ASPECTS OF PERFORMATIVE KNOWLEDGE IN THE WORKPLACE: INSIGHTS FROM POSTMODERN THEORY

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Abstract- The so-called 'global financial crisis' (GFC) of 2008-9 provides an intriguing context for revisiting Jean-François Lyotard's seminal study: The Postmodern Condition: A Report on Knowledge (1984). We are intrigued that so few appeared to 'know' the economic crash was about to hit. Yet so many are paid extraordinarily large sums of money to predict these things - including economists, bankers, insurance brokers, stock brokers, risk managers, investment advisers, fund managers, some lawyers and so on. Very few saw it coming. How so? This paper examines this question through Lyotard's lens by asking how people in commercial enterprises understand and define knowledge in organisations. How are we 'set up' to 'know' about and anticipate these things? Our paper considers this 'setting up' through the lens of 'organizational knowledge' which is different from what has been defined as 'scientific knowledge'. Traditionally, science has been prized for its abstraction from context - as generalizable. Organisational knowledge on the other hand tends to be prized more for its contribution to organisational effectiveness and economic management. The notion of 'hard' science might be used merely as a means to an end. However, where alternative non-scientific means can better achieve organisational effectiveness, science may not be necessary. Knowledge, in this organisational sense, has worth in its use-value. Against the GFC backdrop this 'use-value' has included achieving increased capital gains and measurable returns. This paper is primarily directed towards, but not confined to, the activities of large commercial enterprises) and questioning the authority by which knowledge is legitimated in such enterprises. To do this we revisit Lyotard's (1984:9) pertinent questions: 'Who decides what knowledge is, and who knows what needs to be decided?' We draw on his theory of performativity to examine the ways organizational knowledge can be constructed to miss critical observations and thus opportunities.

Keywords: Organizational Knowledge, Intellectual Capital, Post-industrial Societies, Perfomativity, Financial Crisis.

I. INTRODUCTION: FROM TACIT KNOWLEDGE TO EXPLCIT KNOWLEDGE

'Knowledge' in the Western tradition has had conceptual connections with truth and understanding since at least the seventeenth century (Popper, 1975). Yet the arenas of its contestable definition have shifted: once they were the preserve of exemplary spaces such as the laboratory while now, for many organizations, the 'truth' of knowledge has shifted to the market where its value may be gauged and leveraged. The central question for this paper is the ways in which 'truth' comes into play where 'organizational knowledge' is concerned. Truths embedded in organization practices are extremely vulnerable. Not only corporate crashes during the global economic downturn of 2008-9 occurring on an unprecedented scale such as the collapse of the Lehman Bros. Bank in 2008; the experience of serious toxic debt such as in the U.S. mortgage giants 'Freddy Mac' and 'Fanny Mae' and the Royal Bank of Scotland amongst other major European banks - demonstrate that fundamental difficulties have emerged for those charged with managing and retaining intellectual capital and knowledge in organizations. Clearly, some knowledge about how things were being done and were to be done was deeply flawed (see Leopold, 2009; Barth et al. 2009). The ways in which contemporary forms of organizational knowledge are codified, stored and accessed, and what happens when something goes wrong all need to come into sharper focus. It is our contention that the context within which knowledge is produced and transmitted is particularly pertinent to the forms it takes. If the context is toxic the form produced may be just as toxic unless key protections are promoted and become part of the context. At the heart of the matter is whether the contemporary formula of knowledge equating to 'what works' is enough. We argue that clearly it is not.

Ideas about knowledge being grounded in action have emerged over the past fifty years: Problem-solving, learning at work (or from experience), action learning, 'know-how' are terms that indicate that there are ways of interacting with the world that can deliver worthwhile knowledge. Here, Polanyi's ideas of 'personal knowledge' (1958) and 'tacit knowledge' (1968) are concepts helpful to organizations. 'Experiential' knowledge is gained through interactions not from doctrinal propositions, theories or formally expressed hypotheses about the world. As such knowledge is derived from direct engagement with the world in particular contexts and settings. Barnett (2000:17) points out that this type of 'working knowledge' has a number of aspects to it: "It is not a coherent idea but stands for a range of claims, for example, that:

- Knowledge is only authentic if it can be put to work (work as the site of knowledge);
- Workplaces (and 'work' more generally) are sites in which knowledge can be generated (work as a source of knowledge);
- Work can test claims to knowledge (work as a form of validating knowledge)".

Barnett (2000:18) points out that there are some equivocations that run through these claims. For instance, some hard liners advocate the idea of competence as the key concept for education and training; others claim that knowledge in work is just one among several legitimate ways of understanding the nature of knowing and discovering. There is a key distinction to be made between production of knowledge and its assessment or validation. Pragmatists may well argue that in these new conceptions of working knowledge it is the world of work that both produces knowledge and, at the same time, validates it. A more subtle argument may hold that knowledge produced at work is entirely legitimate in an action-oriented sense, but can still be subjected to more independent tests as to its broader applicability and validity. Gibbons et al. (1994) clarify this in a distinction between what they term 'Mode 2' 'knowledge in action' constituting a new way of constructing the world, as distinct from more theoretical forms of knowing embedded in 'Mode 1' (i.e., traditional science-based views of knowledge).

Knowledge constructing processes within organizations are diverse and embrace both of these so-called Mode 1 and Mode 2 knowledge. Indeed, both technical and bureaucratic systems and forms of communication and interaction characterise knowledge work. What counts as organizational knowledge is not a fixed entity but is dynamic. Recognising the knowledge construction activities of organizations, entails addressing how organizations are using and understanding the term knowledge. A whole series of substantive questions flow from this: What specific and practical forms does this management take? What gets archived? What gets dumped? How is content formed in the first place and how is its quality or veracity assessed before being relayed to other staff? At what point does the sharing of information breach confidentiality or privacy?

It is our aim to examine the ways organizational knowledge is understood in commercial work environments. In other words, we tease out how stakeholders superimpose their own meanings on top of knowledge for their own benefit. For instance, if we talk about the 'knowledge capacities' of an organization it is worth checking exactly what sort of 'knowledge' the organization possesses and the extent to which can knowledge be viewed as 'organizational' in character: that is not just in terms of the contents of the minds of its individual employees but in the sense of the organization's capacities to draw on and deploy really useful knowledge. It is our contention that organizations that take knowledge seriously, that invest in its construction and distribution are more likely to derive extra dimensions from its employees. Activities and interactions within an organization, even mundane ones such as meetings amongst internal staff can be constructed as knowledge-development opportunities. Information sharing, problem identification and solution in teams can become action research, and 'knowing' become embedded and not merely as something possessed by the senior people. In turn, more sophisticated and collective frames of understanding may begin to emerge. In the majority of commercial organizations, the key is of course the business of making money (Ritholtz and Task 2009). Even though many firms especially those in professional service and consulting that regard themselves as being at the vanguard of the 'knowledge industry', make due deference to their learning capabilities. Nothing undercuts such a learning environment so much as the unrelenting demand for bottom line results that count as effective performance. The next section will consider such effects from the perspective of Lyotard's concept of performativity.

II. THE PERFORMATIVE ASPECTS OF KNOWLEDGE AT WORK

Organizational knowledge in this cultural sense resides not only in work; more especially, it is what works. What works and what counts as truth is invariably a matter of judgement made by those who hold power (Foucault, 1980). For Lyotard (1984) this is about 'truth' taking on a performative aspect — where the veracity of knowledge claims is no longer a matter of the superior (or tested) argument but results from an outcome shaped by sanctioned criteria such as profit-performance, organizational projection and consumer satisfaction ratings. Forms of communication, the extent to which they are open, whether hierarchical and frequent, whether oral, written, computer-based, visual as well as the extent to which communication is doctrinal or cross-disciplinary will all shape the character of an organizations' knowledge processes. For many people, workplaces nowadays have changed from sites of physical labour to domains of 'knowledge construction labour'. This is a claim usually made in the context of discussions of 'post-industrialism', 'knowledge work' and the growth in numbers of 'knowledge workers'.

In post-industrial economies, the management of work has also changed through the impact of information technology and the development of new organisational forms less reliant on the command and control relations. What was important in the industrial past was the harnessing of people's bodies as physical parts of the 'production processes', for example, as epitomised in the automated production lines of the model-T Ford and subsequent 'Fordist' workplaces. In contemporary workplaces there is less of an object nature that is produced and people's engagement in physical activity appears to be less important. The information age under post-industrialisation is one

where people spend more of their time at work servicing clients, searching the internet, replying to electronic mails, carrying on a conversation with other experts in cyber chat rooms, in which the predominant way that work is mediated is cerebral, textual and emotional rather than physical. In this milieu, while there may be a reduced need to control workers' bodies this does not mean that these bodies, newly recognised as being equipped with enquiring minds, are free to enquire. To the extent that knowledge workers are inhibited in questioning the way things are done at work has almost certainly contributed to the global 'financial meltdown' of 2008-09 (Leopold, 2009; Mason, 2009; Muolo and Padilla, 2008). Those many workers in corporate workplaces who were sensing things were not right but were unwilling or unable to voice their concerns is in part an outcome produced by perceived needs to manage the way that people produce and consume texts, to control their communicative context, rather than simply allow it flourish.

Workplaces are both the producers and consumers of knowledge, and the ways in which this 'working knowledge' is legitimised is critical. Legitimizing working knowledge can be viewed as a new game. It has new rules and is played in new sites. The principal trick is that it is not reliant on external 'experts' to validate it. The capacity for knowing is distributed throughout work organisations in such a game with the scientific discourse that has dominated 'pure' conceptions of knowledge being no longer as powerful as it once was. As Lyotard (1984: 46) put it, knowledge is no longer drawn from the 'grand narratives' of humanity, liberty, and progress, but rather sprang from performativity — an improved input-output equation. Performativity gauges knowledge on the basis of the calculable criteria of efficiency, marketability and saleability where:

'The transmission of knowledge is no longer designed to train an elite capable of guiding the nation towards emancipation, but to supply a system with players capable of acceptably fulfilling their roles at the pragmatic posts required by its institutions .. [resulting in] the mercantilisation of knowledge' (op. cit: 51).

In this notion of a 'mercantilisation of knowledge', saleability and efficiency become the criteria for establishing worthwhile knowledge. The drive for 'billable' hours is central to such construction. In this context it is useful (i.e., profitable) knowledge, not knowledge itself that is being made legitimate. Lyotard's argument proposes that a self-sustaining system must cultivate 'performance-satisfying' skill amongst its members in the respective communities.

III. IS ORGANIZATIONAL KNOWLEDGE MERELY PERFORMATIVE?

It is now more than twenty-five years since Lyotard published The Postmodern Condition: A Report on Knowledge (1984), but the relevance of his commentary on changes to knowledge in contemporary society is becoming much clearer. His argument that contemporary postmodern society has disrupted the unifying view that social progress can be achieved through growth and application of science has been played out in ways that might not have been imagined before now. Knowledge produced today is increasingly a means to an end - as distinct from knowledge for the sake of knowledge or as an intrinsic good in itself. There are several ethical questions concerning this state of affairs:

- Is organizational knowledge merely performative?
- Is this a form of knowledge whereby efficiency becomes a core value that is less open to scrutiny, than say legal, scientific, academic knowledge or that is treated as intellectual capital?
- Are work organisations, as today's dominant institutions, governed solely by instrumental and economic rationalities?

These questions are at the heart of how we understand the changes that are happening to work and organizations, to the production of meanings, to the harnessing of human and intellectual capital, broadly construed. The work changes we are describing represent a decisive movement away from our industrial past. A consequence appears to have been a shift in organizational knowledge practices with an effect being the instrumentalization of both people and nature through the use of scientific-technical knowledge. It is a mistake to take at face value such a conception of organisational pasts and presents, for instance: modernism/postmodernism, industrialism/post-industrialism. Boje's (1997:3) reflexive parody remains apposite when he said: 'evil modernists have been screwing up the environment and downsizing human potential in their worship of performativity and the scientific method'. His point was rather prophetic in that simplistic dichotomies do not help when what is important is a reflexive examination of commonly held perceptions about what constitutes valid knowledge and how this validity changes historically.

Following the global economic downturn of 2008-9 organizational knowledge and intellectual capital, in their most general sense, are about the appropriation of order from disorder. The extent of disordering as a consequence of the scale of the downturn is highly significant with many millions across the globe becoming unemployed. Government 'bail-outs of private sector enterprises became common place. Government-led economic stimulus 'packages' were required throughout the world (China included) to help underwrite the seeds of economic recovery. Economic theory was virtually being re-written on a daily basis. To write about changes to knowledge

against this backdrop is to acknowledge that organizational knowledge is connected inextricably with power and events. In writing about knowledge and power we seek to identify dominant narratives of knowledge at work. In deploying Lyotard we seek, in particular, to note those that emphasize performativity as a core value. Our view is that organizational knowledge does involve performativity as one essential criterion for judgment. But in identifying dominant narratives of knowledge at work we are also indicating that critique remains important. Indeed, it is central to our argument that knowledge and critique are both narratively produced and it follows that organizational knowledge, by definition, is thus reflexive where it is not merely a banal repetition of what is already known or at least believed to be known.

IV. ORGANIZATIONAL KNOWLEDGE AS AN ANTIDOTE TO POLITICAL POWER?

In this paper we have not sought a nostalgic recreation of a past where knowledge was confined to expert who claimed to serve humanity, progress and the development of our conditions of existence. We recognise the flaws with that view in as much as it glossed over the huge multiplier to the sum of human knowledge that has been derived from defence and war expenditures. Knowledge less tied to expert laboratories (and their wealthy patrons in the military and state apparatus) cannot be such a bad thing: making a profit from knowledge as an end in itself seems ethically preferable than it being a means to the destruction of the species. Approaches to 'organizational knowledge' that simultaneously construct, explore, resist and interrupt can be important practices that foreground a different type of contextual ethics to those that relied on the nobility and calling of science, irrespective of the paymaster and purpose.

Understanding work through the context of research and knowledge plays an important part in revaluing knowledge in society—its value being increasingly related to its pragmatic applicability to the working of organisations rather than to their destruction. Our argument holds that by interrogating the constitution of organizational knowledge — from the perspective of the different discourses and localised practices through which it is produced (and consumed) — ethical questions related to that knowledge can be accounted for. In this we concur with MacIntyre's view that 'what matters at this stage is the construction of local forms of community within which civility and the intellectual and moral life can be sustained through the new dark ages which are already upon us' (MacIntyre, 1990 quoted in Rose, 1999: 170). For Rose (1999), this means a politics of virtue that takes the paradoxical form of 'an attempt to create, by political action, that which is to be the counterweight and antidote to political power itself.'

The relationships between ways of knowing have the potential to create new understandings of intellectual capital, policies and knowledge practices — including informing a new politics of virtue at work. This politics was clearly lacking in many commercial enterprises that took us into the GFC. Corporate greed, for instance, is known to have been a causal factor creating conditions for the GFC to become a potential calamity. In an increasingly global and 'networked' society, a new 'virtuosity' will involve relationships between managerial prerogatives, workplace practices and sanctions, diversity, academic research and policy making to prevent unchecked greed again taking hold of our principal money making and regulatory organisations. Indeed, the capitalist system in which these practices are embedded has for some time preceding the GFC been undergoing processes of significant restructuring characterised by:

'Greater flexibility in management; decentralisation and networking of firms both internally and in their relationships to other firms; considerable empowering of capital vis-a-vis labour with the concomitant decline of influence of the labour movement; increasing individualisation and diversification of working relationships,... increasing geographic and cultural differentiation of settings for capital accumulation and management' (Castells, 1997: 1-2).

At the heart of these social transformations are complex transformations of value. For individuals within organisations, it is their know-how that is vital in the reproduction of intellectual capital and the search for a competitive edge. The vital insights that were once implicit in individuals have to be made explicit to become part of the transformative capacity of organizations. Typically, the construction of these relations is embodied in managerial 'win/win' solutions and benevolent outcomes where everyone is represented as profiting. From the dark side of this dialectic, however, things can be seen differently — once the individual's intellectual capital is transfused, their vitality can become vulnerable and they can be made redundant (Garrick 2005). Notwithstanding the darker aspects of contemporary organizational knowledge, there are optimistic possibilities. Interpretive research, dialogue, action research are but a few methodologies that can open exciting possibilities and yet reveal disturbing insights. With the momentous changes occurring in workplaces, such possibilities are in demand. Pursuit of innovation, organizational learning initiatives, the creation and accumulation of intellectual capital is virtually insatiable. What remains is the need to continually develop and scrutinise both the production and the effects of these practices. We would argue that it is precisely this innovative type of terrain that was left undisturbed by those managers who failed miserably to foresee the GFC (Mason, 2009; Immergluck, 2009).

Against a powerful economic backdrop that shapes organizational knowledge in its own form, we are concerned about the negative potential for new forms of epistemological closure – a closure whereby key lessons from the GFC are not accessed; where in fact very little is learned and we return to "business as usual" – as if nothing really happened. Ways must be found to evaluate the production of new forms of organizational knowledge beyond the simplistic, immediate experience of 'what works now', 'what makes money faster than before', 'what will deliver more lucrative clients', 'more billable hours from high-net-worth individuals', 'competitive advantage' and so on – because 2009 provides proof positive that such mediocre forms of organisational knowledge simply did not work! It is not mere speculation that little has been learned from the 'performative' knowledge practices that contributed directly to the GFC. We see evidence daily that rapacious corporate greed lurks ever close to the surface. Changing things for the better does not mean judging organizational knowledge against extra-discursive criteria of good versus bad. Such binary oppositions and absolute ethics are also best abandoned with Mode 1 knowledge practices. For the 'truth' is that organizational knowledge is allusive and elusive; it is alive with subtle possibilities, limits and in situ ethics. In organisations, this invariably means risk taking and some engagement with the workplace politics of 'taking sides', speaking-up in defence of ethical practises and having the steadfastness to critique the discourses of domination which we have outlined above.

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