

ORGANISATIONAL LEARNING: POSITIONING SELVES AND CREATING MEANING

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ABSTRACT

In this paper, I report from a study of an organisation in the midst of a major restructuring from being a family oriented business to becoming a global player. This seemed an excellent site to explore how practices may change in organisations. At first I was only able to hear two well-known stories about changes – a ‘for’ and an ‘against’ changes. A closer look at the data, however, also made it possible to detect a third story, a ‘yes, but’ story. In this latter story, it was possible to be both ‘for’ changes and to question (be ‘against’) how these were being carried out. All three stories were told from specific perspectives on the current restructurings as well as on the history and the anticipated future of the enterprise. While I regard the ‘for’ and ‘against’ positioning as closing towards further inquiry, I propose that it may be through the work with the third ‘both-and’ position that change of practices may unfold as creation and re-creation of meaning and as such as organisational learning.

Key words: organisational change, organisational learning, practice-based theory, Pragmatism

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1 INTRODUCTION²

We originally made this project in order to be able to say something about how practices change in organisations, i.e. to point to some generic features about the evolution of practice and practising in organisations.³ Viewed through my optical instruments the evolution of practice is an inquiry into what makes organisational learning happen as I see the outcome of organisational learning as organisational development and change.⁴ I, however, happened to land in an enterprise that was in the midst of some major restructurings that entailed a move away from a family oriented company to a global player in a competitive market. I decided to find out whether I through researching into this situation of organisational turmoil would be able to say anything about the process of organisational learning – and in doing so the evolution of practice and practising in organisations.

When embarking on my gathering of data I soon found that it was possible to detect two stories about the organisational restructurings – a ‘for’ and an ‘against’ the changes. To quote a high-level manager: *“One group is more business oriented and geared towards the necessity of making more focus (restructure the enterprise, BE), the other talk about the lost Medindu spirit and that it’s no longer the same.”* It is possible to tell coherent stories of these two positions towards the

² Thanks to Silvia Gherardi and The Research Programme on Competence development in a Lifelong Learning Perspective at the Danish School of Education.

³ The project is part of an international comparative project aimed at understanding organisational practices and their evolution. The title of the project is “The Evolution of Practice and Practising – A Comparison across Organisations, Industries and Countries” headed by Professor Elena Antonacopoulou, Liverpool University. The grant number is RES-331-25-0024.

⁴ The relation between learning and change is an endless discussion if you begin to debate, which comes first, or whether you only need one concept if they are the same (for a good overview, see Antonacopoulou, 2004). I think that it is not possible to talk about *organisational* learning without somehow relating it to organisational change as it is impossible to have any clues for learning on an organisational or collective level if you are not able to point to learning as a difference that can be accounted for. This is my background for writing about learning as the process and change as the result of learning. On an individual level I think that learning can be treated as a more subtle process where the result of the learning process can be an expansion or enhancement of existence rather than a visible change.

organisational restructurings maybe due to the easiness with which we think in either-or – “*either you’re with us or against us*”. I also, however, found a ‘yes, but’ position that was at the same time both for the changes and against them. I think that this third position is the most interesting one in terms of organisational learning as this is a position open to inquiry and not locked into one or the other. I will return to that in the concluding section – first I need to provide a short introduction in order to situate my interpretation of the findings in a theoretical field.

Painted with a broad brush it is possible to detect theories of organisational learning that focus upon either the individual or the design of the organisational environment as targets for change in order to make organisational learning happen. For example interventionist practices directed towards creating an awareness of defensive ways of reasoning when caught in threatening or embarrassing situations and teaching practitioners non-defensive ways of reasoning is an attempt to prepare individuals to cope with the unexpected in a learning way rather than in a way preventing organisational learning to occur (Argyris & Schön, 1996). The widespread interest in reflection and especially what critical (or “productive”) reflection can do for organisations in order to change them into learning organisations is also a way to connect learning and change by designing organisations to be conducive for inquiry and reflection. An example of this kind of design with the focus upon the learning environment is to coin learning organisations as organisations “that has at its core the aim of embedding critical reflection inside organisations” (Cressey *et al.*, 2006: 11). Reflection and how to organise reflection in order to bring reflection into the collective space of organisational life and work are ways in which the design of the organisational space are linked to organisational learning (Høyrup, 2004; Reynolds & Vince, 2004). In sum, the literature on organisational learning can be read in light of an underlying logic of the need to prepare on the one hand organisational members to cope with change by being alert, engaged and ready to question own assumptions. And on the other hand the literature can be read as focussing upon how to design the organisational space in order to make it conducive for critical reflection and, in turn, organisational learning.

The problem with this understanding of organisational learning is that it rests upon an understanding of the relation between the individual and the environment – the subject and the world – in which you cannot understand how they form each other. The subject is conceptually separated from the world in the sense that it is possible to make an analytical separation between the two – and, thus, to work upon them separately (Lave, 1997). This makes it difficult to understand why critical reflection do not take place in a learning environment designed for critical reflection, and why individuals maintain a defensive way of reasoning even if they know better. An understanding of organisational learning derived from learning as participation in communities of practice tries to get away from the separation between subject and world (Gherardi, 2006; Lave & Wenger, 1991). This theory of organisational learning, however, lacks concepts that are able to help us open what happens in participation, i.e. how the individual meet organisation in such a way that learning occurs.

The inability to open up the relation between the subject and the world is why I bring in American Pragmatism and especially experience as a necessary concept to understand different positions in an organisational context. In a pragmatist understanding of organisational learning, the focus is not either on the subject or the world, and it is not doing away with this relation by referring to a notion of participation but focussing upon how the relation between subject and world is transactional and better expressed as subject-in-world connoting the mutual constituent process of forming selves (ontology) and meanings (epistemology). A Pragmatist theory of learning helped me understand how current and past practice is formative for the future by its emphasis on resolving tensions in an anticipative way of reasoning, i.e. an inclusion of both history but also of anticipating future in the formation of identities and knowledge (Elkjaer, 2000, 2003, 2004).

In the following, I first introduce the background for the project and an elaboration of a Pragmatist theoretical framework on learning emphasising the subject-world relation as the point of departure for the subject-knowledge creation. Then I introduce the methodology for the study, which is based upon an understanding of researchers acting as catalysts for practitioners' accounts of in this case the organisational restructurings from a family oriented R&D enterprise

to a global player in a competitive market. After this, I present the company in which the study was made and the structural changes that were implemented just before we entered the company.⁵ In the interpretation of the data I have stressed how what was coined as two different groups – ‘for’ or ‘against’ the organisational restructurings – acted as anchor points for the creation of meaning by practitioners positioning themselves towards the organisational practice in past, present and future. I, however, also found a third story that was more hidden but one that I nevertheless want to introduce as this is a more inclusive story and one that is open to inquiry and, I propose, organisational learning.

2 LEARNING THROUGH LIVING ORGANISATIONAL LIFE AND WORK

The value of the theories of learning as legitimate peripheral participation in communities of practice (Lave & Wenger, 1991) and the practice-based understanding of the organisational processes of knowing (Gherardi, 2006; Nicolini *et al.*, 2003) cannot be over estimated as they have had an enormous impact on many areas of organisational research (Elkjaer & Simpson, 2006; Schatzki, 2001). The strength of these theories are to help understand how we come to practice and how knowledge becomes institutionalised but the theories do not provide us with conceptual tools to understand how participation results in learning as expansion or transformation (Antonacopoulou, 2006). The strengths of a practice-based understanding of learning and knowing are, nevertheless, to make us aware that participation is a prerequisite for learning and to point to the access and participation patterns as focal points for the interpretation of organisational learning and knowing (Gherardi *et al.*, 1998).

A Pragmatist theory of learning also stresses the need for engaging in order for learning to occur but takes us a step further as it helps open up the process of participating in practice in order to become knowledgeable. The notion to do so is the concept of experience – not as it is understood in the common sense version of this term as inner reservoirs of knowledge and skills acquired in the past but as the living process of subjects engaging with the social worlds of which they are a part

⁵ I sometimes write “our” and “we” and this is because a student assistant, Karen Lerstrup Pedersen, helped collect the data.

and the results hereof (Bernstein, 1966 [1967]; Dewey, 1896 [1972], 1917 [1980]; Elkjaer, 2000; Miettinen, 2000A). Experience is both the process of experiencing and the product (knowledge and action) of the process, and it is by engaging that experiences are had. The process of experience is the ongoing subject-world relation or transaction, which is inescapable. In this process both subjects and worlds are continuously created, recreated and sometimes transformed without any sharp demarcation line between these processes. Experience is not the same as knowledge but knowledge is a subset of experience. Most experience is, however, had, sensed, felt and dealt with as just that.

Pragmatism adds to a practice-based theory of learning and knowing because it provides conceptual tools to understand how and why expansion or transformation of practice can happen by way of the notion of inquiry, critical thinking or reasoning (synonyms in Pragmatism), which gets started when the current habitual practice is no longer working. Then something needs – or wants – to be done and critical thinking, which is always directed towards the future as experimental and anticipatory “what-if” thinking, constitutes this doing. Critical thinking is triggered by uncertainty, which may be a situation of change. To learn in a Pragmatist understanding hereof is to create meaning in and with uncertain situations, which involves first to define the situation as a problem and doing that needs positioning (perspective) as well as reasoning. This means that the subject-world relation is also a subject-knowledge relation implying that learning is a process of forming selves in relation to worlds and the result hereof is experience – and sometimes knowledge. The scope of positioning is dependent upon the current experiences but also upon the nature of the social worlds, e.g. an organisation that may lend itself to some positionings and not to other (Clarke, 1991; Strauss, 1993). In Pragmatism this positioning and creation of meaning can never be predicted by any a priori assignment of e.g. interests and power. Learning can only be assessed upon the basis of accounts from the fields of study.

In the case study reported in this paper, I used the Pragmatist notion of experience to open the data for an interpretation of the organisational learning process coming out of an organisational restructuring of the enterprise. When we first entered the enterprise we immediately heard the accounts of organisational

members labelling and being labelled as ‘for’ or ‘against’ the current changes. When listening carefully to the voices of management and employees I, however, detected a third story. This was not an ‘either-or’ but a ‘both-and story’. All stories were based upon an understanding of history and an anticipation of future. It is to these stories I now turn but first a note on methodology.

3 RESEARCHING ORGANISATIONAL LEARNING

It is not possible to research into the evolution of practices as organisational learning without making assumptions about what is learning and organisational learning. I have already indicated that learning has to do with the mutual formation of subjects and worlds. The way learning unfolds as organisational learning, I propose, may be understood around the notion of experience, i.e. how experience is created, recreated and transformed through experimental anticipatory reasoning. When I focus upon the stories told in an enterprise, I look for ways in which it is possible to detect this reasoning and whether they are closing or opening to further inquiry (Elkjaer, 2005). The organisational restructurings provided an uncertainty throughout the organisation and our researching into this created an opportunity for organisational members to (re-)form themselves and to create meaning in transaction with us as researchers (McCall & Becker, 1990; Mik-Meyer & Järvinen, 2005). This means that it is in the transaction between the interview persons, the organisational restructuring, us as researchers and the interview situation that the interview text is produced and interpreted. Data is as such relational and can only be interpreted in a situated way relating to a field of inquiry – in this case organisational learning. The validity criterion is whether the study adds to our collective understanding of the field, and my answer is that this is the case because the research opens up the value of having a relational subject-world point of departure for knowledge production rather than researching individuals in organisations.

The concrete case study was made in an enterprise – here called Medindu – within the biotech/pharmaceutical industry. The contact to Medindu was via an

organisation in Denmark called Medicon Valley Academy, Denmark⁶ and the HR network organised here.⁷ This means that our key informant was the HR Manager in the Danish site. In January 2006 we had an initial meeting with our key informant in which we presented our study and made the necessary agreements – nothing written down and very informal. We agreed to do one week of fieldwork and to participate in the introduction program for newly hired people that was held one afternoon and done by a student assistant, Karen Lerstrup Pedersen. During the period of fieldwork Karen had access to the Intranet and to drift around – she, however, primarily followed the work in the HR department.

The data that we draw upon is besides meetings and observations, documentary material, which consisted of the Annual Report (2005), the Internet, the intranet, newspaper clippings, issues of a newly launched company newsletter, and a booklet covering the Medindu history in two parts from 1966-1983 and from 1984-1993. The bulk of the data is, however, our interviews, which we made in two rounds. In the first round we interviewed 14 persons and were primarily focussed upon changes in the induction practices and interview persons were chosen so as to represent both newcomers and old-timers. After this first round of interviews we had a meeting with the HR Manager and the Site Manager to agree upon the next practice and round of interviews. At this meeting we gave a short presentation of the results from the first round focussing on the differences in voices that we had observed and the tensions originating from these differences. On the basis of this presentation and our talks we agreed that the second practice to be looked at was the maintenance of employees' commitment in times of

⁶ Medicon Valley Academy (MVA) is a member financed network organisation within the biotech and life science area. MVA works to improve the conditions for science and knowledge production, technology transfer, innovation and for the preconditions for companys to exploit this knowledge. In addition MVA works to visualize the potential of activities in both Sweden and Denmark as well as internationally. MVA's members include all the relevant university departments, healthcare organisations, and most of the biotech and meditech related companies and other organisations located in the Medicon Valley region. MVA is a not-for-profit organisation and managed by a Board of Directors and a staff located at offices in Ørestad City, Copenhagen and in the university town of Lund, Sweden (<http://www.mva.org/composite-15.htm>).

⁷ I wish to thank one of my former colleagues from the Copenhagen Business School who helped me a lot in the beginning of the project. It is Professor Jesper Norus who passed away much too young.

turbulent changes. Again 14 persons were interviewed but this time only persons with different levels of managerial responsibilities from team leaders to the corporate level. The answers to the above mentioned themes of changes were the specific entrance into the restructurings but were no so important compared to the importance of the overall restructurings of the enterprise.

We made all data collection from about February to June in 2006, and we tried to combine our interviews with for example having lunch in the canteen in order to add to our understanding of which kind of company we were situated in. All interviews lasted from 3/4-1 hour and followed a slightly amended interview guide to what was agreed upon in the international project. We were always two persons present during our interviews, which made it possible for one person to write extensive notes as well as to record them as MP3 files. This made it easy afterwards to both listen to the interviews plus have an overview of the interview texts through the elaborated notes. We have interpreted our data in several steps covering both thematic interpretations as well as more grounded and phenomenological approaches to qualitative data (Kvale, 1996). There are several issues in the texts about the organisational restructurings but the interpretation here is focussed upon the change from being primarily an R&D enterprise to be more oriented towards sales and marketing.

In the following story about Medindu I follow a chronological trajectory from past through present to anticipated future. In a separate section I interpret the positioning of selves in 'for' or 'against' as a way to create meaning in the organisational restructurings.

4 MEDINDU – PAST, PRESENT AND ANTICIPATED FUTURE

Whenever the history of Medindu is told it begins with the story of the Danish medical doctor (the founder: 1918-2006) who in 1966 invented a way to standardise the application of antibodies to recognise and diagnose cancer cells. This invention was the foundation of Medindu and this is elaborated in a booklet written by members of the founder's family. This booklet used to be distributed to all newcomers in Medindu but this is no longer the case as the current idea is to

“look forward into the future and not dwell on the past” (from meeting with key informant). In the booklet we are told the story about the inventive researcher who began his business when he was still connected to the university in some small rented premises with just himself and a laboratory technician as the only employee. In the beginning, the company grew slowly but in 1971-72 the staff consisted of 19 people, mostly women.

The story of Medindu includes what was later to be known as the ‘Medindu spirit’, which emphasises Medindu as a ‘family’ and is exemplified by telling stories about hiring employees with different handicaps and refugees from the Third World. The wife of the founder and the first managing director in Medindu is quoted for saying: *“There’s no real pleasure in running a business if you can’t at the same time make progress at the human level”* (from the story of Medindu: 38). In 1993 the managing director tells the story about the many new products that is developed each year due to an active R&D department, and he also writes: *“The change from a small company to one with subsidiaries all over the world has miraculously happened smoothly. The Medindu spirit is so strong that the majority of our new employees are absorbed very quickly and soon look upon themselves as members of the Medindu family”* (from the story of Medindu: 54). In the final chapter of the booklet the wife of the founder sums up like this: *“Next to creating a good product is the goal to create a good healthy and fruitful atmosphere within the Medindu family”* (from the story of Medinfo: 103).

When we meet Medindu about 13 years after the publication of the above mentioned booklet in the winter and spring of 2006, we are entering a company, which in August 2005 had appointed a new CEO and in December 2005 had been restructured: *“Towards the end of the year, the management launched a series of initiatives to create a clearer focus for the business, shorter decision-making processes, clear division of responsibilities within the organisation, and, not least, sharp customer and market focus”* (Annual Report 2005: 10). The restructuring included a change of name, a new visual appearance and organisational changes towards greater focus upon customers and efficiency as well as organising into three sites (one in Denmark and two in the US). A site manager whose task it is to coordinate between R&D and Operations heads each site while the long-term

goals, strategies and visions are managed at the corporate level. The sales and marketing organisation has also been restructured into three sales regions in order to strengthen this part of the enterprise. Lean production was also introduced in Medindu to increase production efficiency and reduce inventories. Lean production had in fact already been introduced back in 2002 but a new effort was made in 2005.

Four out of seven executive managers had been replaced in less than a year and just before we left the company the corporate HR director resigned because of disagreements with the new CEO about how to implement the changes in Medindu. When the new CEO presented the balance sheets for 2005 they showed a loss primarily due to non-recurrent expenditures to for example severance payment to former executives and other employees because of the restructuring of the company (from newspaper clippings). This was regarded as a temporary situation and only postponing the plan to become quoted on the stock market, which was the goal at the time.⁸

Medindu's headquarter is in Denmark and besides the three sites there are a number of subsidiaries and distributors all over the world. Today there are about 1300 full time employees (the numbers are from December 2006) in Medindu and about 400 of these are located in Medindu Denmark. In our study of Medindu we have limited ourselves to the Danish site, the production and R&D departments as well as the HR department. In the whole corporation 35% are employed in production and 16% in R&D while 40% are employed in sales and marketing. From our first meetings with our key informant in Medindu we are told that there is a relatively low turnover and low ratio of absence in the company, which nevertheless have increased lately. Our key informant mentioned the Medindu spirit as well as the involvement amongst employees as "*belonging to the past*" whereas today "*more people regard what they do in Medindu as just an ordinary job.*" We also heard stories about how in the past decisions were made in the living room of the founder and that "*these stories are a long way from today's*

⁸ Very recent (March 2007) it could be read in press releases that Medindu had been sold to a private equity fund but this was never mentioned as a goal while we were there.

reality where the management is international and much more professional and distant from the employees” (from meetings with our key informant).

During these first meetings with our key informant we found out that it is only within the last couple of years that the company had ever discharged employees. But in 2002 there were two rounds of lay offs, which brought the company into some kind of a chock situation. Before the company had talked about themselves as a caring one – *“we never say that today”*. Management has become much more centralised and there is less *“anarchy”*, which is attributed to the fiercer market competition and the need to streamline the company for being quoted on the stock exchange. We are told that the products used to almost sell themselves whereas today it is hard work to sell products in an increased competitive market.

Medindu’s primary business area is still cell-based cancer diagnostics, and Medindu develop, manufacture and market cell-based cancer diagnostics for both clinical diagnostics and research purpose. The work in hospitals in which cancer is being diagnosed is, however, becoming more and more automated, which implies that the demands are moving towards producing all encompassing integrated systems solutions rather than just delivering reliable antibodies: *“Today it’s generally about automating as many of the manual processes in laboratories as at all possible, and about going one step further and creating fully integrated systems”* (from company newsletter). According to the vice presidents for the sales organisation Medindu’s strength in the past – the quality of antibodies – is today only one of many different competitive parameters. There is a demand for all-round solutions, which means that it is the *“big and expensive contracts that we have to negotiate today”* (from company newsletter). They also agree that Medindu have too many products, and that the task is to reduce the amount of products and find out where the money is made and which customers to focus on.

In the following I present accounts of practitioners’ rationales for the positioning of selves and the creation of meaning in the Danish site of Medindu. This, I show, is done by relating to being either ‘for’ or ‘against’ the changes but as anchors for positioning rather than as actual lived practitioners.

5 TWO STORIES OF POSITIONING AND KNOWING

Entering Medindu is walking into an enterprise with some very engaged people who all relate in a more or less emotional way to the current life and work in Medindu. Some express happiness and despite the turmoil trust the new CEO and the corporate strategy: *"I feel safe and I believe in management. It's very much a feeling but it has gone well so far. Of course mistakes are made but it moves in the right direction."* Other expresses more scepticism: *"The wish to compete with the big ones and hope for more earnings that way has been decided solely by management and I think it's much too risky."* These two quotations illustrates the different positionings in Medindu, which is both an anticipation of the future of Medindu and towards the current corporate management' ability to handle that. In the everyday interpretation these two positions are coined as 'for' or 'against' the organisational restructurings.

This image of the two groups with each their different accounts of the past, present and future of Medindu is a strong marker in the interview texts. But the story is more complicated than to be coined by a "*necessity*" to focus or being "*lost*" in the Medindu spirit as there are more variations in the different positionings and creations of meanings. It is, however, still possible to detect this 'for' and 'against' positionings as coherent accounts of meaning creations of the results of the either-or.

The following picture can be painted of Medindu through the image of the 'against' position. The picture is orchestrated by me as a researcher and is a blend of interview persons' accounts of a position and the accounts of this image from the perspective of the 'for' position. In the 'against' changes version of the story of the restructurings in Medindu, Medindu has been a unique enterprise due to the founders' invention of a way to produce standardised antibodies to diagnose cancer. Medindu has had a position in the market as a niche production, and customers were both researchers who used Medindu's products for research and hospitals, which applied the antibodies in laboratories to diagnose cancer. This sense of what is Medindu's strength is ascribed to the history of Medindu, which due to the founder and his family was a pleasant enterprise to be and to work in

because of the Medindu spirit signalling family rather than business. The culture in Medindu was in its origin and due to its founding father a research culture, and researchers are coined as very engaged people who primarily care for creating new products and not for getting them sold: *“Before we could do what we wanted and if anybody had some funny ideas we could just make it.”* The emphasis is on customer care and high quality products: *“We’re known for our focus upon customers to whom we deliver products of a good quality plus deliver good service.”* This is unfortunately not sufficient when the emphasis is upon speed and efficiency due to fiercer market conditions: *“We’re not so fast but the quality is high.”*

In this positioning the emphasis is on R&D and how the people employed in R&D has a loud voice in Medindu: *“In R&D we’ve always been more critical towards the other functions because we know the products so well. The other never comes to us and interferes in what we do. But when the company does something we don’t like, we feel that we have to tell it.”* And related to this image of researchers as the most important group is the distrust towards turning the development of an R&D enterprise over to the hands of sales and marketing: *“Our founder was researcher and for many years Medindu has been very research oriented. Many ideas have naturally come from R&D and our marketing organisation was relatively weak. Now we’re about to turn it around but they (the marketing, BE) do not know our area very well yet. I don’t agree with this development because we (R&D, BE) have a much larger understanding of the field and more ideas to be able to point towards new directions for Medindu.”* And there is more adding to the picture of how the restructurings change the research that is left in Medindu: *“We have gone from being a company with innovation and now to have a bottom line that is positive. We’re now producing ‘me, too’ and there’s no more research but only routine diagnostics. Today we look towards routine diagnostics and not towards the research world.”*

The ‘for’ changes positioning in Medindu includes two complementary creations of meaning as grounded in respectively the ‘mistakes’ made in the past and the possibilities anticipated in the future. In light of the hindsight the story is that it is due to the focus upon research that a very complex organisation with too many

products and projects as well as customers who are all treated with the same high standards of quality has been created. This complexity is told to be very costly and inefficient and therefore there is a need to introduce more structure, formalisation and standardisation in order for it to be possible to assess the money flow in Medindu. The future oriented way to read the decision of restructuring Medindu is connected to an assessment of an increase in cancer and that the money lies in developing tools for cancer diagnostics. In this positioning there is an awareness of how cancer diagnostics has become more automated work in hospitals and as such needs more encompassing systems solutions rather than just the delivery of parts (antibodies). The focus upon clinical use will happen at the expense of providing for research and researchers because this is not where the money is to be earned: *“We no longer deliver so much to research as there is not so much money in that.”*

The positioning in Medindu in which the past is viewed as full of mistakes talks about the need to reduce complexity. The following is a rather vivid description of how the everyday life and work of Medindu creates this complexity image:

“Somebody from a research unit who likes Medindu will call about a research project and don’t we want to be part of that? Then there is a customer who wants some particular products and couldn’t we produce them right away? And we could not continue like that. We had to somehow streamline the company and everybody can see that. We have to have these numbers of customers, products and research projects down so that we can handle them.” It is a very persuasive claim that “everybody” can see the problem of complexity but it is, nevertheless, an important image created by referring to the past. A few quotations to illustrate:

“We probably have all these products because the company is very research oriented and researchers think it’s exciting to develop new products.” And

another interview person says: *“Before the researchers have created their own products and regarded them as their own ‘children’ irrespectively of whether they could be sold or not.”* And another interview person says: *“It has been company policy to treat all customers alike but now we differentiate between them and reduce the products in order to strengthen our market position. I trust that it’s the right decision but some (R&D, BE) will probably resist because they are enthusiastic for their products.”*

It is also part of the 'for' changes position that Medindu now exists in a much more competitive market, of having lost in the market competition and of being in much greater danger of loosing even more if there is not brought more structure into the enterprise as well as more investment money by way of being quoted on the stock exchange. An interview person says the following: *"We used to be number one but now we're number two. We've not managed to grow so much and the competition has become more severe, and new players have entered the market."* And another says: *"It's become another world. When I started six years ago the products almost sold themselves. Now we have competitors. It's a new world and it's become a really tough competition."* In other words: *"It's become a question of being more market oriented as opposed to earlier where the enterprise was much more oriented towards R&D because our founder was a researcher. But today we no longer produce anything because we think it's interesting but because it could become a good business."*

The reference to the background in a research oriented culture as a way to explain the situation remains strong. A few more quotations will illustrate that: *"The family has not been very active for the last 10 years but has nevertheless influenced the company a lot. Now the economy has become tighter and we talk a lot about competition and efficiency today."* Another interview person says: *"Before it was a family driven enterprise in which the focus was not so much upon surplus but about the production of good products. Now this has changed and we have to produce results."* Another interview person says: *"Medindu has been like a university, a research oriented environment which now has developed into more business like."*

The way to reduce complexity has been to introduce more structure by way of introducing means for measurements (e.g. Key Performance Index, KPI): *"We now have a structure in which we can see what the different elements cost. This can be applied strategically, and this is something that was not seen before."* The argument for a more structured enterprise is made with reference to the market competition and the aim to become quoted on the stock exchange: *"We have to be better at focussing and structure, and we have to be able to measure that we're*

moving in the right direction. This is important when we want to be quoted on the stock exchange because that means a responsibility towards our shareholders and customers.” The research-oriented culture is being put forward as a way to resist more structure: *“When people hear the word ‘factory’ it’s like a red rag to a bull. It’s bugaboo for both the academic employees and the laboratory technicians. There’s a great fear of standardisation.”* And another interview person says: *“Medindu began as a research enterprise with [the founder] as the leading figure, and it’s only within the last years you’ve begun to look at the company as a business, a factory. There’re not so many who likes that.”* The rationale is standardisation as a way to reduce complexity but in the opposite image the focus upon key figures is not the way forward: *“I rather think that the focus should be upon what we’re good at (than upon key figures, BE) and discuss how to exploit that.”*

The reasons for restructuring the strategy of Medindu to that of delivering primarily to hospitals has meant a closer look at how hospitals handle their diagnostic work and rather than just deliver parts of this process the emphasis today is to deliver whole systems that can match the automated workflow of hospitals. One of the interview persons says it like this: *“Hospital services have changed and there is a lack of labour power and it has become very expensive. This has created a demand for good technical solutions. There is a wish to automate as much as possible and to deliver systems that can handle that rather than just tools for manual practices.”* This move into systems solutions is also a move into a much more competitive and risky market because of the size of the projects and products, which is very different from the niche production of standardised antibodies. An interview person says: *“We do not longer have a niche production and others can produce the same as us.”* But this is nevertheless the strategy and one of our interview persons says: *“Our new CEO wants to put all stakes on system solutions”*, and another emphasizes that by also pointing to the size of the projects: *“Our new CEO has made the focus upon instruments more extreme by only focussing upon large projects.”* And it is within this area of systems solutions and large projects that there is competition on the market and much more to win – and to loose. One of the interview persons says: *“The new focus areas (systems solutions, BE) have big companies as competitors and it’s in*

this competition that we're supposed to win market shares." The 'against' changes position sees the future differently: *"I think it's extremely dangerous with these focus areas (system solutions, BE) and the strategy about winning market shares from others. The consequences are that there is a need for less development because we focus upon fewer areas."* The need to stress the fewer areas may be stated like this: *"I agree with a lot of the strategic management decisions. We have to do fewer things and focus upon one group of customers and on the other hand deliver bigger packages."* And some are even willing to give up some of the cornerstones in Medindu, the good quality, and I quote: *"Maybe we do not have to always deliver 100% quality – maybe 90% is enough if it means that the product can be marketed 6 months earlier."*

6 A THIRD POSITION

These two positions need to be supplemented with a third position that I have coined the 'yes, but' position because it is a position towards changes that see the need for changes but questions some of the methods. This position may like the two other positions be understood in light of the organisational members' histories of past experiences as well as of the current experiences of how the proposed restructurings are affecting them. If for example an organisational member comes from a very hierarchical enterprise they experience Medindu as less so as opposed to the organisational members who have worked in the enterprise for very long and has lived in the family oriented culture. Also, if for example an employee has been appointed a team leader he or she will also feel more informed and part of the process of restructuring. Some of the proponents for the third position also did so because they were for example comparing the working life in Medindu with the working life at the university, which some of the managers and employees had experienced – and because the restructurings had provided them with some new challenges as newly appointed team leaders.

In the following, the story about the third position is told. It can be coined as the following dilemma: *"We're known for our focus upon customers to whom we deliver products of a good quality plus deliver good service. This is our strength and our weakness, and this is what our new CEO wants to change because it costs*

many resources. It's (the delivery of good quality to all) about to kill us because it demands so much. We want to maintain our customers but we also have difficulties earning money. We used to be market leaders but now we have competition. We have spread too much and now our competitors have reached us." This can be put very short like the following quotation shows: *"We want to maintain customers but we also need to earn money."*

Another interview person says the following: *"Mistakes happens but I think the direction is right"* says an employee with no managerial responsibilities who is very happy about his job and his employment in Medindu. A department head is accepting the changes although it causes him some stressful working evenings: *"We live in a time of changes and everything happens so fast. We have to be continuously ready for change as the criteria for assessment of the work are also changing and more and more tasks sneaks up on us. I want to protect the employees but at the same time, structures are also changing as parts of the enterprise are sold off. I feel pressure from both sides."* These conditions are what cause a lot of stress in Medindu.

When interviewing a very positive employee in Medindu I cannot help but ask if there is nothing to complain about. In this way urged by me, this person says: *"Well, sometimes we lack information and more in depth information – especially after the arrival of the new CEO. You can sense that something is going on but you do not quite know what – and this causes some insecurity. What's going to happen to Medindu? We've had a new organizational plan and departments have become defunct aso. What will happen next? Before we used to be more involved and people regarded this as an advantage to Medindu but now everything has become more business oriented. But how is the situation really for Medindu?"* Some of the lower level managers also expressed some critique of the lack of openness and of being listened to that were currently experienced as part of everyday life in Medindu.

Managers and employee' sense of a lack of information taps into a more general story about how the discussion and information culture was much more a part of Medindu in the past. This culture is seen by some as demonstrated above as

important for the working climate in Medindu while others voice it as a “*discussion club*”, which was seen as detrimental to the development of the enterprise: “*When I started everything had to be agreed upon, and it was not enough to be in 80% agreement – you had to agree 100%. It could take two years to reach that kind of agreement and then the project was obsolete.*”

The other side of this story is as mentioned that there is too little information in Medindu today, and that this creates uncertainty: “*The wish to be quoted on the stock exchange is being used as an excuse for not giving so much information. We do not as managers (low level, BE) know very much as we’re not allowed to get so much information. It can be very problematic because then people have to find the answers themselves.*” Higher-level managers also tell the story of this lack of information and communication in the new Medindu: “*But we need to change the strategy so that people can follow it instead of just providing one-way communication from the CEO and to the organisation. But on the other hand the CEO says – and this is not totally wrong – that in Medindu people have discussed and discussed and discussed forever, and we could never make a decision because all 1500 employees and managers had to provide their opinion about everything, which has meant that we were never able to change things and make progress. The CEO says that now this should change and people have to accept that now there is a management who makes decisions and it’s their job to implement these decisions. This is the way he has created the new Medindu.*”

A lot of the third way positioning delves around the employment of the new CEO, and I quote: “*Our strategy process is unclear – maybe not unclear but follows many tracks. We got a new CEO last summer and were divided into sites. This provided some other possibilities for strategy.*” Some of the managers are aware that when they tell us their version of the restructurings in Medindu it is not always because they agree with all the activities happening but that they “*in principle sympathise with (top-, BE) management’ decision.*” And when managers agree with the decisions as they have seen the accounts and says that changes “*have to*” happen, they will sometimes add “*but I maybe think that some things could have been done differently*”. A key to understand this other way is how the round of layoffs and relocations were taking place two years ago. An

employee says the following: *“Before we had a custom where you talked to people. This time we were handed an envelope in which it said where we were to be moved. It was extremely unpleasant and people went around crying all the time. In the afternoon, one of the directors rose and said that now everybody should be finished crying. And this s/he did not become popular for saying.”*

Another key to understand the third position is the commitment of the employees and as one of the top-manager says: *“The employees will be worried when they for example read a newspaper article because we have a culture in which you are used to be very involved. It is difficult to maintain this involvement – and it makes it all very difficult.”* Even if there is a positive sentiment towards the restructurings and the changes, there is also some doubt expressed by top-management and a representative says: *“Only time will show if it is the right strategy but it is more important now that we do something.”*

There is an awareness of the importance of maintaining employees’ *“commitment and motivation”* as people take on a *“big responsibility for the enterprise.”* And parts of this doing differently is for example that there has been no *“evaluations of old projects before embarking on new ones”*, which is seen as problematic because this behaviour may signal less seriousness about the new projects. This lack of properly evaluating projects may also be because many new managers are being employed, and every new manager has to put his or her footprint, and I quote: *“The management has changed and every time this happens they need to make their footprints.”*

A key to understand the ‘yes, but’ position is that Medindu has grown in size, which creates a rationale for a change in culture as it is no longer possible to know everybody. *“The culture in Medindu is a change culture. We’ve had the Medindu spirit. The basic elements are still here but we’ve had to change something in order to cope with the competition. We’ve gone from being reasonable large to real big. Not everybody can know everything. I think the following: What I do not know I cannot say to the wrong people, and I’ll probably get the information that I need when I need it. The policy now is to only tell things to the people who need it.”* The awareness of the necessity to change due to size is present, and I quote:

“Things just do not work in the same way when we’ve become so big – you cannot just talk to everybody – you have to become more formal. (...) Size matters and it makes it more difficult to know everybody in the organisation.”

The frustrations are explained by the engagement of employees and management in Medindu: *“The resistance is frustrations. People want to do it really, really, really well. When we get counter orders, it gives frustrations. A change in management gives frustrations. People do not trust the new CEO to have a human side.”*

There are several voices in the third position who talks about time and about that changes are some you need to get used to like for example: *“It’s possible to get used to the new situation but it takes some getting used to.”* And about trying to change focus from negative to positive: *“There can be some who is only focussed upon the negative. But we try to turn it around and we’ve become better at it.”* And about doubts: *“There is no more research but routine diagnostics. But maybe it is the right way to go?”* These following quotes are also examples of time and getting used to the new situation: *“We are in a period of rapid change that you have to get used to, which is much easier on a management level. We were a cosy enterprise yesterday and now we have to produce twice as much. It takes time to adjust to that.”* And another say: *“Before you had never fired anybody. It was unheard of and provided the first shakings of the foundation – later we’ve had more firings. This has caused some insecurity and some are better than others to manage insecurity.”*

Finally, there is a sense that things have not changed that much – Medindu is still a good enterprise to be I, and I quote: *“Decisions are made fast, which is both good and bad. There is still a lot of willingness to help within the different divisions.”* And maybe it is merely a matter of ‘style’, and I quote: *“It’s very much a matter of style. How you choose to do things.”* I read the latter as a short version of what is at stake in the third story, namely that it is an opening towards changes but a questioning of how these changes are being implemented. Below I have made an overview of the two positions in Medindu:

| | One story | Another story | Third story |
|---|---|---|--|
| Culture | Family oriented “Medindu spirit” | Business oriented | Engaged workforce |
| Production focus | Niche production | Systems solutions | Dilemma between treating all customers alike and produce efficiently |
| Aim with enterprise | Production of quality to all – did well so why change | Win competition, earn money – risky but necessary | Maintain customers and efficiency |
| Research orientation | Many small projects, innovation | Few large projects | Maybe it is right with ‘me, too’ products (doubt) |
| Structure | Complex, difficult to see through e.g. decision processes | Standardised, formalised | Need to change due to change but also to maintain engagement |
| Relation to new corporate strategy | Distrust | Trust | Do things in a different way (‘style’) |

7 CONCLUSIONS AND DISCUSSION

I began by claiming that it is difficult to see the relation between organisational members' reflection and the organisation as a learning environment in the current theories of organisational learning. A practice-based understanding of organisational learning is helpful in pointing to participation in practice as connecting the subject and world in the learning process but does not provide any conceptual tools to connect subject and world and to see how the two are mutually forming each other using history and anticipation of future in this endeavour. Bringing in a Pragmatist theory of learning helps to both see the connection between subjects and worlds as subjects-in-worlds well as possibilities for transformation of practice and knowledge because of its emphasis on resolving tensions in an experimental anticipatory way of reasoning.

It is in the third story, the 'both-and' story that I see the potentials for working with organisational learning because it is open to further inquiry rather than closed. I think that this opening up the learning process to include history and future in the forming of experiences as forming selves and creating meaning tell us something about how practice and practising evolves as a process of organisational learning. This is not a process, which has either the individual or the environment in focus but a process including the mutual constituents of the two. It is also a process that not only takes in history but also includes the anticipation of future as important for these processes.

I very soon coined two stories of the restructuring in Medindu, a 'for' and 'against' positioning that also acted as anchor points for creation of meaning. It was, however, also possible to detect a third story – a both-and story, which I propose opens itself to organisational learning in a way the two other stories do not. The interpretations were made by reading the texts as the unfolding of rationales ('what if Medindu changes to be more market oriented?'; 'what if Medindu maintains its current emphasis on R&D?') for reasoning in either 'for', 'against' or 'yes, but' changes that resulted in the three stories.

The research points to the value of taking a point of departure in the subject-world relation as a way to open up an understanding of organisational learning related to

organisational change and through this also to how subjects relating to worlds is formative of selves and of the knowledge production (creation of meaning) in a changing organisation. The awareness about the 'what' or the telos of the changes (e.g. R&D versus sales and marketing) makes it possible to create understandings of organisational learning as being about 'something' rather than being a generic process of reflection in a learning environment designed to be conducive for organisational learning. The Pragmatist experimental anticipatory reasoning makes it possible to understand how meaning production can be both transformative and reproductive. The conclusion is also an emphasis on how the subject-knowledge relation is always created by the subject-world relation – we live and then we learn (or ontology as the prerequisite for epistemology).

Naturally, conclusions drawn upon a case study can always be criticised for its lack of generality and applicability for further thinking. This is a relevant critique of this study. I, however, maintain that the study can help open up not only the importance of the relation between subject and worlds as in practice-based studies but also open up a pathway to creative and innovative reasoning and knowledge production by including the notions of experience, which is always directed (telos) and inquiry that emphasises the experimental and anticipatory nature of reasoning. A criterion for the validity of the ideas presented will, nevertheless, depend upon whether they are picked up as tools to think with by other researchers in the field of organisational change of learning – or whether they are not.

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