

**ANDREW CHAN**

City University of Hong Kong, Hong Kong

**JOHN GARRICK**

City University of Hong Kong, HONG KONG

**RECONCILING PROFIT AND PERFORMANCE WITH INTEGRITY:  
THE CASE OF COMPANIES OPERATING IN CROSS CULTURAL  
CONTEXTS**

**Abstract:**

The paper is primarily directed towards, but not confined to, the activities of larger commercial enterprises and questions the authority by which knowledge and integrity are legitimated in such enterprises and 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 both performativity theory and Levinas's (1985) notion of acting responsibly and having responsibility to others' to examine ways organizational performance can be constructed to by-pass ethical considerations, miss critical observations and thus opportunities. In some industries this nexus can be calamitous on a global as well as local scale. 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 definition and contestation have shifted. Once they were the preserve of exemplary spaces such as the laboratory while now, for many (business) organizations, the truth of knowledge has shifted to the market where its value is gauged and leveraged. A central question for this paper is the ways in which truth comes into play where organizational knowledge is concerned as leveraging may give it a particular complexion, in turn influencing integrity and virtue. Indeed, the construction and transmission of organizational knowledge has a powerful cultural context truths embedded in organization practices are extremely vulnerable. This vulnerability is revealed in the earlier leitmotiv of corporate crashes such as Enron and WorldCom, major collapses during the GFC including Lehman Bros Bank in 2008, and through the on-going experience of managing serious toxic debt such as in US mortgage giants Freddy Mac and Fanny Mae, the Royal Bank of Scotland (amongst others) and on-going Eurozone financial crises. The leitmotiv becomes more evident as these events highlight fundamental difficulties for those charged with managing and retaining intellectual capital and knowledge in the responsible organizations. Knowing what ought to be done and then actually doing it has been deeply flawed (see Leopold, 2009 Barth et al. 2009). It follows that organizational practices such as knowledge management (KM) must be more than mere techniques geared in a singular fashion towards enhancing the bottom line. Knowledge in organizations cannot simply mimic fashionable discourse or slavishly follow pre-set performance indicators. Such narrow approaches have been revealed as seriously deficient.

**Keywords:**

integrity and leadership, management decision, organizational knowledge, enterprise performance

## 1. Introduction

The so-called 'global financial crisis' (GFC) of 2008-9 and its continuing effects throughout the Eurozone to this day provide an intriguing backdrop for theorising the role of integrity in organizational performance and how it can reconcile with the profit motive. This paper examines this vexatious question through Lyotard's lens by asking how people in commercial enterprises understand and define 'knowledge' in organizations, how this knowledge is transferred and how, in turn, this affects organizational performance and integrity. Thirty years after its publication, we consider that it opens a welcome opportunity to revisit Jean-François Lyotard's (1984) seminal study *The Postmodern Condition: A Report on Knowledge* as it is particularly intriguing to question the authority by which knowledge and integrity are legitimated in such enterprises and 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 both performativity theory and Levinas's (1985) notion of acting responsibly and having 'responsibility to others' to examine ways organizational performance and management decisions can be constructed to by-pass ethical considerations, miss critical observations and thus opportunities.

Set against the backdrop of the GFC and the Eurozone crisis, the paper is primarily directed towards, but not confined to, the activities of larger commercial enterprises. So few appeared to know the economic crash was about to hit. Few clearly predicted it including amongst many others the International Monetary Fund (IMF), the OECD, the World Bank, the European Central Bank, the US Federal Reserve and influential credit ratings agencies such as Moody's, Standard & Poors and Fitch. Yet so many are paid very large sums of money to know these things: economists, bankers, stockbrokers, insurance brokers, risk managers, investment advisers, fund managers and so on. Very few saw it coming; the few who did appear to have been powerless to do anything about it and integrity in the financial system was found to be badly wanting. How so?

## 2. 'Working knowledge' and the context of organizational performance

'Knowledge' in the Western tradition has had conceptual connections with truth and understanding. Once they were the preserve of exemplary spaces such as the laboratory while now, for many (business) organizations, the 'truth' of knowledge has shifted to the market where its value is gauged and leveraged. 'Truth' comes into play where 'organizational knowledge' is concerned as leveraging may give it a particular complexion, in turn influencing integrity and virtue. Indeed, the construction and transmission of organizational knowledge has a powerful cultural context. Truths embedded in organization practices are vulnerable and this vulnerability is revealed in the

earlier *leitmotiv* of corporate crashes such as Enron and WorldCom<sup>1</sup>, major collapses during the GFC including Lehman Bros Bank in 2008, and through the ongoing experience of managing serious toxic debt such as in US mortgage giants 'Freddy Mac' and 'Fanny Mae', the Royal Bank of Scotland (amongst others) and ongoing Eurozone financial crises. The *leitmotiv* becomes more evident as these events highlight fundamental difficulties for those charged with managing and retaining intellectual capital and knowledge in the responsible organizations. Knowing what ought to be done and then actually doing it has been deeply flawed (see Leopold, 2009; Barth et al. 2009). It follows that management decisions and organizational practices such as knowledge management (KM) must be more than mere techniques geared in a singular fashion towards enhancing the bottom line. Knowledge in organizations cannot simply mimic fashionable discourse or slavishly follow pre-set performance indicators. Such narrow approaches have been revealed as seriously deficient.

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. To counter toxicity, good governance and key protections for workers—that will allow them to speak up, whistle blow if necessary and to denounce corrupt practices—are required. Terms such a 'sustainability' need to be more than merely fashionable rhetoric (as is generally the case now), but rather guiding principles for policy development. At the heart of the matter is whether the contemporary formula of knowledge (an extreme form of pragmatism) equating to 'what works does the job' is enough. We argue that it is not. The currency of such 'know how' as an underpinning of organizational performance is limited, short term and directed - in that it is results-driven and may easily overlook its consequences across other sites including responsibility to others.

Ideas about knowledge being grounded in action have re-emerged over the past fifty years: Problem-solving, learning at work (or from experience), action learning, communities of practice, 'know-how' and so on are terms that indicate there are many ways of interacting with the world that can deliver worthwhile knowledge. For instance, Polanyi's (1958; 1968) ideas about 'personal knowledge' and 'tacit knowledge' have been rediscovered and re-worked as concepts helpful to organizations. Such 'experiential' knowledge is gained through interactions, not from doctrinal propositions, theories or formally expressed and tested hypotheses about the world. Experiential knowledge is derived from direct engagement with the world in particular contexts and settings. In work contexts 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 including that:

---

<sup>1</sup> In July 2002 WorldCom filed for bankruptcy in the US listing more than \$107 billion in assets, surpassing those of Enron which had filed for bankruptcy the previous December. The WorldCom filing followed its disclosure that it had 'improperly accounted for more than \$3.8 billion of expenses', at: <http://www.nytimes.com/2002/07/22/us/worldcom-s-collapse-the-overview-worldcom-files-for-bankruptcy-largest-us-case.html> (last accessed 11 October 2011).

1. Knowledge is only authentic if it can be put to work [*work as the site of applying knowledge*];
2. Workplaces [and 'work' more generally] are sites in which knowledge can be generated [*work as a source of knowledge*];
3. Work can test claims to knowledge [*work as a form of validating knowledge*].'

These claims are intriguing but equivocations running through them are worth noting. There is a key distinction being made between the *production* of knowledge and its *validation* and assessment. Pragmatists (including many bosses) may assert that in any conception of knowledge, it is the world of work that truly puts it to the test and that it is demonstrated competence that is *the* key concept for showing that working knowledge is possessed. Work in this sense both produces knowledge and, at the same time, validates it: If it works... it is valuable. A more subtle argument, however, may hold that knowledge produced at work is legitimate in an action-oriented sense, but can still be subjected to more independent tests as to its broader applicability and validity. Indeed, the idea of knowledge being *in work* is just one amongst several legitimate ways of understanding the nature of knowing and discovering highlighting the need for more comprehensive understandings of working knowledge and its connections to organizational performance and integrity.

Recognising and mobilizing knowledge construction activities of organizations entails addressing how organizations understand (or possibly misunderstand) and use 'knowledge'. From this springs a set of issues related to how knowledge is shared through the various regimes of learning at work. When we talk about the 'knowledge capacities' of an organization, for instance, it is worth checking what sort of 'knowledge' the organization possesses and the extent to which knowledge can 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 share, develop, draw on and deploy that knowledge. Although arguable, organizations that take knowledge seriously, that invest in its construction and distribution, are more likely to derive extra dimensions of participation from their employees (see Langenberg, 2011; North and Gueldenberg, 2011; Watkins and Marsick, 2010; Wain, 2004). These writers cite activities and interactions within an organization—even quite mundane ones, such as meetings amongst internal staff or with clients—as potentially knowledge-development opportunities. Information sharing, problem identification and solution in teams can in this way become action research and 'knowing' can be embedded in organizational practice – not merely as something possessed by the senior people or technical experts to be 'handed down' (see Straka, 2005: 27). In turn, more sophisticated and collective frames

of understanding may begin to emerge. These variegated knowledge processes will have their own tacit structures characteristic of the organization, its stakeholders and that are related to the design and emergence of organizational culture (see Casey, 1996; Garrick, 1998; 2005).

In the majority of commercial organizations the key is of course the business of making money (Ritholtz and Task, 2009). Many firms and organizations in professional service and consulting companies today regard themselves as being at the vanguard of the 'knowledge industry' and make due deference to their learning capabilities, including opportunities for staff to 'continually learn'. Indeed, most large firms employ various training and development staff.<sup>2</sup> But nothing undercuts a management environment so much as the unrelenting demand for hours spent on services rendered to be 'billable', especially when managed (or worse, micro-managed) by someone with bullying characteristics. The term 'billable hours' is actually a metaphor for the pursuit of the bottom-line; a dominant driver of many work contexts and the next section considers, from Lyotard's perspective of *performativity*, effects on organizational integrity of this relentless pursuit.

### **3. Is integrity at work possible under an efficiency ideology in organizations?**

At work, knowledge resides not only in work but it is also *what works* for the business, the corporation, the retailer... What works and what counts as 'truth' is invariably a matter of judgement made by those in power. For Lyotard (1984) this is about truth taking on a performative aspect — whereby the veracity of knowledge claims is no longer a matter of the better argument (or of laboratory demonstration), but results from an outcome shaped by sanctioned criteria such as profit-performance, key performance indicators, organizational projections, consumer satisfaction measures and so on. These types of criteria are commonplace. Here we characterize performativity in a similar way to Pesqueux (2003: 31-32) who suggests it directly relates to an 'efficiency ideology' or 'efficiency logic' that permeates under a corporate mode of governance in both public and private organizations [in France]. Forms of communication, the extent to which they are open, hierarchical, frequent, oral, written or computer-based, visual and so on, as well as the extent to which communication is doctrinal or cross-disciplinary, will shape the character of an organization's knowledge processes and its performance.

Context, as argued, is critical and historically work contexts have, for many people, changed from sites of physical labour to knowledge intensive work. This is a claim usually made in discussions of 'post-industrialism', 'knowledge work' and the growth of knowledge work industries such as IT. The broad context involves mature capitalism whereby manufacturing-based economies have shifted towards service-based societies in which information and knowledge are *the* currencies. At the global level for example,

---

<sup>2</sup> Many university faculties have created positions such as 'associate-dean, teaching and learning' shaped by key performance benchmarks such as student evaluations (ie. customer satisfaction surveys) and so on.

India has embraced IT work and China too is currently shifting from its traditional manufacturing base to a more service-based form of market socialism (see Peerenboom, 2011: 272).

The term 'post-industrialism' generally refers to shifts in the structure and design of industrial capitalism away from mass production, bureaucracy and being predicated on a technical core of production technologies, towards growth in the service sector with parallel shifts to a relatively weightless, dematerialised knowledge economy (compared to the older industrial economy). This dematerialised knowledge economy scenario is characterised by financial 'products' and IT 'updates' which are the outcomes of 'intellectual' labour rather than physical labour. In post-industrial economies, the management of work also changes through the impact of information technology and the development of new organizational forms that are less reliant on the command/control relations of old-fashioned bureaucracies. Yet very powerful remnants of these bureaucracies remain. What was important to organizations in the industrial past was the harnessing of people's bodies — the need to control the people who were physical parts of the machinations of production — epitomised in the automated production lines of the model-T Ford and subsequent 'Fordist' and neo-Fordist workplaces. Now it is their minds.

Many contemporary workplaces produce nothing of an object nature and people's capabilities and willingness to engage in physical activity appears to be less important. French economist Daniel Cohen (2003) points out that the information age that has emerged through post-industrialisation is one where people spend more of their time at work servicing clients and customers, searching the internet, composing and replying to electronic mails, carrying on conversations in cyberspace and so on. The predominant way work is mediated is thus cerebral, textual and emotional rather than physical. In this milieu, while there may be a reduced need to control the bodies of workers, this does not mean that these bodies, newly recognised as being equipped with enquiring minds, are actually free to enquire. They are mostly required to perform in particular ways to maximise their productivity (or billable hours) to meet their measurable key performance indicators.

For Habermas an ideal speech situation has undistorted communication with no barriers to entry. Despite executive protestations to the contrary, there is little doubt that the new form organizations are no 'ideal speech situation' (Habermas, 1987). In the context of the global financial meltdown of 2009 and beyond, that knowledge workers have been inhibited in questioning the way things are done at work has almost certainly contributed to the problems (Leopold, 2009; Mason, 2009; Muolo and Padilla, 2008). Those many workers in corporate workplaces who either knew (or sensed) that 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 people produce and consume texts and to control their communicative context. This managerial approach does not, however, allow communication to flourish in ways Habermas had in mind. In this control mode, modern business structures are vessels for approved discourses only. It is not

always easy to 'speak up', however, especially if a message contradicts existing power relationships (or the status quo) and may cost extra time to work through. A key measure of quantity in a market context is simple: it is elapsed time. The time that one spends working on ideas may be directly billable to the client whose time is being used – because they are paying for it.

Further to these types of changes in the nature and organization of work is the way knowledge is produced and increasingly scrutinised in the networked society. Workplaces are both producers *and* consumers of knowledge, and the ways in which 'working knowledge' is legitimized becomes critical. Legitimizing working knowledge can be viewed as a new game. It has some new rules and is played in new sites beyond laboratories and universities. The principal trick is that it is not reliant on external 'experts' to validate it (although this technique can be used to make it 'look good', or as a seduction for knowledge workers to obtain credentials rather than having to attend formal university lectures and submit to regular assessments). The capacity for knowing is distributed throughout work organizations (or not) in such a game. Popper's (op cit) argument held that it was a necessary condition of academic organizations that knowledge ought to be in 'free circulation'. But this is not true of business organizations in that commercial-in-confidence is a prevailing ethic.

Knowledge is increasingly legitimated in and through the practices of work and then 'validated' by being posted on an organization's intranet or through some other media coverage. As Lyotard (1984: 46) put it, knowledge is no longer drawn from the 'grand narratives' of humanity, liberty and progress, but rather springs from *performativity* — an improved input-output equation. *Performativity* gauges knowledge on the basis of the calculable criteria of efficiency, marketability and saleability whereby:

'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' (Lyotard, 1984: 51).

In this notion of a 'mercantilisation of knowledge', saleability and efficiency become *the* criteria for establishing worthwhile knowledge. The drive for billable hours or bonus payments, for example, are central to many communities of commercial practice - banking, finance, stock-market trading, accounting, commercial law and so on. Knowledge construction emanating from those practices is shaped accordingly. In such contexts it is useful (i.e. profitable) knowledge, not knowledge for its own sake that is being legitimised. Lyotard's argument proposes that a self-sustaining system must cultivate *performance-satisfying skill* amongst its members in those respective communities. It could be readily inferred from this perspective that in organizations and intellectual capital more broadly are narrowly transformed into basic and more or less

technical aspects of knowledge production, transmission, retention and retrieval (see Garrick and Chan, 2006). 'Transmission' may now occur through various and social media at work. Here again, it can be very difficult for workers to speak up about any reservations or opposition they may have about the new regimes being thrust upon them by e-Learning strategists who operate with implicit (or explicit) support of higher-up business managers seeking to maximize efficiencies. Facebook, Twitter, iLearn products, LinkedIn, blogs, home-pages, inter- and intra-net connectivity are all part of the new, performative, learning narrative.

The growing ubiquity of the web and the speed with which it has become fundamental to contemporary work is almost breathtaking. In institutions such as business enterprises, the exercise of this e-power does not automatically constitute a prohibition imposed upon the powerless. There are productive aspects of power and what Lyotard (id) refers to as 'performance satisfying skill' that bring about new ways of identifying with for example change managers, 'knowledge workers', 'e-facilitators' and so on. Some may even argue the networked society can empower the disadvantaged. That is, not only is this power harnessed by the apparatuses of state but by dissidents and interest groups such as in the 2011 'Occupy Wall St' campaign against corporate greed. On balance though it is quite apparent that corporate desires are primarily to achieve more efficient and effective (relatively compliant) workplace learners who will quickly take their prescriptions.

#### **4. Have integrity and virtue been reduced to performance indicators?**

It is now almost 30 years since Lyotard published *The Postmodern Condition: A Report on Knowledge*, but the relevance of his commentary on changes to knowledge in contemporary society becomes clearer. In particular, his argument that postmodern society has disrupted the unifying view that social progress can be achieved through the growth and application of science has tended to be confirmed in various research disciplines including Cohen (op.cit) and in Lounsbury's (2008) examination of new directions in the institutional analysis of accounting practice.

Lounsbury (2008: 356) for instance builds on the notion of performativity by acknowledging the ontological position that 'the world is always in flux and the seeds of practice creation lie in the everyday activities of actors'. This may sound at odds with institutional analysis and organization theory but it is easily incorporated. Knowledge produced at work, and much contemporary research, is increasingly a means to an end as distinct from 'knowledge for the sake of knowledge', an intrinsic good or an addition to the stock of intellectual capital. There is a range of ethical questions concerning this state of affairs: Are the seeds of 'practice creation' merely performativity outcomes? If so what are the implications when these seeds form as 'legitimized' organizational knowledge? Is this a form of knowledge whereby efficiency becomes a core value that is less open to scrutiny, than say scientific, academic or even legal knowledge? Are commercial work



organizations, as amongst today's more dominant institutions, governed *solely* by instrumental and economic rationalities (despite executive spin to the contrary)? Broadly construed, these questions are at the heart of how we understand changes happening to work, to organizations, to the new production of meanings and to the harnessing of human and intellectual capital.

Following the global economic downturn of 2008-9 and ongoing Eurozone pressures, organizational knowledge and intellectual capital, in their most general sense, are about the appropriation of order from disorder. For instance, some of the 'disordering' is a latter day offshoot of government sponsored deregulation of the financial and banking sectors—of Friedmanite free markets on one side of the Atlantic and van Hayekian economics on the other. The buy-in to these economic philosophies has had consequences of scale with recent downturns having directly affected many millions across the globe through unemployment, the superannuated being left vulnerable and bank liquidity and sovereign debt remaining problematic globally. Government bail outs of private sector enterprises became common place. Government-led economic stimulus 'packages' a la Maynard Keynes were required throughout the world, China included, to help underwrite the economic recovery. To write about changes to knowledge and integrity against this backdrop is to acknowledge that organizational knowledge is connected inextricably with power, events and prevailing interpretations of economic theory.

In writing about knowledge, power and events, dominant narratives of knowledge at work need to be identified. Here, the deployment of Lyotard is to emphasize *performativity* as a core value - as the construction of working knowledge most certainly involves performativity. It is a key criterion for judgement. In identifying dominant narratives of knowledge at work, the role of critique remains important. The argument is that knowledge and critique are both narratively produced. It follows that knowledge in organizations, by definition, will be reflexive where it is not merely a banal repetition of what is already known. Although this theorisation is indebted to Foucault (1972), on this point one can also readily agree with Habermas in the sense that the creation of knowledge from an interest in innovation – a breaking with the past – necessarily involves critique. Where critique is heavily circumscribed, the capacity for creativity will invariably be impaired.

We are not seeking here to recreate a nostalgic past where knowledge was restricted to expert, critical, elites (often holding impressive university or lab titles) and claiming to serve humanity, progress, the development of our species and conditions of existence. There are clear flaws with that view including how it has glossed over the huge multiplier to the 'sum of human knowledge derived from defence and war expenditure' (Kittler 2006: 321). Our assertion is clear: knowledge less tied to expert laboratories (and wealthy patrons in the military, drug and state apparatuses) may not be such a bad thing. Indeed, making a profit from knowledge as an end in itself may be ethically preferable than it being a means to the destruction of the species.

## 5. Reclaiming virtue at work and reconciling profit with integrity

When truth and understanding are theorised as 'performative' it follows that knowledge and integrity in society are being re-valued. The value of knowledge is increasingly related to pragmatic applicability to organizations. Some may argue this is in fact 'devaluation'. On the other hand, as we have argued, such working knowledge can be viewed as an advance on the Manhattan Project. The problem is in the performative suggestion that the value of knowledge is, and can only be, derived in economic terms. This is a dangerously reductive narrative. Yet it is a continuing story that attempts to fix power/knowledge relations one-dimensionally. Our argument holds that simplistically instrumentalized organizational (performative) knowledge has to be reviewed. The GFC and Eurozone crises have provided proof positive that such mediocre forms of knowledge are inadequate. By interrogating the constitution of organizational knowledge—from perspectives that include the different discourses and localised practices through which it is produced (and consumed)—ethical questions related to that knowledge can be better taken into account, for instance, through ethical deliberation, genealogical analysis and deconstruction. In an ethical framing, MacIntyre's view is helpful in that: 'what matters ... is the construction of local forms of community within which civility and 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 (id.) 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.' Here Levinas's (1985; 1989) concept of 'responsibility for another' is useful for re-visioning management. Levinas reminds us of the unreserved and unlimited responsibility towards all other people as an imperative for the moral foundation of all human beings...the very identity of the human starts from 'responsibility for the Other' (1989:104). In this ethic is a 'self-consciousness..which is precisely [its] responsibility for the Other' (Levinas, 1985:101).

As Levinas argues, virtue at work based on a self conscious responsibility for the Other, rather than merely to our selves, can offer something more. This would represent a politics that has clearly been lacking in many contemporary commercial enterprises that took us into the GFC and still permeates organizations. Corporate greed, for instance, is known to have been a causal factor that created the calamitous conditions of the GFC (Leopold, 2009; Ritholtz and Task, 2009; McDonald, 2011). In an increasingly globalized, technological, networked, ultra-competitive society, new understandings will invariably involve relationships between everyday working lives, managerial prerogatives, workplace practices and sanctions, trade unionism and diversity, contested versions of what constitutes really useful knowledge, academic research, teaching and policy making.

By drawing on Lyotard's performativity theory and Levinas's ethics, we have argued firstly that working knowledge is increasingly transformed into explicit, measurable (downloadable) factors of organizational performance. For individuals within organizations, 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 specific individuals now have to be made explicit (in so far as this is possible) to become part of the transformative capacity of the organization. Secondly, and typically, the construction of these relations is then presented as managerial 'win/win' solutions with benevolent outcomes where everyone is *represented* as profiting. There is a dark side of this embodiment as things can be read differently—once the individual's intellectual capital is transfused, their vitality can become vulnerable and they can be made redundant (Garrick, 2005). And not everyone benefits as the exploitation of both labour and the environment remain integral to the workings of capital.

Notwithstanding darker aspects of contemporary organizational knowledge practices, there are optimistic possibilities. Interpretive research, dialogue, action research and virtual research are methodologies that can open new possibilities. These may reveal some disturbing insights which need to be faced. With the momentous changes occurring in workplaces, such capabilities are valuable. Performativity is thus not necessarily oppressive having constructive sides. The pursuit of innovation, organizational learning, new research practices, the creation of new knowledge and demands for accumulated intellectual capital are virtually insatiable. What remains, however, is the need to continually develop and scrutinise both the production and effects of these knowledge practices. It was precisely this terrain that was left largely undisturbed by those economic managers who failed to foresee the GFC (Immergluck, 2009; Mason, 2009). This is *the* significant challenge for the new modes of knowledge production and legitimisation: How to encourage genuine critique, vitality, renewal and integrity.

Against an economic backdrop that shapes organizational knowledge in its own form, it is reasonable to be concerned about the potential for new forms of epistemological closure – whereby key lessons from the GFC, the Eurozone economic crisis (and other calamitous events such as Fukushima<sup>3</sup>) are not adequately assessed. With such closure, very little is learned. Alarming, we basically return to business as usual as if nothing had really happened. Ways must be found to evaluate the production of new forms of organizational knowledge beyond experience of 'what works', what makes money faster than before, how to generate 'spin' so an organization can avoid

---

<sup>3</sup> At the time of writing Asia has 112 nuclear reactors, with 37 more under construction, a further 84 planned and 80 under consideration. China has 20 new nuclear reactors under construction and eight more approved for completion by 2020 to meet its rising demand for 'clean' energy. In this context it is salutary to consider the lessons from the 2011 nuclear disaster at Japan's Fukushima reactors. The weakness of the Fukushima No.1 plant's seawater cooling system to earthquake and tsunami damage had been pointed out by members of the Diet since 2006, but the private operator (Tokyo Electric) did not adequately respond. Notwithstanding reservations about the technology, the location and proximity to an earthquake-prone region, it was the cosiness and collusion between operators and regulators that were central to the risk and Japan is far from unique in relation to this risk.

adverse publicity, who (or what) will deliver more lucrative clients, competitive advantage and the like – because 2009 provided proof positive that such mediocre practices and forms of organizational knowledge were counterproductive. It is more than possible that little has been learned from the ‘performative’ knowledge practices that contributed directly to the GFC. In the global economic instability of 2013-14 and beyond we see evidence frequently that rapacious corporate greed lurks ever close to the surface.

## 6. Conclusion

As argued, changing things for the better does not mean judging working and organizational knowledge against extra-discursive criteria of good versus bad. Binary oppositions and absolute ethics are not always helpful; ‘the truth’ is that such forms of knowledge are allusive and elusive. They are alive with subtle possibilities, limits and *in situ* ethics. In organizational life, this will invariably mean some engagement with work politics, ‘taking sides’ and, at times, the duty and steadfastness to critique and oppose discourses of domination. This calls for more self-reflexivity on the part of the performing players, as Pesqueux (2003: 32-33; 2005) puts it, ‘professionals who may include socially responsible, autonomous individuals, cynics and lobbyists in their own fields’. These actors can assume the role of what Foucault calls ‘specific intellectuals’ in the arena s/he understands and influences by using ethical critique. A notable example is cited in Langenberg’s (2011: 165-166) study of an ideal speech situation in business - in a steel factory with ten thousand employees. In that company, interruptions of the production process were seen as ‘learning occasions’ in the survival of the company. In order to deal with “interruptions” the factory facilitates ‘rule-free space’. A notable example of the concept of the ‘rule-free space’, these same principles apply in the context of corporate power, and a field’s capacity to reflect on itself is precisely one of the key skills lacking in the social sciences that serve commercial interests. This lack was revealed during the GFC and further amplified in attempts at justification by writers such as McDonald (op. cit). The lack of a perceived need for acquiring this self-reflexivity skill contributed to Foucault (1984: 32) asserting that there is still something premature in the comprehension of oneself and the social.

Achieving greater reflexivity in the professions becomes even more complex when organizations meant to be dedicated to knowledge, research and learning behave like commercial enterprises focused primarily on profit. Tertiary education, now increasingly globalized and competitive, is replete with examples of outdated and outmoded jargon and evaluation procedures of 1990’s business models and corporate human resources dressed up in newer technologies of representation. Unmasking and then turning this around will not be easy. Without enhanced levels of critical reflection as a starting point very little stands in the way of recurrences of the GFC, the Eurozone economic crisis (and the like) and intensification of that leitmotiv in future.

## References

- Amann, W., Pirson, M., Dierksmeier, C., von Kimakowitz, E. Khan, S. and Spitzeck, H. (eds.) (2011) 'The Rise of Humanistic Business Schools (HUBS)', in Amann, W., Pirson, M., Dierksmeier, C., von Kimakowitz, E. and Spitzeck, H. (eds.) *Business Schools Under Fire: Humanistic Management Education as the Way Forward*. London: Palgrave Macmillan, pp.447-469.
- Barnett, R. (2000) 'Working knowledge', in Garrick, J. and Rhodes, C. (eds.) *Research and Knowledge at Work: Perspectives, Case-studies and Innovative Strategies*, London: Routledge, pp. 15-31.
- Barth, J.R., Li, T., Lu, W., Phumiwasana, T. and Yago, G. (2009) *The Rise and Fall of the U.S Mortgage and Credit Markets; A Comprehensive Analysis of The Market Meltdown*, New York: John Wiley.
- Brandel, J. and Turbeville, T. (1998) *Tiger Balm Gardens: A Chinese's Billionaire's Fantasy Environments*, Hong Kong: Aw Boon Haw Foundation.
- Casey, C. (1996) *Work, Self and Society after Industrialism*, London: Routledge.
- Castells, M. (1997) *The Rise of the Network Society (1)*, Oxford: Blackwell.
- Chan, A. (2011) 'Power narratives and lessons from the Chinese Cultural Revolution', in Garrick, J. (ed.) *Law, Wealth and Power in China: Commercial Law Reforms in Context*, London & New York: Routledge.
- Cohen, D. (2003) *Our Modern Times: The New Nature of Capitalism in the Information Age*, Cambridge, MA: MIT Press.
- Foucault, M. (1972) *Archaeology of Knowledge*, London: Routledge.
- Foucault, M. (1984) 'What is Enlightenment?' in Rabinow, P. (ed.) *The Foucault Reader*, London: Penguin, pp.32-50.
- Garrick, J. (2005) 'In Pursuit of the Intangible: The Inherent Difficulties of Codifying Informal Learning', in Kunzel, K. (ed.) *International Yearbook of Adult Education*, Koln Germany: Bohlau Verlag, pp. 245-262.
- Garrick, J. (1998) *Informal Learning in the Workplace: Unmasking Human Resource Development*, London: Routledge.
- Garrick, J. and Chan, A. (2006) 'Organizational Knowledge and the Effects of Billable Hours', *International Journal of Learning and Intellectual Capital* 3(2) 143-152.
- Habermas, J. (1987) *The Theory of Communicative Action*, London: Heinemann.
- Immergluck, D. (2009) *Foreclosed: High-risk Lending, Deregulation and The Undermining of America's Mortgage Market*, Ithaca, NY: Cornell University Press.
- Kittler, F. (2006) 'Unconditional Surrender', in Hall, G. and Birchall, C. (eds.) *New cultural studies: adventures in theory*, Athens, GA: University of Georgia Press, pp.318-334.
- Langenberg, S. (2011) 'Habermas and his Communicative Perspective', in Dierksmeier, C., Amann, W., von Kimakowitz, E., Spitzeck, H., and Pirson, M. (eds.) *Humanistic Ethics in the Age of Globality*. London: Palgrave Macmillan, pp.151-168.

- Leopold, L. (2009) *The Looting of America: How Wall Street's Game of Fantasy Finance Destroyed Our Jobs, Pensions and Prosperity, and What We Can Do About It*, White River Junction, VT: Chelsea Green Publications.
- Levinas, E. (1985) *Ethics and Infinity*, (trans. by Cohen, R.A.), Pittsburg, PA: Duquesne University Press.
- Levinas, E. (1989) 'Substitution' in Hand, S. (ed.) *The Levinas Reader*. Oxford: Blackwell.
- Lounsbury, M. (2008) 'Institutional Rationality and Practice Variation: New Directions in the Institutional Analysis of Practice', *Accounting, Organizations and Society*, 33: 349-361.
- Lyotard, J-F. (1984) *The Postmodern Condition: A Report on Knowledge*, Manchester: Manchester University Press.
- MacIntyre, A. (1990) *Three Rival Versions of Moral Enquiry*, London: Duckworth.
- Mason, P. (2009) *Meltdown: The End of The Age of Greed*, New York: Verso.
- McDonald, L. G. (2011) 'A Colossal Failure of Common Sense', at: <http://abookadaytillicanstay.wordpress.com/2011/02/27/152-a-colossal-failure-of-common-sense-by-lawrence-g-mcdonald/> (accessed 6 October 2011).
- Muolo, P. & Padilla, M. (2008) *Chain of Blame: How Wall Street Caused the Mortgage & Credit Crisis*, New York: Wiley.
- North, K. and Gueldenberg, S. (2011) *Effective Knowledge Work: Answers to the Management Challenge of the 21st Century*, UK: Emerald Group Publishing Ltd.
- Peerenboom, R. (2011) 'Conclusion: Law, Wealth and Power in China', in Garrick, J. (ed.) *Law, Wealth and Power in China: Commercial Law Reforms in Context*, London and New York: Routledge.
- Pesqueux, Y. (2003) 'Questions on the Theme of Global Responsibility', *Corporate Governance*, 3(3): 21-38.
- Pesqueux, Y. (2005) An 'Anglo-American' Model of CSR? in Bonnafous-Boucher, M. and Pesqueux Y. (eds.) *Stakeholder Theory: A European Perspective*, London: Palgrave Macmillan, pp. 24-38.
- Polanyi, M. (1958) *Personal Knowledge: Towards a Post-Critical Philosophy*, London: Routledge and Kegan Paul.
- Polanyi, M. (1968) *The Tacit Dimension*, New York: Doubleday.
- Popper, K. (1975) *Objective Knowledge*, Oxford: Clarendon Press.
- Ritholtz, B. and Task, A. (2009) *Bailout Nation: How Greed and Easy Money Corrupted Wall Street and Shook The World Economy*, New York: Wiley.
- Rose, N. (1999) *Powers of Freedom: Reframing Political Thought*, Cambridge: Cambridge University Press.
- Straka, G. A. (2005) 'Informal Learning: Genealogy, Concepts, Antagonisms and Questions', in Kunzel, K. (ed.) *International Yearbook of Adult Education*, Koln Germany: Bohlau Verlag, pp. 27-45.
- Wain, K. (2004) *The Learning Society in a Postmodern World*, New York: Peter Lang.

Watkins, K. E. and Marsick, V. J. (2010) 'Group and Organizational Learning', in Kaseworn, C.E., Rose, A.D., and Ross-Gordon, J.M. (eds.) *Handbook of Adult and Continuing Education*, California: Sage, pp. 59-70.