THE BIND OF HABIT: PROBLEMS WITH PRAGMATIC VIEWS OF ORGANIZATION

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Abstract

Our paper discusses pragmatic views of activity and its implications for the research of organizations, with specific reference to its influence on activity theory. Introducing activity theory, and being aware of its praxis-bound theoretical origins, we argue that Dewey's conception of habit, custom and inquiry adds epistemological depth to the six dimensions of organizational knowing that together make up the activity system: subject; object of activity; community; rules; division of labour and mediating tools. We then go on to argue that, whilst pragmatic philosophy provides a rubric by which activity systems can model transactional activity, the participatory nature of research requires this modelling be less linearly, means-ends oriented. We identify Spender's "industry recipes" as one method which allows this. Where activity theory sees language as a cultural mediation (what exists 'between' the agent and their object of activity), recipes are less precise, reflecting how language is grounded in what Wittgenstein calls a basic form of life, the commonly felt senses of fulfilment, endeavour and significance by which we recognize activity as activity in the first place.

Keywords: pragmatism, Wittgenstein, recipes, Dewey, activity theory.

The bind of habit: problems with pragmatic views of organization

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Our paper discusses pragmatic views of activity and its implications for the research of organizations, with specific reference to its influence on activity theory. Introducing activity theory, and being aware of its praxis-bound theoretical origins, we argue that Dewey's conception of habit, custom and inquiry adds epistemological depth to the six dimensions of organizational knowing that together make up the activity system: subject; object of activity; community; rules; division of labour and mediating tools. We then go on to argue that, whilst pragmatic philosophy provides a rubric by which activity systems can model transactional activity, the participatory nature of research requires this modelling be less linearly, means-ends oriented. We identify Spender's "industry recipes" as one method which allows this. Where activity theory sees language as a cultural mediation (what exists 'between' the agent and their object of activity), recipes are less precise, reflecting how language is grounded in what Wittgenstein calls a basic form of life, the commonly felt senses of fulfilment, endeavour and significance by which we recognize activity as activity in the first place.

1   Introduction: activities

The primary status of human action in understanding the creation of social artefacts such as organizations (Gergen, 1999; Gheradi, 2000) has brought to notice amongst some organizational researchers the need to investigate the nature of activity itself; specifically how questions of identity and meaning insist in its relational, shifting and spontaneous character (Shotter and Lannaman, 2002). Language takes centre stage here. It is with words, signs, gestures, pauses, commands, questions, inflexions etc. that meaning is given life; our activities are orchestrated within language. By merging language and activity, the idea of humans being somehow distinct from their actions (using language as a conduit) becomes contested; indeed it is apparent that any emphasis on action (as opposed to determining structures, or the sovereign nature of human subjects) orients organizational research toward the conversational conditions in which employees, managers, regulators, customers, suppliers and other organizational stakeholders commune with one another.

These conversational conditions are distinguished from one another in what Wittgenstein calls "language games" and Michael Oakeshott (1975: 120-122) calls "practices": they are understood conditions or considerations subscribed to by agents in their action which qualify but do not determine performances. They are inextricably linked to intelligent activity as rules, rules which we have become familiar with in use, and that provide us with the means by which we come to decide upon the intelligibility of our own and others activities. Both Wittgenstein and Oakeshott make it clear that grammatical rules do not define final purposes – they are not confining. When we talk of rules we talk of the ordinary use of language, which only conforms to exactness in rare cases, and even then if the exactness is pursued it always "runs up against cases where it leads to paradoxical results" (Wittgenstein, 1958: 25-27). Hence activities are characterized as games, activities to which there is no logical scaffolding, activities which are defined by their incompleteness, by their being the possibility of uncertain outcomes depending upon how the rules are applied in any given context (Cavell, 1969: 50). Activities, like games, are a matter of non-essential convention by which we abide (Wittgenstein, 1952: §66). We do not decide to abide by these conventions, as though they were lined up like bottles on an apothecary's shelf, we abide by them –

they are descriptions of what we do. We cannot appeal to rules to ensure that what we are doing is correct; they do not exist independently of activities. There is nothing which contrasts with our form of the world, we cannot use language to set the world in relief, nor can we use it to subordinate lived experienced by reference to a reality that exists somehow beyond that experience (Wittgenstein, 1990: §3).

Both Shotter and Lannaman (2002) and Cunliffe (2003), using the metaphor social poetics, argue that this awareness of 'language as ontology' confers a labile and communal status on organizational understanding. Far from conveying information and hence knowledge about organizational activities, investigations of organizational activity need to engage in the prevailing language games and from such an engagement begin to describe their co-ordination. Here what is investigated is what people say, and what they mean when they act. There is no sense in which an investigation looks behind the language game because what is real is not distinct from what people agree it is. There are often many different ways in which people use words, along with a multiplicity of language games, and there is no confining essence to these, merely a labyrinth of what Wittgenstein calls "family resemblances"; similarities of use by which we are able to distinguish one convention from another. How, given this theory of action, any investigation of meaning in organizations actually takes place is the concern of this paper.

2   Pragmatism and activity theory

If it is seen as an explicitly cognitive achievement, meaning is a variant on mental representationalism – the mind acquires understanding through inputs (senses); stores it as memory; abstracts from one experience to the next using heuristic rules, symbols and the logical sequencing of a processing subject capable of judging the accuracy of representations using practices such as validation and falsification. Human thought is akin to information processing, and meaning is largely a declarative achievement. Connectionist epistemologies argue this linear, overtly conscious pattern is flawed; preferring to analyse cognition as the largely intuitive and habitual recognition of patterns and pattern fit. Instances of calculative reasoning are only surface appearances of what are far deeper, almost collective abilities of pattern recognition built up through trial and error. Both cognitive and connectionist theories, however, see

meaning as claim of recognition (either the ability to logically solve problems or to unconsciously recognize patterns and pattern interaction) set in distinction from the environment about which that recognition is being made (Von Krogh, 1997). There is an inner being who knows something, and an outer environment that is known, and this meaning is communicated using language.

Philosophically, however, the view that language is a medium for representation assumes there is such a relation as knowing the world, outside of knowing language, and as has been argued, stepping outside of language is not a sensible option (it has no sense). Language not only insists in all meaning, it does so in ways that eschew anything approximating unity. Vocabularies are varied, partial and contested. Familiar uses of language occupy orthodox positions in language, often making truth claims and being embalmed by habit. Unfamiliar uses do not make truth claims; they occupy the edges of the language games in which they are used, they are metaphorical rather than literal, and if, in use, they prove efficacious in allowing us to make better sense of our world, they may become truth value candidates, the metaphor becomes familiar, and then literal, constituting a new vocabulary which itself is open to change (Rorty, 1989: 19).

Language does not fit around an outside reality, its meanings are held within its use. There is no pre-linguistic consciousness, or thinking entity, to which language must remain 'loyal' – thought is language, and language is practice, recalling Goethe's aphoristic celebration of imaginative power: "In the beginning was the deed".
Rorty (1989:53-56) argues that in this contingent community of meanings understanding comes about by using vocabularies in productive ways, coupled to an investigation of the range of ways in which they might be used. Far from occupying sober, law-like principles, the resultant knowledge is rich, varied and contested – what is known is woven and re-woven in a centreless web of beliefs. These beliefs do not represent non-beliefs. Rather, they emerge through justifications of desire and the causal influence of physical forces. They are never outside the context of belief, so that in talking of an object one is talking about the practical effects the object will have on our activities (Rorty, 1991: 98).

This collapsing of dualism means that whilst knowledge is always about something (desires, beliefs, objects) it does not represent something external to human activity. It is an orientation within language made by intention. The nature of the object, belief and

desire is corralled by our intentional interest – they are what we have found it useful to talk about in order to cope with and make sense of our life (Rorty, 1991: 107).

This anti-essentialism shows how knowledge is learnt actively, not acquired imitatively or through some form of realist correction. This means learning is a blend of basic intentional interaction, mimesis (the use of mental models and tools), communication (using shared grammatical structures) and externalized memory (using collectively developed symbols as a means of informing logic) by which, to use Rorty's analogy, the web of beliefs and the available moves within the web become more familiar (Nelson and Nelson, 2002; Donald, 1991). This interactive, inter-relational sense of learning was argued for by John Dewey, for whom any ontological separation between the knower and the known was symptomatic of a spurious metaphysics– we as human beings are synonymous with our actions, our life consists in out being active, and stimulus from our environment does not initiate action but change its trend and course. Dewey is not arguing that the world is entirely constructed, or imagined. Existence is a given, it stimulates humans at a basic level, but what we regard as meaningful, and as having the essence of truth, is not given, it is constructed in inquiring activities to which it has no antecedent existence (Garrison, 2001). Knowing is a condition of functional co-ordination by which language users become aware of which beliefs, objects and desires prove apposite in terms of solving the problems associated with physical need, emotional distress and cognitive doubt (Garrison, 2001). These co-ordinations are neither mental nor metaphysical, but daily activities of creation and control which prove more, or less, efficacious at problem solving (Garrison, 2001). Where they are successful they accrue the status of truth-claims, until such time as alternatives are proffered.

> *Men like the opinions to which they have become accustomed from youth;*
> *This prevents them from finding the truth, for they cling to the opinions of habit.*
>
> *Moses Maimonides Egyptian Philosopher and Physician 1135-1204.*

The co-ordinations are orchestrated by tools. A tool for Dewey, is something that is used as a means to effect certain consequences, such as, for example: the cognitive norm of counter-factual reasoning; the social practice of tit-for-tat relationship building; the adoption of uniforms or professional codes; the investing of symbolic power in

iconography; or the use of public libraries. Language is the uber-tool, the means by which other means make sense. Once something is used for a purpose then it ceases to just exist and is endowed with meaning; and in prolonged use in different contexts, it becomes endowed with a historicity of meanings, that are themselves constantly evolving (Musolf, 2001). At its most settled this sedimentary knowledge is what Dewey calls habit. Habit is the iterative revision of intentions and actions in accord with an assumed, almost unconscious routine. Habit is not synonymous with activity. It is a sensitivity to (or accessibility to) specific types of stimuli, aversions and predilections brought about through an on-going transactions between personal qualities, objects, events and (Dewey, 1927: 18-21). When these habits are shared by many, or become identified with a specific group of people, they are customs; patterns of interaction that are expected. Because agents occupy habits and customs in complex, evolving ways then previously apposite co-ordinations of meaning are never fixed, there is always the possibility of disruption to established problem solving activities. This functional disruption to habits and customs, argues Dewey, proffers inquiry into new uses for tools, and the development of new tools. Inquiry is the logical transformation of an indeterminate or incomplete state of affairs into a condition of settled belief (knowledge). The reason for inquiry is to change meanings so as to form and settle problems. These meanings (knowledge) are evaluated on their resolving power; knowledge being what Dewey calls 'the product of competent inquiries'. Competence is not merely a matter of personal conviction or whim but a crystallization of cumulative experience subject to community scrutiny. This does not place knowledge beyond further critique, but requires that any doubt about it has a specific justification (as distinct from the morbid metaphysical doubt of the Cartesian or existentialist). Knowledge is, then, defined by inquiry, being the recovery of meaning from experience, subject to continued revision in the light of specific, justifiable reasons (Festenstein, 2001). Because inquiry involves the transformation of what are always indeterminate situations, the aims of inquiry are never defining. Inquiry inevitably alters the ends and means by which those situations and their possible alternatives are conceived. The realization of determinate, settled situations will itself have unintended consequences, provoking further inquiry; the sediment may settle, but it never becomes solid.

At its most intense, inquiry is a large scale re-weaving of our web experienced as moments of revelation. To go back to Rorty's distinction between literal and metaphorical meanings, this re-contextualization of beliefs has two aspects, the distinctions being of degree and not quality (Rorty, 1991: 95):

- A new set of attitudes towards an existing or known state of affairs. Here the grammatical space or language game remains fixed but the beliefs experienced within it change. The method for re-weaving is inference and translation.
- A new set of attitudes experienced from a new state of affairs. Here a new language game is being played. The method for re-weaving is imagination; the new (metaphorical) use of language.

Inquiry takes place under one description or other; it is elucidated and interpreted in language (signs, symbols and gestures), meaning the questions of inquiry are not: 'What is it?', but 'What is it we want to know about?' (Rorty, 1991: 98-101). This distinction is at the heart of the pragmatic world view. There are no independent tests of knowledge, and questions of 'truth' or 'right' or 'good' concern what we decide makes something count as being determinate in these ways. There are no independent tests of our judgement (our habits of action and habitual productions) meaning the metaphysical gives way to the political: knowledge concerns centre on the creation and re-creation of our meanings in transactional relations with alternative perspectives, whether past or present. Being transactional, rather than inter-actional, conveys how meaning is arbitrated from within. Dewey says it is impossible to make external appeals, to reach outside to immutable essences, or realities, from which we can take our cue (Garrison, 2001).

On Dewey's reading, the nature of knowledge is relational, and cannot be reduced to a codified condition as distinct from a tacit one. All knowledge is synonymous with knowledge claims; made and re-made in relational patterns that range from stable habits to radical inquiries. This is why organizations cannot be said to 'have' or to 'circulate' knowledge as though it existed outside of the frame of habit an inquiry. Such a pragmatic focus would seem to provide philosophical support to recent attempts to investigate organizational knowledge, or knowing, using activity theory (Engestrom, 1999, 2000, 2001; Blackler, 1995; Blackler *et al*, 1999, 2000). Activity theory investigates patterns of 'knowing': claims of knowledge made through and challenged in an infrastructure of language, symbols, technologies, 'habits' of specialization and norms) (Blackler *et al*, 1999). It resists the temptation to reduce a unit of knowledge analysis to a specific act (using software, training etc.) or object (manual; patent etc.), keeping faith with the transactional nature of meaning. In this, argues Miettinen (2001),

activity theory is best seen as an attempt to describe the flow of these transactions as a combination of relations. Without some form of system model there is little chance of understanding these conjoint activities and their history, and hence little chance of understanding the nature of organizational knowledge. The six dimensions from whose relations an activity system is built up (agents, objects of activity, rules and norms, local communities, division of labour and mediating devices of communication such as symbols or technology) provide a methodological device for understanding the nature of transactional meanings, whilst never presuming to act outside of those meanings.

Activity theory, then, is a practice of inquiry into which meanings are settled, and which unsettled, and the transactional relationships by which these meanings are distinguished from one another. Pragmatically, it adheres to the view that meaning emerges from the use of tools, of which language is the most pervasive. In this sense language is not a mediation at all; there is no epistemological status to language as a conduit for pre-formed understandings. In fact any epistemological-ontological dualism collapses because meaning is the continually shifting outcomes of activities whose nature is as much metaphorical as it is literal, and whose range is never firmly under the purview of any single authority (whether collective or individual). When we converse we do not exchange meanings – there is no 'correctness' inherent in what is communicated because the appropriateness of meaning is settled through conversation itself – the representativeness of the sign is negotiated in its being used by the conversants (Wittgenstein, 1952, part II: 200e). Meaning is not something 'out there' brought to the conversation, but created through exchange and agreement for which the interlocutors, as cognising systems, remain responsible.

3   The nature of inquiry

If meaning is internal to, and produced by, activity, then inquiry into meaning likewise can only be described from within. Similarly, the changes that inquiry might provoke by which meanings oscillate between literal and metaphorical are changes that occur during activity (they are neither points of arrival nor departure). When we use tools we envisage consequences, but these are not fixed, and are subject to our experience of using tools in as much as they are subject to reform, or abandonment should they no longer fit with our sense of fulfilment, what Dewey calls our sense of functional co-ordination (Garrison, 2001). Activity theory traces the repeated attempts at such co-ordination, it identifies habits, customs and inquiries, and the respective influence of the

six dimensions in each, describing whether language games have remained in play (and been re-applied through translation and inference) or been replaced (through the metaphorical injunction to imagine things anew).

The question then becomes how to inquire after the nature of these co-ordinations. Activity theory is equipped to talk of what it is meaningful to say and do, and what is less meaningful; it identifies what is habit, and what, with the stretching of meanings to the edge of language games through metaphor, has become inquiry. From the perspective of the activity of inquiry into such activities, however, what is less obvious is how to comment on what is known. Engeström (1999:383), for example, identifies an 'expansive learning cycle' which begins with individuals questioning current practices and existing wisdom. The second stage concerns empirical analysis of the situation to establish causes and explanatory mechanisms. The third stage involves construction of a 'model' that has the potential to offer problem solutions. Fourthly, the model is examined by testing its 'dynamics, potentials and limitations'. Such testing might take the form of a tangible 'model' or may be based on a series of mental 'what if' scenarios. Testing of the model is followed by implementation. The final two stages concern evaluation of the model and consolidation of the new practices. Engeström's inquiry is articulate, and plausible, yet it is confined to an observer's perspective in that a cycle of means punctuated by ends is identified *from the outside*. The concept of 'stage' presumes a linear succession of contained meanings by which literal habit becomes metaphorical inquiry becomes literal habit again, and so on. This is clearly, from an ordinary language view, as much an imposition of meaning as it is a description, in that it isolates a preferred set of activities – the transactional space is not only being shown, it is being shown to be improved upon.

The presumption shown in the 'theory' of expansive learning is akin to the inquirer acting as an observer of common patterns of use, or as a Socratic 'tease' provoking agents into self-reflexivity by offering alternative meanings for their activities. It is a presumption that puts the inquirer is in an epistemologically distinct 'position', when really they are participants in meaning. The inquirers know what the activities mean already (otherwise they would not be able to model activities), and the role of inquiry is to arrange what is already known and in common use so that others can recognize it (Hänfling, 2003: 55-57). It beholds the inquirer, then, to avoid being bewitched by grammar, to avoid thinking that because we talk of the observer and the observed they actually exist as though they were separate entities. Instead the inquirer is a

participant, and as such they describe experiences in which they share the meanings of those about whom the inquiry is oriented. If inquiry is the attribution of beliefs to foster prediction or retrodiction of those beliefs (Rorty 1991: 93), then the inquirer must be aware of how context goes right the way through. The distinctions as to who is a subject, and who an inquirer, are made for specific purposes; they do not pre-exist the practice.

To understand activities in organizations, then, is to understand the roles such conventions, or practices might have in the lives of the inquirers. Here they display what Wittgenstein (1952, II: 206e) termed "aspect seeing"; a kind of "musical" sensitivity to variations on themes - you see it in this key, conceive that bar as an opening, it must be phrased like this. By noticing aspects, new perceptions coupled with old ones, inquirers move amongst instances of *accepting* different language games - such that when they encounter an image, say of three intersecting lines, they say things of the order: that is a geometric shape, that is a picture of a mountain, that is a medieval sign for melancholy, that is a sign of strength and unity. "The concept of an aspect is akin to the concept of an image. In other words: the concept "I am seeing it as ... " is akin to "I am now having *this* image." (Wittgenstein, 1952, II: 212e) Having this image does not take place in isolation. It occurs within the context of inquiry, and as it is declared its meaning is brought into further definition through discourse with those about whom the inquiry is taking place. There is no resting here, no point at which the inquiry reaches an essence: the full depth of full depth of an image. The image does not persist outside of or in advance of activity. The inquirer learns what it is to have an image by participating in the context of activity governing the dawning of an aspect:

> Seeing an aspect and imagining are subject to the will. There is such
> an order as "Imagine *this*", and also: "Now see the figure like *this*"; but
> not: "Now see this leaf green". (Wittgenstein, 1952,II: 213e)

By conceiving the inquirer as someone who sees aspects, we argue what determines effective inquiry is not the ability to model activity in successive waves of improvement, so much as the ability to configure one aspect as against another. It is this ability that we see as best being conveyed in the identification of recipes.

4 Recipes

The notion of 'recipe' in situated in the context and content of organizational knowledge. 'Recipe' encompasses both individual and collective knowledge.

The notion is here discussed with reference to Schutz' work on life world-experiences and meaning structures. Schutz' s inquiry into knowledge and knowing begins with his reflections and critique of Weber's concept of 'social action' and 'social relationships'. Some of the questions that Schutz raises are concerned with Weber's definition of action and what he means by actors' attaching a subjective meaning to their actions. How can others have access to such meanings? Drawing on Bergson (1910) and Husserl (1928) Schutz argues that action is intrinsically meaningful, it is endowed with meaning by human intentionality.

Schutz views that 'empirical knowledge involves discovery through processes of controlled inference…that it must be capable of being verified' (1967a: 52). This is the phenomenological foundation of knowledge. He asserts that the actor is the only one who knows what she does and why she does it and when and where her action starts and ends. He thus argues that the 'interpretative' framework should consider re-construction of the ways that actors explain their actions and the theoretical framework used by the observer must not depart from those of the actors'.

One of the crucial issues for Schutz is the way the social reality is constructed, maintained and interpreted by the actors. The actors within their stream of lived experiences try to make sense of the world. There exists the intentional activity of attaching meaning to the experiences. This is a retrospective activity so only already experienced events are meaningful to the actor. Such retrospection carries the actor forward from one to the next instance creating continuity. In a sense the reality has historicity and is taken for granted. What is passed is central to meaning making. But what about the *future*? Schutz has argued that the meaning attribution process depends on the goals the actor intends to seek. Accordingly action is 'the execution of a projected act' (1967b:61), it is the anticipated action. The point to note is that meaning does not lie in the experience itself but emerges from a reflective process.

It is pivotal to focus on Schutz's thesis on action and reflection, as it constitutes the grounds for the notion of recipe. Every action and act is different from the others and as

it happens it will modify past meanings and influence the manner by which the actor will perform the next act. Everything is done pragmatically. The bracketed bits of the experience are not disconnected and thus unified by the intentional context of the action.

In his analysis of rationality, Schutz proceeds by arguing that 'actors have their knowledge of the world automatically at hand. This taken for granted knowledge is however built up from various sources and embraces personal and collective/ shared experiences of the individual. This 'stock of knowledge' contains habits, traditions, as well as 'suppositions and conjectures, means and ends, motives, cause and effects' (1967a: 72). All these are woven together without the actor's clear understanding of their connections.

The connotation of the subjective nature of knowledge as Schutz has explicated is that we cannot understand others actions by just observing them. Hence objective understanding will mean understanding others within their meaning context; i.e. inter-subjective understanding.

> "However we try to define knowledge whether in terms of reason or sense-experience we are wasting our time…what ever criteria of knowledge we accept are unsatisfactory because they require further criteria…"
>
> Nagarjuna , exponent of Madhyamak Buddhism

Schutz also contends that subjective knowledge is approximate yet its consistency is achieved through its typical sequences and relevance (1976:73). Typification is significant to his argument as he distinguishes between 'sensible' and 'rational' action. An action is labelled as sensible if the motives and the course of action are understandable to the observer i.e. they are in agreement with the observer's interpretative scheme. Typifications are thus *'a set of rules and recipes for coming to terms with typical problems by applying typical means for achieving typical ends'* (1967a: 27). Whether they try to get to subjective or objective meanings they refer to recipes. 'Rational' action is seen as an action with 'clear insight into the ends and means'. There are two types of stock of knowledge in this process; one that belongs to the observer and one that is the actor's at the time. The implications of the argument and notions are that sense making does take place in isolation or vacuum and that an actor does not enter a situation from scratch.

Individual's stock of knowledge is not logically an integrated system, but is rather only the totality of sedimented and situationally conditioned explications which are composed in part from individual and in part from socially transmitted 'traditional' solutions to problems.

The stock of experiences serves the individual for solutions to practical problems. The explications sedimented in the stock of knowledge have the status of actional directions: *if things are thus and so then individual [I] will act thus and so*. Whilst the directions may be opaque throughout their theoretical horizons they appear to the person in 'practical' situations as applicable. Their continuous practical success guarantees their reliability for the person and they become habitualised as recipes.

Knowledge of recipe is a form of habitual knowledge. It is no longer associated with basic and skill related elements of stock of knowledge. It is still 'automated ' and 'standardised'. The further we go from practical knowledge the more knowledge of recipe becomes the system of specific component content (1974:108).

Organization of the 'stock of knowledge' is like a cookbook. The cookbook has recipes, list of ingredients, formula for mixing, direction for finishing off and so on. This is considered by Schutz to be 'all' that the actor needs for taking action of any nature whether routine or non-routine. Thus if the recipe serves the purpose the actor will never question the if there can be another way of doing things. It is a form of habitualised sense-making.

Schutz contention refutes *tabula rasa* and stresses the common sense constructs that actors draw on in their organizational encounters.

So where do we go from here:

The commonsensical ground rules vary from one context to another. There are provinces of meaning. Each province demands a different map and cognitive style. There will be different structures, recipes. Actors shift from one 'province of meaning' to another. Schutz somehow underplays these multiple realities.

The individuals can communicate meaningfully with others without questioning the *apriori* conditions for the means of such communication i.e. 'the language'. Actors'

knowledge of typifications is tacit. What if the actors do not draw on these structures/meanings? How can actors modify these taken- for- granted constructs and sedimented rules without questioning their origins.

Judgement and Industry Recipe

Spender's exposition of 'industry recipe' is a specific interpretation of Schutz's notion of recipe and unravels the processes of theorising and strategy formulation in business.

Spender (1980) has described 'industry recipe' as a common sense way of running the business, which is shared by the firms in an industry. It implies a 'given' type of firm within that industry, one with particular administrative, technological systems and size. The adopting firm may or may not be similar to this given type. The actor/ decision-maker's judgement is central here. There are tensions between firm's capabilities and as we argue, knowledge base, its resources, context and circumstances and recipe's proposed responses. In Spender's description the term industry implies an economic sector which comprises similar suppliers and customers. The central question to Spender's thesis is 'how practising senior managers deal with uncertainties of organizational situations'.

Resolving uncertainty, creativity and judgement are at the heart of the notion. Managers ease the burden of creativity by utilising the experiences of their relevant sectors. Spender argues that judgements managers make when resolving perceived uncertainties are to a significant extent shared within the industry. This communal element is regarded as simple, common sense and unremarkable.

'Judgement' is central concept for understanding managerial practices. It is the epistemological and cognitive side of the judgement with which Spender is concerned. Judgement relates theory to practice and strategy making is the judgmental bridge between political activities of administration and operations' (1980:50).

> "...The whole world is an enigma.
> A harmless enigma that is made terrible by our own mad attempt to interpret it as though it had an underlying truth..."
> Eco 1989

Challenging Simon's notion of dysfunctional action based on individual's bounded rationality, Spender states that ' the individual value premises are the consequences of organisational authority structure…' and her factual premises ' are the consequences of its technological choices' (ibid: 58). This is in contrast with Simon's definition of rationality in management that is to do with actors' identifying the mean-ends chain of actions with the values implicit in organizational policy. Spender's work is actually concerned with the handling of competing rationalities: that of the organization with that of the individual manager's.

Rationality is about reality and there is no clear truth thus no criteria against which arguments could be validated. For Spender the intentional action of individual is central and that 'managers create activities in the physical and social reality' (ibid: 59).

On the basis of these arguments Spender maintains that when managers are confronted with an undermined situation they characterise it with a set of correspondence rules, interests and purposes…which comprise rationality. The logical structure of this rationality provides the decision-maker with a determinate solution hence enabling her to reduce the optimal solution. In dealing with limited rationality Spender argues that individuals learn from their experiences and thus need a touchstone to test the consistency of their beliefs.

Accordingly, the *recipe* is not a closed formula. It is a rationality, which remains open and somewhat ambiguous. A firm's strategy can change without any change in the recipe. The recipe is a partially closed knowledge base with some sense of identity but still open to other rationalities. The recipe changes as it interacts with its environment.

The essence of the recipe is in the way its elements come together and synthesise into coherent rationality. The recipe matures and develops as the industry matures. However one measure of maturity according to Spender is the rate of technological change and its impact on the organizing systems.

A recipe is a set of ideas that has a certain potential under the specific circumstances that are the recipe's implicit expectations. Whilst the technologies are likely to become obsolete they are no more than implementations of ideas which comprise the recipe.

As firms adopt a new rationality the recipe changes and spreads across the industry (1989:193-5).

Spender has attempted to describe the nature of managerial judgement on the basis of Schutz's conception of objective understanding that is one which fits other people's experience as well as one's own. Managers in their attempts to resolve uncertainty and in the domain of their 'practical intentions' may discover that they 'share other decision makers' judgements' on similar matters (1980:82).

Judgement can be derived from shared beliefs and explained in terms of these beliefs. In order to demonstrate shared beliefs spender puts forward an experimental hypothesis in which he suggests that 'if no shared belief impinge on the process of managerial judgement our inquiry will fail…(ibid: 87). Later Spender refers to shared patterns of judgement.

Spender (1989) further decomposes the notion of recipe. He contends that recipe is made up from elemental judgements, which are identified through construct analysis. These judgements indicate how in the somewhat generalised view of industry the various technologies are to be applied to the organization' s situation.

The recipe is not a prescription, formula, or even a comprehensive picture, so we must not expect great consistency between its elements, Spender argues. Indeed inconsistency is pivotal to the recipe's capability to change and encapsulate the industry's 'learning'. Inconsistency also allows recipe's flexibility. Industry recipe does not act as panacea, each firm has its specific circumstances. It becomes a general template [Sharifi 1988] where the decision-maker can apply to the specific situation. The recipe will present a partial and ambiguous response that needs to be adapted.

> Knowledge is often criticised as being a repository of dead information, no longer relevant to the present situation, since each situation is unique. It follows that trying to imitate someone else, which is the basis of education and learning, is damaging to one's integrity…
> *Daoism*

As previously discussed, according to Schutz the individual's common-sense knowledge is a system of its typicality. These typifications are inhabited interrupted and taken for granted. Stockpiling is an on-going process. That is to say individuals constantly refer to add to deduct and infer from their stock of knowledge. Equally this implies that there are feedback loops comprising generalisations about the situation and constituting the basis for institutionalisation of the understandings (Sharifi 1985:73). The point is that the institutionalised understandings become self-fulfilling prophecies and to an extent pathological because the process of self-reference. For Spender industry recipes as common-sense ways of doing things develop the same way. Yet the core of his thesis is the communality and not the process by which the shared recipes become institutionalised (Sharifi 1988).

Spender states that " recipe is a shared set of ideas". Yet these ideas reflect what managers think about their own firms rather than about their industry. This reduces the emphasis on 'shared-ness' of the recipe. Different firms develop different strategies for change and thus experience different outcomes. The recipe, Spender argues, begins to change. The recipe cannot be separated from the actors whose actions shape it and are shaped by it.

Selected recipes are retained or abandoned through times and through negotiations. The notion of 'industry recipes' tells us little about these negotiations, possible rival interpretations in the institutionalisation process and how and why some recipes are retained and some abandoned. Furthermore regarding the shared-ness we may question the degree of conformity that is necessary or detrimental to the firm's performance.

'Sharing ways of doing things' has similar connotation to the notion of culture. He writes, " The recipe is institutionalised, it finds its way into the language, dress, customs, rituals of an industry…"(1989:194). Social transmission means that the individual's surroundings provide the inputs for their repertoire of experiences. So to what extent do managers identify their practices with their industry's common-sense practices? To what extent are they aware of authoring such practices?

5   Closing remarks

We close this paper re-presenting the core statements and through some sayings.

> Mulla was throwing handfuls of crumbs around his house.
> 'What are you doing?' someone asked him.
> 'Keeping the tigers away.'
> 'But there are no tigers around here'
> 'That's right. Effective, isn't it?'
>
> From: I. Shah , Mulla Nasrudin

We have attempted to discuss pragmatic views of 'activity'. It is noted that organization and organizations are the medium and outcome of 'activity'. The process is orchestrated through and within language. Organizational knowing or the 'activity system' is less linear in nature. Notions of 'recipe' and 'industry recipe' are shared yet locally dispersed, often retained for later referencing, are liable to addition, and are enabling as well constraining. They reflect how language is grounded in the shared sense of fulfilment.

> *…Words exist because of meaning; once you've got the meaning ,*
> *you can forget the words….*
>
> *Zhuangsi 26: 'External Things'; Watson: 302.*

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