Postmodernism, Reflexive Rationalism and Organizational Studies: A Reply to Martin Parker

Haridimos Tsoukas

> 'The King [Apollo], whose oracle is at Delphi, neither speaks nor conceals but signifies.'
>
> (Heraclitus)

Haridimos Tsoukas
Warwick Business School, University of Warwick, Coventry, U.K.

In his paper on the influence of postmodernism on organization studies, Martin Parker (1992) discerns two major schools of thought. The first seeks to empirically describe and theoretically account for the 'post-modern' organization at a theoretical level, while the second constitutes a meta-theoretical perspective, a postmodern way of looking at, and talking about, organizations. Although Parker himself notes the differences between these two schools, it is not clear in his paper what he makes of them. Rather, in a sceptical spirit he declares his inability to 'deliver a solution' (p. 13). Although his standing 'on the fence', as it were, makes it difficult for one to evaluate his claims, the lack of critical questioning of some of the basic premises of the postmodernist project, as well as a somewhat simplistic and impoverished description of modernism, make his argument, on the whole, unpersuasive. Let me explain.

1. It is not clear at all why these two schools of thought have been lumped together under the rubric of post-modernism (with or without the hyphen). If the so-called 'post-modern' organization constitutes a new object of empirical enquiry which has emerged in particular socio-economic and cultural contexts, and can be dissected with the conventional means of empirical research, this is hardly a new way of looking at organizations which deserves the epithet 'post-modern'. Rather, it is a new version of good, old contingency theory. This is evident, for example, in Clegg's (1990) *Modern Organizations* which Parker holds as an exemplary account within this school of post-modernism.

Organizations, according to Clegg, face seven common problems, and the solutions to each one can be represented on a continuum. 'Modern' organizations are at the one end of this continuum and are typically found in Anglo-Saxon contexts, while 'post-modern' organizations are at the other end and are exemplified by South–East Asian organizations as well as some flexible, high-technology Western firms. Needless to say, these two ideal types are as old as contingency theory, for they are nothing else but the ideal types of mechanistic and organic organizational forms, respectively.

What Clegg does not consider, and Parker in his review does not ask him to consider, are questions such as the following. Do 'post-modern' organizations constitute a qualitative break with modernity, or are they simply a historically specific version of 'modern' organizations? What are

the processes underlying the emergence of 'post-modern' organizations? Are they universal or contingent? If the latter — contingent on what? Aren't South–East Asian organizations just a more sophisticated manifestation of 'modern' organizations, contingently based and developed? Yes or no, and why? *Pace* Clegg, and Parker (p. 4), if 'post-modern' organizations are supposed to *match* a 'post-modern' world there seems to be very little *choice*, in so far as organizational forms are selected according to the demands of their contexts. Current fashion apart, it is far from clear what the post-modern element in such an investigation is, from either Clegg's analysis or Parker's rendition of it.

2. In reviewing the work of Cooper and Burrell (1988), and Gergen (1992), Parker seems to accept the postmodernist claim that theories and narratives — conceptual accounts, in general — are nothing more than 'words in a competing babble of voices with no voices having a particular claim to priority over others' (p. 6). Though an interesting thought, this is seriously limited. For such a genuine plurality of voices to be possible it must be assumed that the world is infinitely pliable to be moulded at human will so that 'anything goes' — both practically and conceptually; and that there are no limits to human action (as well as to accounts of that action) imposed by the natural, biological and institutional parameters within which such action becomes possible.

It is because actions are not taken, and voices are not uttered, in a vacuum that *not* all accounts are equally valid. No matter how much I shout at my bank manager he is not likely to lend me money if I am unemployed. That is not a figment of my imagination; I am experiencing it. Others also tell me that they have had similar experiences. If I try to explain his tough stance towards me, or, more generally, if I wanted to explain the behaviour of people *like* him towards people *like* me, by reference to, say, his family problems or personal traits I am not likely to get very far. An account purporting to explain the lending policies of banks will be extremely limited if it does not take into consideration the wider structure within which bank managers and banks are embedded and the rules they have to follow (Sayer 1984; Tsoukas 1989).

What is missing from several postmodernist accounts (with the exception of Foucault — see Burrell 1988) is the acknowledgement of the centrality of *institutions* in constituting human action. Institutions make social life patterned, regularized, habitualized (see Berger and Luckmann 1966) and thus, in principle, susceptible to rational enquiry. In other words, regularized human interaction gives rise to a discernible order which is amenable to rational enquiry and abbreviated representation (Cooper 1986). Institutionalization furnishes the link between recurring patterns (habitualization) and quasi-formal cognition (typification); individuals are submerged in broader categories which *may* be externally described and related via formal methods of enquiry. Modernity accentuates these features of social life and takes cognitive formalization to the extreme.

The inevitable 'censoring function of formalization' (Cooper and Burrell 1988: 109), however, need not impel one to assume that rational enquiry is impossible or undesirable. The social world has both the features of a *cosmos* without which human thinking would have been impossible; and also, at its roots, is *chaos* — a void, nothingness, *apeiron* as Anaximander put it — without which socio-historic creation would have been impossible (Castoriadis 1991). It is the interdependence of chaos and cosmos, so well understood by pre-Socratic Greek philosophy, that makes social life patterned yet indeterminate, and enables the human mind to account for it, though in an irremediably incomplete way. The social world does not speak, nor does it conceal, but, instead, signifies.

3. Parker's remark about the modernist need 'to produce a meta-language for predicting what the world will do next' (p. 7) is correct only if he has in mind a naïve sort of rationalism, or as Popper (1966: 229) labelled it, an untenable 'comprehensive rationalism'. Meta-languages provide institutional closure — a necessary precondition for action to be possible. I haven't chosen to write this piece in English, but I have to. The *O.S.* editor's institutional meta-language takes priority over my choice of language. In trying to convince a child that something should or should not be done, a parent cannot go on answering the child's multitude of questions *ad infinitum* because action then becomes impossible. As Beer (1981: 58) put it: 'We struggle in his language with these questions. The process may prove impossible, just because the language is inadequate. When we conclude: "Because I say so", we have made a metalinguistic statement.'

All institutions and societies do precisely the same: 'in the final analysis, you do this because I say so'. Reason cannot rationally design a meta-language, and wherever this was attempted on a societal scale it led to communist monstrosities, racist persecutions or to theocratic brutality. Rational enquiry can retrospectively illuminate how a meta-language operates or how it *was* constructed, although the latter cannot be a guide for how it might be designed in the future.

4. A strong version of postmodernism risks being incoherent and untenable. Parker is aware of this when he asks: 'If the real word does not exist in anything other than discourse, then is the act of writing one interpretation of a discourse a worthwhile pursuit? (p. 11). Indeed, why should one bother talking at all? Parker, however, seems to take sides with Gergen when he approvingly cites the latter's set of questions regarding the preference for 'hard' analogies over 'soft' ones in organization studies.

What Gergen and Parker do not seem to appreciate is that a solipsistic concern with language does not yield knowledge *about* the world. If you choose to see organizations as clouds you may be able to discover some similarities, and you may rejoice in the poetic awe and the linguistic tension that you have created, but it is unlikely that you will be able to intervene in, or explain, concrete organizational phenomena. For an explanation to take place, one has to look behind the surface in order to

uncover underlying common relationships. The formalization of discourse is a necessary price to pay in order to generate propositional knowledge about the world, although, in practice, such knowledge is inherently incomplete and needs to be supplemented by narrative knowledge (Hunter 1991). You cannot have, for example, new fields of knowledge such as artificial intelligence, neural networks or cybernetic models of organization without a commitment to, and a formal methodology for, analogical reasoning in which the human brain is taken as the source domain (Tsoukas 1993). Taking instead knowledge about clouds, songs or trees as the source domains is unlikely to disclose sets of underlying relationships which might be profitably transferred to the target domain of organizations in order to generate knowledge about organizations.

5. Interestingly for someone who accepts the continual flux of language and recognizes the inevitable slippage of meaning, Parker has managed to identify the 'core' features of modernism (and the accompanying rationalism) in a way that leaves out its most vital characteristic. There is no sign in his account of an awareness of the distinction between comprehensive (or naïve) rationalism — which is what he means by modernism — and reflexive (or critical) rationalism.

The distinguishing feature of reflexive rationalism, which Parker and, incidentally, Gergen ignore, while Cooper and Burrell only briefly allude to, is what Castoriadis (1991) called 'the interminable interrogation' of institutions. For the first time in human history, a new socio-historic *eidos* (form) emerged in classical Greece, which reappeared much later in Western Europe, that took upon itself the task of interrogating the institutions of society. For the first time it became just possible for social arrangements to be seen not as obeying the will of God, the laws of History or the laws of Nature, which had been the case in all previous societies, but as social artefacts susceptible to rational enquiry and modifiable by human action. Castoriadis (1991: 38) aptly describes it as follows:

'We [. . .] stop considering our representation of the world as the only *meaningful* one. Without necessarily abandoning our institutions — since, after all, *these* are the institutions that made this questioning possible — we can take a critical stand against them: we can discover, as did the Greeks in the sixth and fifth centuries, that institutions and representations belong to *nomos* and not *physis*, that they are human creations and not "God-given" or "nature-given". This opens up immediately the possibility of questioning *our own* institution and of *acting* in regard to it. If its origin is *nomos* and not *physis*, then it could be changed through human action and human reflection, and this leads immediately to new questions: Ought we to change it? For what reason? Up to what limits? How?'

All societies institute some sort of 'truth' as a central imaginary value, and all societies provide cognitive closure to their members. What is particularly novel in the Greco-Western view of the world is not the search for a fixed truth, but the positing of truth in the continuous movement of doing away with the closure of meaning. In other words, truth

exists only in the interminable interrogation of currently accepted truths.

Any time, therefore, that postmodernists attempt to explore 'a rationality that is based not on finding answers to problems but of "problemizing" answers' (Cooper and Burrell 1988: 101) or try to 'expose the censoring function of formalization' (op. cit., 109) are well within the Greco-Western cultural tradition, whether they like it or not. Put simply, it is modernity that makes possible the postmodern interrogation of existing institutions. The mullahs of Iran or the Amazonian tribes are not concerned with the interrogation, but with the preservation of inherited thought.

Comprehensive rationalism, which is the strawman of the modernism that Parker has set up, does indeed attempt to subject everything to the omniscient power of Reason. As Popper (1966) has cogently argued, the intellectual intuitionism of Plato and the historicism of Hegel and Marx are indeed instances of an authoritarian intellectualism and an arrogant rationalism. Reflexive rationalism, however, is aware of its arational foundations as well as of its own fallibility. It is the rationalism of Socrates that Popper (1966: 227) holds up as an exemplary model: 'it is the realization that we must not expect too much from reason: that argument rarely settles a question, although it is the only means of learning — not to see clearly, but to see more clearly than before'.

Indeed, the postmodernist desire to take up the already accepted answers and problematize them; to turn many inherited structures of thought on their head; and to focus on what is unproblematically assumed, is a valuable contribution to, and within the cultural parameters of, reflexive rationalism in so far as we are able to appreciate things which we ignored before. The postmodernist contribution, for example, to showing the limits of human rationality, and to decentring the role of rational purpose, are particularly valuable, although they are not really new. Hayek (1945, 1952), for example, argued, several decades ago, for the need to understand the emergence of complex economic systems, and market economies in particular, not in terms of anthropomorphic rational design but in terms of self-organizing systems of human interaction that are in constant flux. Hayek has castigated naïve rationalists for failing to appreciate the all-important nature of normative rules and moral practices which have not been consciously designed but are culturally transmitted, thus permitting human adaptation to unknown conditions.

Similarly, the evolutionary epistemology underlying Weick's (1979) model of organizing decentres the rational decision-maker from the focus of investigation and replaces him/her with a set of partially blind cognitive processes of constructing reality which, though opaque during action, become lucid only during retrospective rationalization. In a similar vein, Mintzberg (1989) has given us valuable insights into the decentred process of strategy-making. He replaced the traditional focus on the omniscient strategist, with an investigation of the relatively impersonal

patterns of decisions which emerge, disappear, mutate and get realized in a manner that is beyond a person's rational control. Although strategy-making is a creative process defying prior codification, it can none the less be rationally reconstructed for the purpose of sense-making.

In conclusion, a 'soft' version of postmodernism which recognizes the ontological existence of the social world, however precarious and fluid the latter may be, has a lot to contribute to our understanding of organizations. By challenging the cognitive monopoly of an allegedly omniscient subject-centred rationality, by problematizing currently dominant orthodoxies and by bringing into light new processes of which we are unaware, a 'soft' version of postmodernism is not incompatible with reflexive rationalism — interminable interrogation is their common theme. A 'hard' version, however, is in danger of descending into solipsism, for it under-estimates the importance of institutions in patterning social life and in making it intelligible via rational enquiry. The social world exhibits characteristics of both cosmos and chaos — which 'hard' versions of postmodernism tend to ignore — thus rendering social life patterned yet indeterminate, and enabling the human mind to articulate a *logos* about social phenomena, however inherently incomplete it may be.

'Soft' postmodernists have a predilection for investigating the chaotic aspects of organizational phenomena, focusing on subversive processes, instabilities, discontinuities (cf. Prigogine 1989) and traditionally ignored 'secondary qualities' (Pepper 1942: 193) of organizations. Although such discourse is unconventional and often introverted, it is none the less within the cultural boundaries of reflexive rationalism. Reflexive reason has made space for its own interrogation.

References

Beer, S.
1981 *The brain of the firm*, 2nd ed. Chichester: Wiley.

Berger, P., and T. Luckmann
1966 *The social construction of reality*. London: Penguin.

Burrell, G.
1988 'Modernism, postmodernism and organizational analysis. 2: The contribution of Michel Foucault'. *Organization Studies* 9/2: 221–235.

Castoriadis, C.
1991 *Philosophy, politics, autonomy*. Edited by D. A. Curtis. New York: Oxford University Press.

Clegg, S.
1990 *Modern organizations*. London: Sage.

Cooper, R.
1986 'Organization/Disorganization'. *Social Science Information* 25/2: 299–335.

Cooper, R., and G. Burrell
1988 'Modernism, postmodernism and organizational analysis: an introduction'. *Organization Studies* 9/1: 91–112.

Gergen, K.
1992 'Organization theory in the postmodern era' in *Rethinking organization*. M. Reed and M. Hughes (eds.), 207–226. London: Sage.

Hayek, F. A.
1945 'The use of knowledge in society'. *The American Economic Review* 35: 519–530.

Hayek, F. A.
1952   *The counter-revolution of science.*
        Glencoe: Free Press.

Hunter, K. M.
1991   *Doctors' stories.* Princeton: Princeton University Press.

Mintzberg, H.
1989   *Mintzberg on management.* New York: Free Press.

Parker, M.
1992   'Post-modern organizations or postmodern organization theory?' *Organization Studies* 13/1: 1–18.

Pepper, S.
1942   *World hypotheses.* Berkeley: University of California Press.

Popper, K.
1966   *The open society and its enemies,* Vol. 2, 5th ed. London: Routledge.

Prigogine, I.
1989   'The philosophy of instability'. *Futures* 21/4: 396–400.

Sayer, A.
1984   *Method in social science.* London: Hutchinson.

Tsoukas, H.
1989   'The validity of idiographic research explanations'. *Academy of Management Review* 14/4: 551–561.

Tsoukas, H.
1993   'Analogical reasoning and knowledge generation in organisation theory'. *Organizational Studies* 14 (forthcoming).

Weick, K.
1979   *The social psychology of organizing,* 2nd ed. Reading: Addison-Wesley.