the patterns and regularities we seemingly find around us products of our own imagination or are they embedded in an external objective reality? What attitude of enquiry should we adopt in order to establish with the greatest possible certainty our knowledge of reality? What forms of reasoning should we deploy to help us gain a better understanding of phenomena around us? What is the status of what we believe we know and how do we ascertain if what we believe we know is actually true or false? How do we justify our beliefs to others? Is there any difference between knowledge acquired from learning a theory and knowledge acquired through observation? How do new knowledge discoveries affect the status of what we believe we know? The substantive field of enquiry that examines these and many other related questions is called *philosophy*. Philosophy is primarily concerned with rigorously establishing, regulating and improving the methods of knowledge-creation in all fields of intellectual endeavour, including the field of management research. Many people assume that philosophy deals only with very general and seemingly esoteric questions about nature and reality that have very little to do with everyday life and especially with the applied field of management research. However, this is a rather prejudiced view that bears little resemblance to what philosophy throughout the ages has always been about. Philosophy, in fact, is more a rigorous and enquiring attitude of mind than an academic discipline. In philosophical enquiry, the facts, the theory, the alternatives and the ideals are brought together and weighed against each other in the creation of knowledge. Philosophical thinking revolves around the four pillars of *metaphysics*, *logic*, *epistemology* and *ethics*.

*Metaphysics* is concerned with questions of being and knowing. Is absolute reality permanent and unchanging or is it continuously in flux and transformation? Should we characterize reality as comprising discrete, atomistic entities or should we think of it in terms of fluid and dynamic ebbs and flows? In metaphysical enquiries, therefore, questions of *ontology* – the nature of reality – are central. *Logic*, on the other hand, deals with the methods of reasoning that we employ in apprehending reality in order to extract from it certain useful universal generalizations about how things work. The study of logic enables us to establish how certain knowledge claims are arrived at and legitimated, and hence the validity and reliability of such knowledge claims. *Epistemology* deals with questions about how and what it is possible to know. In epistemological investigations we attempt to reflect on the methods and standards through which reliable and verifiable knowledge is produced.

Epistemological claims are always founded on certain metaphysical assumptions and on the use of particular methods of reasoning. They have to be constantly defended against criticisms levied by others who either do not share the same metaphysical assumptions or who do not find the logic employed coherent and plausible. *Ethics*, which deals with moral evaluation and judgement, is the subject of Chapter 2. For the purposes of this chapter, I shall concentrate primarily on the first three aspects of philosophy and explore their implications for management research.

### *Knowledge, interpretation and action*

Philosophical attitudes shape and orient us towards particular strategies for knowledge production and action. Such attitudes are often inherited from our cultural settings. As the mathematician-turned-philosopher Alfred North Whitehead noted some time ago, observational discrimination is not dictated by impartial facts. Instead, 'We inherit an observational order, namely the types of things which we do in fact discriminate; and we inherit a conceptual order, namely a rough system of ideas in terms of which we do in fact interpret' (Whitehead, 1933/48: 183). These constitute the 'unconscious metaphysics' shaping our modes of thought and our methods of sense-making. They influence our focus of attention, what we consider to be significant or insignificant, and ultimately our methods of conceptualization. Research orientations are, therefore, inextricably linked to philosophical preferences which are, in turn, influenced, though not necessarily determined, by the embedded collective histories and cultural traditions within which our own individual identities have emerged. Certain forms of knowledge are, hence, privileged over others in each historical epoch and cultural tradition and this has multiple consequences for what we construe as legitimate and reliable knowledge and how such knowledge informs action. For instance, within certain cultures *aural* knowledge rather than *written* knowledge constitutes the primary basis for action and decision-making. In other instances, the tacit and the 'unspoken' are privileged over the explicit and expressed. In these cases, what is not said or is merely alluded to is just as meaningful or even more so than what is expressed. This means that the modern researcher whose primary task it is to convert what is said and observed into a documentary written form may actually be very partial and selective, albeit unconsciously, in the process of recording. Selective abstraction and interpretation are, thus, inevitable facts of the process of knowledge-creation.

Moreover, it must not be assumed that the researcher and the practitioner, even within a particular cultural context, hold similar attitudes and definitions of what constitutes knowledge. Whereas the management researcher seeks primarily to *understand* and *explain* an observed organizational phenomenon by developing a theory around it, the practitioner is often more concerned with the *consequences* and *instrumental effects* of a particular set of management insights, policies and actions. Justification, for the practitioner, does not come by way of empirical verification or conceptual rigour, but by way of desired outcomes – the ends often justify the means. Whereas the

#### 4 ESSENTIAL SKILLS FOR MANAGEMENT RESEARCH

researcher is governed by a code of practice established by a community of scholars because of its inevitably truth-seeking orientation, the practitioner is essentially a pragmatist – what *works* is more important than what is *true*. It is therefore important to bear in mind that the form of knowledge privileged by the world of academia and research does not necessarily correspond directly with the priorities and preoccupations of the practitioner world, even if it *does* indirectly inform the latter. In both cases, there is an implicit set of philosophical assumptions that justifies their different individual orientations. These deeply embedded differences in priorities imply that the process of creating and legitimizing knowledge is fraught with epistemological pitfalls and minefields. It is therefore important for any aspiring researcher to become fully aware of the complexities attending the research process.

##### *Understanding the process of knowledge creation*

Essentially, the process of knowledge creation may be likened to any other manufacturing process. In the manufacture of aluminium beer cans, for instance, a thin aluminium sheet-coil is fed through a number of stages of stamping presses where cans are successively cut and drawn until they become the familiar cylindrical shape and height. They are then printed externally with the necessary design and coated on the inside with a lacquer to prevent corrosion. In each operation tight specifications are set to ensure the desired outcome of a quality product.

This is likewise the case for the production of management knowledge. In this process, the ‘raw material’ is no longer an aluminium coil but the unfolding ‘coil’ of our human life experiences – our ‘stream of consciousness’, as the American philosopher William James puts it. For James our initial life-world is an undifferentiated flux of fleeting sense-impressions, and it is out of this brute, aboriginal flux of lived experience that attention focuses upon and carves out concepts which conception then names:

... in the sky ‘constellations’, on earth ‘beach’, ‘sea’, ‘cliff’, ‘bushes’, ‘grass’. Out of time we cut ‘days’ and ‘nights’, ‘summers’ and ‘winters’. We say *what* each part of the sensible continuum is, and all these abstract *whats* are concepts. (James, 1911/96: 50; emphasis in original)

Like the stamping presses, we actively cut, draw out and construct social reality from an initially undifferentiated flux of interactions and sense impressions. These isolated parts of social reality are then identified, labelled and causally linked to other parts of our experiences in order to form a coherent system of explanation. It is, thus, through this process of differentiating, cutting out, naming, labelling, classifying and relating that modern knowledge is systematically constructed. Knowledge is therefore produced through this process of selective abstraction, identification and recombination. This implies that researchers must be circumspect about their findings and the limits and limitations of any truth-claims made. The viability of such claims is dependent upon a deeply embedded set of metaphysical assumptions underpinning Western thought.

### THE METAPHYSICAL ROOTS OF WESTERN THOUGHT

Western modes of thought remain circumscribed by two opposing and enduring metaphysical traditions. Heraclitus, a native of Ephesus in ancient Greece, emphasized the primacy of a fluxing, changeable and emergent world, whilst Parmenides, his successor, insisted upon the permanent and unchangeable nature of reality. One viewed reality as inclusively processual; the other privileged a homeostatic and entitative conception of reality. This seemingly intractable opposition between a Heraclitean ontology of *becoming* and a Parmenidean ontology of *being* provides us with the key for understanding contemporary debates in the philosophy of the social sciences and their implications for management research. Although there is clear evidence of a resurgence of interest in Heraclitean-type thinking in recent years, it is the Parmenidean-inspired mindset which has decisively prevailed in the West. According to this neo-Parmenidean world-view, reality is made up of atomistic and clearly formed entities with identifiable properties and characteristics. Accordingly, form, order, individuality, identity and presence are privileged over formlessness, chaos, relationality, interpenetration and absence. Such a dominant metaphysical mindset presupposes the existence of universal patterns of order underlying the presentation of reality. Thus, clear-cut, definite things are deemed to occupy clear-cut, definite places in space and time. It is this atomistic assumption of matter which allowed Newton to formulate his now famous laws of motion by assuming that the state of 'rest' is natural whilst movement, flux and change are regarded as secondary phenomena of these basically stable entities. It also enabled the associated notion of *causality* to become, therefore, an invaluable concept for re-linking these (initially assumed) isolated entities so that their observed behaviours and tendencies can be adequately accounted for in a coherent system of explanation.

This privileging of an entitative conception of reality generates an attitude that assumes the possibility and desirability of symbolically representing the diverse aspects of our phenomenal experiences using an established and atemporal repository of terms and conceptual categories for the purposes of classification and description. For it is only when portions of reality are assumed to be stable – and hence fixable in space–time – that they can be adequately represented by symbols, words and concepts. A *representationalist* epistemology thus ensues, in which signs and linguistic terms are taken to be accurately representing an external world of discrete and identifiable objects and phenomena. Such a representationalist epistemology inevitably orients our thinking towards *outcomes* and *end-states* rather than on the processes of change themselves. It is this basic epistemological orientation which provides the inspiration for the scientific obsession with precision, accuracy and parsimony in representing and explaining social and material phenomena, including the practices of management and organization (Pfeffer, 1993). Social phenomena are frequently regarded as relatively stable, concrete and objective entities. The consequences of this orientation for the direction that management research and theorizing has taken must not be underestimated. Indeed, it has instilled a set of instinctive 'readinesses' (Vickers, 1965: 67)

## 6 ESSENTIAL SKILLS FOR MANAGEMENT RESEARCH

amongst management academics to construe theories as being 'about' an externally existing and pre-ordered reality. This predisposition remains endemic in management research.

### TWO BASIC EPISTEMOLOGICAL STRATEGIES: A MULTIPLICITY OF PERSPECTIVES

Commitment to a representationalist epistemology within the Western tradition precipitated two basic habits of knowledge creation which William James (1909/96) identified as *empiricism* and *rationalism*. Empiricism, in its broadest sense, is the habit of explaining universalities from the particulars of experience. Rationalism is the tendency to explain particulars in terms of universalistic and idealized categories. In both cases, reality is assumed to be atomistic and relatively unchanging. Knowledge is thus created either by extrapolating from concrete experience or derived from the logical verification of immutable laws and principles. The romantic Coleridge is often quoted as saying that everyone is born either a Platonist or an Aristotelian. By Aristotelian he meant the empiricist tendency to rely on personal experience and observation whilst the Platonist is a rationalist who relies on logic and reason to arrive at truth. Rationalists are concerned with abstract principles, whereas empiricists privilege facts. Yet such a stark distinction is only useful as a starting point since Aristotelian empiricism, which provides the basis for modern science, remains very much indebted to Platonic rationalism.

For Aristotle, as for much of modern classical science, 'to know a thing is to name it, and to name it is to attach one or usually more universal predicates to it' (Carter, 1990: 26). Accordingly, knowledge is predicational judgement precisely because the world is logical, and lends itself to the grasp of language. To know is to say what a thing 'is' or what it 'is not'. All knowledge is, thus, of the form such that the subject of a judgement is subsumed by the wider, predicate term. Hence 'red' and 'wine' are not individual 'thises', but universal classifications pointing to the original intuition of the individually observed thing. The Aristotelian method of knowing therefore entails the *breaking down, fixing, locating* and *naming* of all experienced phenomena so much so that only the *fixed* within the *flow* of lived experience and the *universal* in the *particular* are accorded legitimate knowledge status.

Aristotle's attempts to combine Platonic rationalism with his own emphasis on empirical observation provides one of the most integrated and influential systems of thought, much of which remains present in the modern scientific method. However, despite his overwhelming influence, rationalism and empiricism remain distinctly different in terms of their intellectual traditions and theoretical emphases. It is not uncommon, therefore, to find in the philosophic literature a clear distinction being made between Cartesian rationalism, a form of rigorous abstract and logical thinking associated with continental philosophy, and the more concrete empiricist tradition inspired by Locke, Berkeley and Hume which is often called 'British empiricism'. Rational thought is thought dominated by logic and reason and displays an

overwhelming concern with abstract symbols, concepts and idealized objects. It is, hence, unable to penetrate the thickness and depth of our empirical experiences. Empiricists, on the other hand, rely primarily on particular observations to formulate and justify their views and hence repeatedly fail to provide an adequate and robust account of the perceived regularities of nature. Conventional empiricism fails because it either denies or underplays the significance of hidden universal causes and is therefore unable to account for why things appear as ordered as they do. Because of the perceived weaknesses and inadequacies of both these habits of thought, a number of alternative theoretical perspectives have emerged over the last century. These have attempted to combine in one way or another the strengths of these two vastly different epistemological strategies that are united only by their common commitment to a *being* ontology.

### *Logical positivism as rationalized empiricism*

Logical positivism or logical empiricism, which is also occasionally referred to as commonsense realism (Lawson and Appignanesi, 1989) represents one of the more recent influential attempts at synthesizing rationalism and empiricism. It provides the most widely held epistemological position within the natural and social sciences and draws substantially from the Aristotelian approach by combining logic and rationality with empirical observation. The term 'positivism' was first invented in the nineteenth century by the French social philosopher Auguste Comte who chose the term because of its felicitous connotations. Comte saw knowledge as developing from a theological to a metaphysical and, finally, to a positivist stage in which non-observable entities and abstract principles were rejected in favour of the primacy of raw observation as the starting point of knowledge. Nowadays, however, when reference is made to the 'positivists', it is usually associated with the group of logical positivists who met regularly in Vienna in the 1920s and 1930s and developed a research doctrine which drew heavily on the philosophies of Ernst Mach and Bertrand Russell. This 'Vienna Circle' championed a version of logical empiricism in which knowledge claims and universal generalizations are considered acceptable only if they can be verified by hard facts acquired through careful observation.

In its most basic form, positivism assumes that the researcher is a sort of 'spectator' of the object of enquiry. Reality is assumed to be unproblematically existing 'out there' independent of the perceptions, beliefs and biases of the researcher. For positivists, therefore, good research consists of the undistorted recording of observations obtained through efficiency-driven methods of investigation and the use of precise terminologies and classifications in the documentary process. Observational rigour on the part of the researcher using systems of cross-referencing provides the necessary form of 'quality assurance' in this process of knowledge production. It thus follows that good researchers must diligently rid themselves of all subjective tendencies by adopting a dispassionate attitude in the enquiry process and by using well-established data-recording methods in a rigorous manner in order to ensure the reliability and validity of the data collected. Explanations regarding the

## 8 ESSENTIAL SKILLS FOR MANAGEMENT RESEARCH

observed pattern of regularities connecting one set of phenomena with another can then be systematically developed and empirically verified.

What positivism does is to subsume the empirical under the imperative of the rational. Reason and logic are critical to theory-building even if the truth-claims generated must, in the final analysis, be empirically justified. So although empirical observation is given a key role, it is rational analysis that rules in the positivist camp. Moreover, all observations are guided by the use of established terminologies, concepts and theories which provide a common basis for unifying the research enterprise. As such, positivists do not consider the effects our language and concepts have in shaping our perceptions of reality. Instead, language is thought of merely as an instrument of communication. This naivety regarding the impact of language on perception and thought has provided the basis of criticism by those who advocate a more radical form of empiricism that begins with the immediacy of brute lived experience.

### *Phenomenology as radicalized empiricism*

The unique combination of empirical and rationalistic tendencies to produce positivism represents only one among a range of other epistemological possibilities. Such a positivistic method of adjusting for the inadequacies of empiricism, however, has been criticized for bringing in unnecessary and unaccountable factors which only further detach us from the primacy of our lived experiences. Positivism is, in fact, a kind of 'false empiricism' because it is a priori 'contaminated' by rationalist terms, concepts and categories. As such observations made are always 'guided' observations and hence not truly empirical. It is the rejection of this rationalistic imperative in positivism that defines the task of phenomenology. Phenomenologists argue that instead of adopting a rationally modified empiricism because of the apparent inadequacies of empiricism, it may be better to revise the rationalist critique by assuming that the flux of experience itself contains an *immanent* logic and rationality that has hitherto been overlooked. This turn *towards* experience and *away* from abstract representations marks a genuine alternative to both rationalism and positivism. It is an uncompromising insistence on a return to the purity and primacy of lived experience, our 'life-world', as the starting point of consciousness and knowledge. Such a broad existential emphasis has precipitated a number of distinct but related perspectives, including especially the 'radical empiricism' of William James (1912/96), the 'intuitionism' of Henri Bergson (1903/49) and the 'phenomenology' of Edmund Husserl (1964) and Maurice Merleau-Ponty (1962).

Phenomenology, intuitionism or radical empiricism therefore, despite some crucial differences, which will become clearer later in this section, share a common epistemological orientation that is predicated upon the idea of a pure and unmediated experience of phenomena as its necessary starting point. For phenomenologists, to know, in its most rich and basic sense, therefore, is to experience – directly, immediately and purely. Such an intuitive knowing must not be confused with intellectualized knowledge that we acquire of things. It is a knowing prior to the creation of the subject/object



distinction. In this pristine state, there is no separation of knower and known. Separation of knower and known only occurs when a given 'bit' is abstracted from the flow of experience and retrospectively considered in the context of other categories. This form of radicalized empiricism is vastly different from the orthodox empiricism previously discussed. It provides us with an alternative metaphysical foundation or *Weltanschauung* for grounding knowledge and knowledge creation. It is also a world-view that intuitively resonates with Eastern forms of thought (Chang, 1968; Nishida, 1911/90).

A genuine empiricism must not admit into its construction 'any element that is not directly experienced', nor exclude 'any element that is directly experienced' (James, 1912/96: 42). It is that which attempts 'to search deeply into its life, and . . . to feel the throbbing of its soul' (Bergson, 1903/49: 36). Such an empiricism does not proceed by relying on ready-made ideas and concepts and combining them uncritically to produce knowledge. Instead, it takes raw pristine experience as its necessary starting point. This insistence on extracting knowledge from the immediacy of lived experience is what conjoins the epistemological projects of James and Bergson with the phenomenological approach of Husserl who was their contemporary and with Merleau-Ponty who studied under Bergson.

Like James and Bergson, Husserl viewed the way classical science produces knowledge as concealing crucial aspects of our human experiences because of its over-reliance on abstract and idealized concepts and terminologies. For Husserl ultimate knowledge is to be directly intuited from an original field of pure experience. In this regard, *intentionality* plays a central role in focusing our consciousness and in the selective creation of knowledge. Any form of consciousness is thus consciousness *of* and there is no such thing as an independent object existing prior to our consciousness of it. Like James and Bergson, therefore, Husserl sought to apprehend that pure phenomenon of experience which manifests itself immediately in consciousness and which is pre-reflexive and hence pre-judgemental. This same concern was echoed by Maurice Merleau-Ponty, another influential phenomenologist who studied under Bergson.

For Merleau-Ponty, scientific thinking promotes a kind of disembodied form of knowing which constructs 'man and history on the basis of a few abstract indices' (Merleau-Ponty, 1962: 161). Such a detached form of knowing is inadequate for an intimate understanding of our 'being-in-the-world', our lived experiential existence. As conscious humans we are inextricably enmeshed in a natural-cultural-historical milieu of which we inevitably participate in an ongoing and open-ended way. This means that all forms of knowing take place within the horizons opened up by our acts of perception. Moreover, these primordial structures of perception pervade the entire range of reflective experience so that ideas can never be absolutely pure thought. Instead, they are cultural objects whose primordial source is the phenomenal body itself. Knowing, therefore, cannot be dispassionate and impartial. Instead we must start with our immediate situation and attempt to illuminate it from within.

Despite distinct differences in emphases, James, Bergson, Husserl and Merleau-Ponty are clearly united in the belief that in order truly to appreciate

## 10 ESSENTIAL SKILLS FOR MANAGEMENT RESEARCH

the human condition we must return to that corporeal site: 'the soil of the sensible opened world such as is in our life and our body' (Merleau-Ponty, 1962: 161). Although we can acknowledge that there is a whole culturally constructed world that constitutes a realm of abstraction above and beyond our perceptual experiences, we must not forget that it is these initial acts of perception which provide us with the fundamental basis for knowledge creation. Phenomenology's primary concern therefore is with the exploration of that pre-reflective realm which provides the background for all conscious perception and knowledge.

From this overly brief treatment we can see that phenomenology is really a radicalized form of empiricism that seeks a kind of *immanent* rationality rather than the *transcendent* rationality associated with Platonism. Unlike rationalism, which begins by relying on abstract universal and immutable principles or positivism which uncritically relies on conceptualized observations, phenomenology insists on returning to the immediacy of a pre-linguistic lived experience as the necessary starting point for knowledge. Yet, whilst clearly advocating an epistemological approach vastly different from positivism, phenomenology does not sufficiently deal explicitly with the ontological status of reality. Although it wholeheartedly champions the primacy of lived experience, it tends to treat such experiences as discrete, atomistic and isolatable. In other words, it remains committed to a *being* ontology. This is where phenomenology seemingly parts company with the radical empiricism of William James or with the intuitionism of Henri Bergson, both of whom may be regarded as the precursors of what is now called postmodernism. This phenomenological turn towards raw experience is, however, in some measure countered by the more recent *realist* turn towards abstract rationalism.

### *Realism as modified positivism*

A first approximation of the epistemologically realist position would begin with the assertion that the picture that science portrays of the world is a true one, accurate and faithful in all its details. For the realist researcher, objects of investigation such as 'an organization', its 'structure', 'culture' and 'strategy' exist and act, for the most part, quite independently of their observers or indeed the individual actors themselves. Hence, they are considered quite amenable to systematic analysis and comparison in the same way as natural phenomena. Knowledge is thus advanced through the process of 'theory-building' in which new 'discoveries' of the nature of reality are cumulatively added to what is already known. Unlike positivism, however, realism takes seriously the view that there are different 'levels' of reality which can be systematically revealed through the rigorous application of the methods of science. Reality, for the realists, comprises things, structures, events and underlying 'generative mechanisms' which, regardless of whether they are observable, are none the less 'real' (Bhaskar, 1978). The task of enquiry, therefore, is to seek to explain observable facts in terms of 'more fundamental structures, and in the process, it may reveal some of these "facts", such as the observable motion of the sun across the sky, to be, in part, illusions'

(Outhwaite, 1987: 9). Conversely, it may also reveal the real existence of hypothetical entities that cannot be immediately observed. The discovery of the virus is a good example of the realist claim that unobservable entities may yet be subsequently proved to exist through the development of more adequate instruments of observation such as the microscope (Keat and Urry, 1975).

Realists are critical of the positivist reliance on the Humean notion of causality to justify its claims. Hume famously maintained that the constant conjunction of two events occurring provides a legitimate basis for explaining cause and effect. Accordingly, if it is observed, for example, that a match lights up because it is struck, one can simply conclude that striking a match is the *cause* for it lighting up. However, for the realist, to say that a match 'lit' because it was 'struck' is a misapplication of the concept of causality. A true causal explanation should be capable of answering the question why the match lit in terms of generative mechanisms such as the chemical properties of the match head, the roughness of the surface it was struck against and the force applied. Such generative mechanisms may not be immediately detected or visible to the eye yet for the realist they none the less exist just like physically observable entities. Theory, therefore, for the realist becomes the means for 'describing the relations between the unobservable causal mechanisms (or structures) and their (observable) effects' (Layder, 1990: 13). This emphasis on real but unobservable generative mechanisms, including immutable laws and universal principles is very much inspired by a rationalist reworking of positivism.

For realists, reality exists and acts independently of our observations. Moreover, whether it is in material form or as unobservable structures or mechanisms, reality creates effects that can only be understood through the postulation and acceptance of theoretical entities. Thus, atoms, genes, viruses and gravity exist as concrete, stable entities or generative forces even though they may not be ever directly observable. Accordingly, established theories are mirror images of the world and reflect how it is actually ordered. The more accurately our theories correspond with reality, the more true they are held to be (Rorty, 1980).

What realism proposes, therefore, is the acceptance of a dualism, not just between mind and matter, but also between our theories about reality and reality itself. In other words, theories do not serve to construct an arbitrary picture of reality. Rather they seek to accurately mirror in a discursive form an externally existing reality that is itself taken to be relatively stable and enduring. This means that we are realists, in so far as we believe that what our theory is about is essentially independent of the theory itself. Realism is fundamentally a philosophical position concerning the word–world connection and, hence, at root assumes this distinction to be a legitimate one. It is a position that elevates rationalism over empiricism and is, hence, diametrically opposed to that of the radicalized empiricism that phenomenology represents.

### *Hermeneutics as empiricized rationalism*

Hermeneutics can be loosely defined as the theory or method for aiding the art of interpretation. It was initially developed and applied to the understanding of biblical texts and subsequently extended to the field of the human

**12** ESSENTIAL SKILLS FOR MANAGEMENT RESEARCH

sciences. The realization that human intentions and expressions are deeply personal and meaningful and as such not always immediately apparent has given rise to the problem of interpretation: 'How do we render accounts of subjectively intended meanings more objective in the face of the fact that they are necessarily mediated by the interpreter's own subjectivity?' This is the central problem that traditional hermeneutics seeks to resolve. Hermeneutics is less an epistemology than a methodological approach for resolving an essentially intractable epistemological problem. This is the problem of meaning and intention that is purportedly captured or represented by the signs and symbols used by an actor or author or alternatively the artefacts produced in a creative act. Unlike positivism, which emphasizes the centrality of conceptualized observation, or phenomenology, which privileges the raw experiences of our 'life-worlds', or even realism, which places greater epistemological value on abstract immutable laws and universal principles, traditional hermeneutics locates itself at the level of the visible signs, symbols and representations which purportedly contain the conscious actions and intentions of authors. The artefacts of human expression are the starting point from which an attempt is made to trace authorial meanings and intentions. The outcome of such authorial intentions may be a text, a painting, a performance or any other observable outcomes and representations. What is sought is an authentic account of the actor's or author's meanings and intentions lying beneath the layers of symbolic expressions. It is this art of deciphering meaning that constitutes the central task of traditional hermeneutic enquiry. Traditional hermeneutics is thus not altogether incompatible with rationalism or even realism<sup>1</sup> in that it seeks to go beyond visible empirical appearances to an ultimate truth or 'correct' interpretation – in this case the meanings and intentions of authors and actors.

In the course of its historical development, hermeneutics has emerged as a powerful theory of interpretation whenever it became necessary to translate authoritative texts or authorial accounts under conditions where the original meaning of a text was either disputed or remained hidden and hence necessitated rendering it more transparent. Traditional hermeneutics has, therefore, sought to recover the 'correct' meanings of texts, human actions and institutions. Contemporary hermeneutics, however, has moved some way away from this original formulation. Currently, there are two dominant strains in hermeneutic theory. One reflects the search for a more 'contextualist' account of the meaning of texts and performances as separated from authorial/actorial intentions (Gadamer, 1975). The other, associated more with Marx, Nietzsche and Freud, reflects a more critical 'hermeneutics of suspicion' (Thompson, 1981: 46–7). In the former case, interpretation is motivated by an act of faith and by a willingness to listen and to passively contemplate the contemporary relevance of what has been previously said, written or done. It is acknowledged that all accounts are constructed within the context of a particular social-historical or cultural setting such that it is often difficult or even impossible to fully appreciate the original intentions and meanings of an author/actor. What is therefore sought is not so much the original intention of an actor or author but a 'fusion of horizons' in which the reader/researcher achieves a level of coherence and comprehension in their own system of

understanding. Here it is explicitly acknowledged that given the reader/researcher's own necessary situatedness in a particular historical epoch and cultural context the original intent and meaning of what was written or said may never be, in principle recoverable. Hermeneutics then becomes, not in the traditional sense, the way of recovering the original meaning, but of making historical texts and actions *meaningful* to us within the contemporary context of our *own* horizons of understanding. This is a significant departure from the form of traditional hermeneutics proposed by writers such as Schleiermacher (1977) and Dilthey (1976). It is a perspective inspired by Gadamer's (1975) more contemporary rendering of the hermeneutic project.

The 'hermeneutics of suspicion', on the other hand, pursues a different ideological agenda. It is animated by a suspicious attitude or scepticism towards the given and is characterized by a rejection of that respect for the purported authenticity of reported accounts. Such a perspective treats the immediate contents of consciousness as being in some sense inevitably superficial, false or self-deluding. Hence, the true import of actions must be deciphered in a way that reveals the hidden, repressed or generative, and oftentimes unconscious motivations underlying that set of actions. This is where the hermeneutic enterprise turns towards the tradition of critical theory for its necessary complement. Critical theory is an intellectual tradition inspired by a particular reading of Marx initiated by the Frankfurt school in the early 1930s and 1940s and is currently championed by its leading contemporary exponent Jürgen Habermas (1972, 1984). It shifts attention and analysis away from individual actors'/authors' meanings and intentions to the manner in which the prevailing cultural, ideological and political 'superstructures' inevitably shape and influence behaviours and outcomes. For critical theorists, actors/authors are often caught up in an ideological milieu that they themselves are unaware of. This means that a truly critical hermeneutic understanding must seek to reach beneath the everyday presentation of things and the seeming obviousness of human situations.

In a similar manner to critical theory, Freudian psychoanalysis may be understood as another version of this 'hermeneutics of suspicion', since a critical interpretation of intentionality, especially the elevation of the role of the 'unconscious', forms a central feature in the diagnosis of an analysand's malaise. Finally, this critical dimension of interpretation has been ingeniously incorporated into a revised 'critical realism' championed by Bhaskar (1978, 1989) that is increasingly attracting a large and influential following in the social sciences (Archer, 1995; Archer et al., 1998; Collier, 1994; Outhwaite, 1983, 1987).

Whilst contemporary 'contextualist' hermeneutics may be understood as a revised attempt to validate knowledge at the level of lived experience on the part of the reader/researcher, 'critical' hermeneutics nods towards a more transcendental and rationalist account of human action and intention. In the former case, subjectivity, meaning and intention more than objectivity, fact and observable behaviour provide the basis for grounding meaning. Putting it more plainly, contextualist hermeneutics seeks knowledge by grounding it in subjective reading<sup>2</sup> experiences. Thus, knowledge is to be gleaned not from

## 14 ESSENTIAL SKILLS FOR MANAGEMENT RESEARCH

transcendental and immutable laws and principles, but from a sensitive reading of the subjective acts and intentions of actors negotiating their way through the vagaries of life. In this regard it aligns itself more with an empiricist epistemology. On the other hand, critical hermeneutics rejects the authentic claims of lived experience in favour of a transcendental and universalized explanation. It aligns itself with a certain claim of objectivity and rationality that is compatible with a realism not found in contextualist hermeneutics. We can, therefore, see that contemporary hermeneutics remains divided by the central issues of rationalism and empiricism previously identified.

#### A REVISED *BECOMING* ONTOLOGY: POSTMODERNISM AND SOCIAL CONSTRUCTION

The previous four perspectives of positivism, phenomenology, realism and hermeneutics are, as I have tried to show, underpinned by the ongoing tensions between rationalism and empiricism. I have further noted that, despite their vast epistemological distances, all these, implicitly or explicitly, continue to subscribe to a *being* ontology – the idea that absolute reality, whether experienced or transcendental, is assumed to be relatively stable, discrete and unchanging. Notwithstanding their obvious differences, these four perspectives do not explicitly countenance reality in terms of an interminable and formless flux and transformation. The alternative *becoming* ontology is that which takes seriously the Heraclitean axiom: ‘everything flows and nothing abides . . .’. It is the manifest plausibility of this alternative world-view which informs the project of postmodernism. Postmodernism, as such, may be viewed as an ontological extension of phenomenology and a revival of the kind of radical empiricism and intuitionism championed by William James and Henri Bergson.

The term ‘postmodernism’ made its first appearance in the title of a book – *Postmodernism and Other Essays* written by Bernard Iddings Bell – as early as 1926. Since then it has rapidly shifted from awkward neologism to populist cliché without apparently ever having attained the dignified status of an established concept. Increasingly loosely employed in much of the academic literature in art, science, literary criticism, philosophy, sociology, politics and now even in management and organization studies, its use none the less evokes vastly contrasting reactions. On the one hand, postmodernism is frequently dismissed as an extremely simplistic and cynical tendency towards nihilism within contemporary culture; on the other it is regarded as an extremely subtle and complex philosophical attempt at reworking the metaphysical bases of modern knowledge. The word ‘postmodern’ is therefore characterized from its very inception by an essential ambiguity – a certain ‘semantic instability’ (Hassan, 1985: 121) – that prevents clear consensus about its meaning and effects.

For our purposes, and within the context of this treatment of philosophy and research, the term postmodernism may be invoked to describe an alternative *style of thought* which attempts to adequately comprehend the almost

inexorable 'logic of world-making' underpinning the modernist project. Modern rationality, and hence representationalism, is thus viewed as a method of social construction which creates legitimate objects of knowledge for a knowing subject. The perceived routines and regularities that make up our social world are, therefore, arbitrarily socially constructed rather than the result of immutable laws and universal principles. In this process, significant portions of our tacit and embodied forms of knowing are denied legitimacy in the modernist scheme of things. The postmodern, then, is centrally concerned with giving voice and legitimacy to those tacit and often-times unrepresentable forms of knowledge that the modern epistemologies of both conventional empiricism and rationalism inevitably depend upon yet conveniently overlook or gloss over in the process of knowledge creation. This is the real project of the postmodern critique.

Four intellectual axioms and imperatives are detectable in the postmodern approach to research and analysis. First, in place of the modernist emphasis on the ontological primacy of substance, stability, identity, order, regularity and form, postmodern analyses seek to emphasize the Heraclitean primacy accorded to process, indeterminacy, flux, interpenetration, formlessness and incessant change. Such a processual orientation must not be equated with the commonsense idea of the process that a system is deemed to undergo in transition. Rather it is a metaphysical orientation that emphasizes an ontological primacy in the *becoming* of things; that sees things as always already momentary outcomes or effects of historical processes. It rejects what Rescher (1996) calls the *process reducibility thesis*, whereby processes are often assumed to be processes of primary 'things'. Instead, it insists that 'things', social entities, generative mechanisms etc., are no more than 'stability waves in a sea of process' (Rescher, 1996: 53). This process ontology promotes a decentred and dispersive view of reality as a heterogeneous concatenation of atomic event-occurrences that cannot be adequately captured by static symbols and representations. For process ontology the basic unit of reality is not an atom or thing but an 'event-cluster'.

Second, from this commitment to a *becoming* ontology, it follows that language, and in particular the activities of *naming* and *symbolic representation*, provides the first ordering impulse for the systematic structuring of our human life-worlds. Postmodernists argue that it is the structured nature of language that creates the impression that reality itself is stable, pre-organized and law-like in character. They insist that without the social acts of differentiating, identifying, naming, classifying and the creation of a subject-predicate structure through language, lived reality is but a 'shapeless and indistinct mass' (Saussure, 1966: 111). Postmodernists therefore reject the kind of representationalist epistemology championed by modern science but widely held implicitly even amongst the theoretical alternatives previously discussed. For postmodernists, theories are viewed more pragmatically as selective and useful devices that help us to negotiate our way through the world even if they do not necessarily tell us how the world really is. In other words, theories may be *workable*, but may not be timelessly *true*. Moreover, because all theories are manifestly incomplete, there are always parts of reality that are ignored or not accounted for in our scheme

## 16 ESSENTIAL SKILLS FOR MANAGEMENT RESEARCH

of things. This leads to a third preoccupation with tacit and unconscious forms of knowing.

Third, postmodernism seeks to modify the conceptual asymmetry created between conscious action and *unconscious* forces. The elevation of rationality, intentionality and choice in the modernist explanatory schema surreptitiously overlooks the role of unconscious nomadic forces in shaping planned action and outcomes. Postmodern analysis emphasizes the heterogeneous, multiple and *alinear* character of real-world happenings. It draws attention to the fact that events in the real world, as we experience it, do not unfold in a conscious, homogeneous, linear and predictable manner. Instead they 'leak in insensibly' (James, 1909/1996: 399). Human action and motives must, therefore, not be simply understood in terms of actors' intentions or even the result of underlying generative mechanisms, but rather in terms of embedded contextual experiences, accumulated memories and cultural traditions that create and define the very possibilities for interpretation and action. Surprise, chance and the unexpected are the real order of things. Postmodernism thus advocates a more tentative and modest attitude towards the status of our current forms of knowledge.

Finally, instead of thinking in terms of tightly coupled causal explanations that attempt to link observed phenomena with underlying tendencies, postmodernism elevates the roles of resonance, recursion and resemblance as more adequate terms for explaining the 'loosely coupled' and heterogeneous nature of real-world happenings. It is argued that thinking in this more allusive and elliptical manner enables us to better appreciate how social phenomena such as 'individuals' and 'organizations' can be viewed as coincidental and temporarily stabilized event-clusters rather than as deliberately engineered concrete systems and entities. It is the stubbornly held idea that reality is invariably 'systemic', and hence mechanistic and predictable, which postmodern analyses seek to disabuse us.

These four theoretical emphases in the postmodern approach provide a fertile alternative basis for reframing research in organization and management. It is one which elevates the role of creativity, chance and novelty in our explanatory schemas. According to this postmodern manifesto change does not take place in a linear manner or even propagate in a tree-like manner. Instead, real change is quintessentially 'rhizomic' in character, taking place through 'variations, restless expansion, opportunistic conquests, sudden captures and offshoots' (Chia, 1999: 222). It is this alternative, more 'unwieldy' image of the real goings-on in organizational life that postmodernist management research emphasizes.

### CONCLUSION

Management research is a knowledge-creating activity which may be compared to any manufacturing process where the type of technology employed (philosophical orientation) and the method of production adopted (research method), as well as the raw material used (experience and established knowledge) together with the operator's capabilities (researcher's competence),



ultimately determine the quality and reliability of the product itself. What constitutes legitimate and acceptable knowledge is very much determined by the philosophical attitude adopted by a community of scholars which itself may change from period to period. Knowledge creation and legitimation is never a static thing. It is always renewing itself. Thus, within the field of management research, although there remains an established tradition centred around positivistic research, acceptance of the alternative theoretical perspectives discussed in this chapter is growing. Phenomenological, hermeneutic and realist approaches have begun to establish a foothold in the field of management studies. Postmodernism radicalizes these alternatives by replacing a *being* orientation, implicit in all the alternatives, with a *becoming* orientation in our theoretical formulations. Thus, whilst positivism, phenomenology, realism and hermeneutics represent viable epistemological alternatives, postmodernism offers a radical ontological revision of our dominant modes of thought.

Such a radicalized ontological revision ironically brings the world of academia closer to the world of practice. Postmodernism alludes to the impossibility of systemically capturing the goings-on of real-world happenings because of the inherent limitations of our methods of conceptualization. By demonstrating the constructed and, hence, arbitrary nature of social reality, postmodernism brings us closer to the realities and pragmatic concerns of a practitioner world that intuitively recognizes the limits of a truth-seeking form of knowledge. It is a way of thinking which readily embraces the existence of a realm of tacit and unspeakable – as well as often unconscious – knowing as the unshakable foundation of management action and decision-making. In other words, postmodernism seeks to bring practitioner realism back into our theorizing and a level of intellectual modesty into our knowledge claims.

### Study questions

- 1 How does the adoption of a particular philosophical perspective affect the kind of knowledge produced?
- 2 Why does commitment to a *being* ontology result in a representationalist epistemology?
- 3 In what way is postmodernism fundamentally different from the other theoretical alternatives to positivism?

### Recommended further reading

- Bergson, H. (1903/49) *An Introduction to Metaphysics*. Englewood Cliffs, NJ: Prentice Hall. (A short and very readable critique of representationalism)
- Bhaskar, R. (1978) *A Realist Theory of Science*. Hassock: Harvester Press. (The most definitive statement on what is now called 'critical realism')
- Gadamer, H-G. (1975) *Truth and Method*. London: Sheed & Ward. (Gadamer's *magnum opus*, which reworks hermeneutics into its more current 'contextualist' form)

## 18 ESSENTIAL SKILLS FOR MANAGEMENT RESEARCH

- Lawson, H. and Appignanesi, L. (1989) *Dismantling Truth: Reality in the Post-Modern World*. London: Weidenfeld and Nicolson. (A very readable text which introduces the problems of commonsense realism and points the way towards a postmodern world-view)
- Outhwaite, W. (1987) *New Philosophies of Social Science: Realism, Hermeneutics and Critical Theory*. Basingstoke: Macmillan. (A very useful and comprehensive discussion of the differences between realism, hermeneutics and critical theory)
- Rescher, N. (1996) *Process Metaphysics: An Introduction to Process Philosophy*. New York: State University of New York Press. (An exceptionally clear working out of the implications of process philosophy)
- Vickers, G. (1965) *The Art of Judgement: A Study of Policy Making*. London: Chapman and Hall. (A rich and insightful account of how decision-making takes place in reality)
- Whitehead, A.N. (1933/48) *Adventures of Ideas*. Harmondsworth: Penguin Books. (Without doubt, one of the most compelling arguments for adopting a philosophical outlook in business and management research)

**Notes**

- 1 Indeed, it is the combining of the Marxist-inspired critical theory as a 'hermeneutics of suspicion' with realism which has spawned a new and increasingly influential movement called critical realism, which takes after the work of Roy Bhaskar. For a more detailed exposition of this perspective see Archer, Bhaskar, Collier, Lawson and Norrie (1998).
- 2 Reading here refers to both the reading of texts and the 'reading' of the actions and intentions of actors in a research situation.

**References**

- Archer, M. (1995) *Realist Social Theory: The Morphogenetic Approach*. Cambridge: Cambridge University Press.
- Archer, M., Bhaskar, R., Collier, A., Lawson, T. and Norrie, A. (1998) *Critical Realism: Essential Readings*. London and New York: Routledge.
- Bell, B.I. (1926) *Postmodernism and Other Essays*. Milwaukee: Morehouse Publishing.
- Bergson, H. (1903/49) *An Introduction to Metaphysics*. Englewood Cliffs, NJ: Prentice Hall.
- Bhaskar, R. (1978) *A Realist Theory of Science*. Hassock: Harvester Press.
- Bhaskar, R. (1989) *Reclaiming Reality*. London: Verso.
- Carter, R. (1990) *The Nothingness Beyond God*. New York: Paragon House.
- Chang, C-Y. (1968) *Creativity and Taoism*. New York: Harper & Row.
- Chia, R. (1999) 'A Rhizomic Model of Organizational Change: Perspectives from a Metaphysics of Change', *British Journal of Management*, 10 (3), pp. 209–27.
- Collier, A. (1994) *Critical Realism*. London and New York: Verso.
- Dilthey, W. (1976) *Selected Writings* (translated and edited by H.P. Rickman). Cambridge: Cambridge University Press.
- Gadamer, H-G. (1975) *Truth and Method*. London: Sheed & Ward.
- Habermas, J. (1972) *Knowledge and Human Interests*. London: Heinemann.
- Habermas, J. (1984) *The Theory of Communicative Action*, Vol. 1: *Reason and the Rationalization of Society*. London: Heinemann.
- Hassan, I. (1985) 'The Culture of Postmodernism', *Theory, Culture & Society*, 2 (3), pp. 119–31.
- Husserl, E. (1964) *Cartesian Meditations: An Introduction to Phenomenology*. Atlantic Highlands, NJ: Humanities Press.

- James, W. (1909/96) *A Pluralistic Universe*. Lincoln, NB and London: University of Nebraska Press.
- James, W. (1911/96) *Some Problems of Philosophy*. Lincoln, NB and London: University of Nebraska Press.
- James, W. (1912/96) *Essays in Radical Empiricism*. Lincoln, NB and London: University of Nebraska Press.
- Keat, R. and Urry, J. (1975) *Social Theory as Science*. London: Routledge and Kegan Paul.
- Lawson, H. and Appignanesi, L. (1989) *Dismantling Truth: Reality in the Post-Modern World*. London: Weidenfeld & Nicolson.
- Layder, D. (1990) *The Realist Image in Social Science*. Basingstoke: Macmillan.
- Merleau-Ponty, M. (1962) *Phenomenology of Perception*. London: Routledge & Kegan Paul.
- Nishida, K. (1911/90) *An Inquiry into the Good* (trans. M. Abe and C. Ives). New Haven, CT: Yale University Press.
- Outhwaite, W. (1983) 'Towards a Realist Perspective', in G. Morgan (ed.), *Beyond Method*. Newbury Park, CA: Sage.
- Outhwaite, W. (1987) *New Philosophies of Social Science: Realism, Hermeneutics and Critical Theory*. Basingstoke: Macmillan.
- Pfeffer, J. (1993) 'Barriers to the Advance of Organizational Science: Paradigm Development as a Dependent Variable', *Academy of Management Review*, 18 (4): 599–620.
- Rescher, N. (1996) *Process Metaphysics: An Introduction to Process Philosophy*. New York: State University of New York Press.
- Rorty, R. (1980) *Philosophy and the Mirror of Nature*. Oxford: Blackwell.
- Saussure, F. de (1966) *Course in General Linguistics*. London: Fontana/Collins.
- Schleiermacher, F.D. (1977) *Hermeneutics: The Handwritten Manuscripts* (edited by H. Kimmeler, translated by J. Duke and J. Forstman). Missoula, Mont.: Scholars Press.
- Thompson, J. (1981) *Critical Hermeneutics: A Study in the Thought of Paul Ricoeur and Jürgen Habermas*. Cambridge: Cambridge University Press.
- Vickers, G. (1965) *The Art of Judgement: A Study of Policy Making*. London: Chapman and Hall.
- Whitehead, A.N. (1933/48) *Adventures of Ideas*. Harmondsworth: Penguin Books.