Codified knowledge: the failure of neighbourliness in regional policy

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Wong, S.* & Booth, M.*

Networking skills and localised social knowledge are presently under nourished and under developed in many regional communities in Australia. By examining recent concepts of relational work and its place in institutions we address questions of innovation for regional development.

Both through grassroots leadership and by the sensitive overcoming of individual sense of loss as frameworks of work and life change, communities can raise their own levels of self-awareness and effective self-management. Government can assist these changes or hinder them. We shall suggest that attempts to promote grassroots change have so far been clumsy and too little sensitive to differences between being neighbourly (forming and nourishing good relations) and training in coding the problems.

The concept of development has changed over time. In the 1950s and 1960s development was seen as a technical and economic task that could be done with the right expertise through projects for the people. Programmes made on behalf of the people became the planning mode as administrative and managerial dimensions were added in the 1970s. During this time unless institutions had the capacity to administer and manage change, development could not succeed. In the 1980s and 1990s institutions other than the state were being included as partners in development. This time was a time of policy with the people.

Today the dimension of politics has been added to the development scenario to become development by the people. “Governance” is now part of the development vocabulary. What does it mean? According to Lofchie (1989) cited in Hyden (1998) governance “transcends such concepts as “government” and “leadership” and points us in the direction of acknowledging relations of authority that are not necessarily formal, nor just concentrated to the state” (p5). By not being tied to the formal and legal institutions of the state, governance acknowledges that the state is not the sole source of power and that society is not free from shortcomings apparent in the state. While the state is permanent, governments come and go. Regimes come and go too but not as often as governments. For example the state may remain but there may be democratic or military regimes in power. These regimes may be liberal or conservative. If one assumes that the state reflects current social norms and values, governance recognises that there is a need for a conceptual apparatus to address such issues. It places these issues in a public realm in which such norms and values or “civic” culture may be analysed.

Governance then becomes a conscious stewardship of the “rules” or structures propagated by the regime that is in power with a view to legitimising the public realm. This is the arena in which authoritative decisions are made by the interaction between state and social actors. Governance then refers to the measures involved which set the rules to exercise power and settle conflicts over such rules (Hyden, 1998).

However sustainable governance requires top-down governance for aggregate economic growth and resource use. Top-down governance helps incorporate environmental assets
into macroeconomic long-term planning. It is seen as “meeting the needs of the present without compromising those of the future” (World Commission on Environment and Development (WECD), 1987, p89). Bottom-up governance is also necessary because it connects and reconciles economic prosperity, economic quality and social equity in communities. The problem with these two approaches is that they pay insufficient attention to the middle tier – the institutional machinery of society. These institutions include business firms (“the market”), civic organisations (“civil society”) and government departments (“the state”). It needs to be realised that these institutions are imperfect. Once it is realised that these institutions are imperfect, it is not a case of more governance (top-down policy and implementation) or less governance (bottom-up participation) or even a combination of both approaches working together, but rather the right amount of governance. Ultimately the environmental problem is not development, markets or capitalism, it is flawed institutions – people. It is the structures of human activity that do not take into account the impacts they visit on the environment. Therefore it is not more or less state intervention but a state that is sustainable because it is effective and agile in its response to challenges. It is a case of designing government instruments that are more therapeutic and less caustic (Wiener, 2000).

The focus should be on government instruments as being more therapeutic because government institutions are designed with the long haul in mind to provide continuity while regimes and governments come and go (Aberbach, 2003). The operationalisation of specific programmes relating to particular policies originates with government instruments. In an era when the development scenario has become development by the people, it behoves government instruments to become more neighbourly in their approach when implementing policy in the regions. Neighbourliness through stimulating cooperative networks in regions to allow for a variety of development paths would go a long way to assisting grassroots leadership and help overcome the sense of loss arising from lifestyle and work changes in regional communities.

Promoting collective growth in connected networks is a concept which goes against practised organisational norms. These norms focus on tangible, concrete, measurable and quantifiable outcomes. The underlying work assumptions are based on individualism, independence, differential reward and a hierarchical separation of functions. Hierarchical systems facilitate prediction and the control of linear growth. Indeed traditional economic growth models assume that the relationship between growth and increasing the production factors of labour and capital is linear. Growth is therefore proportional to the increases in productive factors.

Recently however, it has been noted that the addition of technology to this function means the process of growth is nonlinear and iterative (Lambooy, 2002). The impact of technology results in competencies (knowledge) and spatial environment (organisation) combining to influence outcome. Knowledge was traditionally transferred face-to-face, verbally. Technological advance has split this many ways. Knowledge is now available through the printed word (codified knowledge), through face-to-face contact (tacit knowledge) and through a variety of visual and auditory communications. Knowledge transfer through the transmittance of codified knowledge has proliferated with the advent
of books and especially now through the Internet. Face-to-face contact on the other hand has declined. However codified knowledge imparts nothing new beyond the formulae presented. Knowledge remains static. The ability to generate new knowledge remains embedded in the individual. New knowledge to learn, innovate, organise, manage and adapt can only be passed on by face-to-face contact (Lever, 2002).

Sustainable development needs to be arm-in-arm with sustainable governance. Sustainable governance alone neglects the problem of market failure. Sustainable development by itself targets market failure but neglects the failure of the state (Wiener, 2000). The widening gap between the requirements of sustainability and the reality of politics may be due to the frequent orientation of directives to specific instruments rather than qualitative goals (European Communities, 2000). For example in attempting to address the state’s water shortage, the focus has been on not watering the garden everyday rather than examining the recycling of sewage and reuse of grey water, along with designing climate appropriate gardens and modifying building requirements to maximise water catchment at state, local, business and civic level.

Since directives are tactically and specifically directed rather than strategically oriented, the perception is that they are too complicated or not applicable to the particular circumstance of local actors. Enhanced local participation and awareness-raising campaigns are not likely to remedy the situation since the problem is not the lack of information. Rather the implementation of sustainability requirements should focus on placing more emphasis on what sustainability is meant to achieve and then to let local actors find the most appropriate instruments to achieve this principle. To achieve partnership, participation and involvement of civil society requires that government instruments build a work environment of beliefs about collective growth in connected networks.

The importance of harnessing and optimising this face-to-face contact (tacit knowledge) was realised by the European Economic Union (EEC) when it launched its Sixth Framework Programme at the end of 2002. The Programme emphasises cooperation, openness, exchanging experience and best practice without damaging competition (European Commission, 2003). This approach is also echoed in its Regional Innovation Systems designed to strengthen the regional innovating ability of public and private enterprises in a medium to long-term perspective on the social, economic and ecological front in a sustainable manner (Gerstlberger, 2003).

Such activity by the EEC reinforces the conclusion in Balogun & Jenkins (2003) that change be perceived as a process of knowledge generation. To harness tacit knowledge, organisational transformation needs to occur. An organisation’s members need to evolve new tacit knowledge about the way they interact with each other, external stakeholders and how they coordinate their activities.

Technology’s impact on organisation, the spatial environment, is that where it was once a part of the production process, it is now a separate growth factor. It has two perspectives: first, internal efficiency and human resource management and second, organisation of
external relations which include formal and informal networks. To harness the tacit knowledge embedded in employees, managers must organise the human resource to produce internal efficiency. This is done by managers building and deepening various types of relationships to sustain the self-reliance of employees. According to Kahn (2002), managers need to engage in three types of relational work: a) to manage boundaries by developing relationships with peers and hierarchical superiors across the organisation to protect workers from interference; b) manage processes by developing relationships with units as a whole to provide unit members with strategic perspective and resources while maintaining autonomy and c) to manage anxiety by developing relationships with employees to enable them to feel securely supported as they work.

An example of how managers need to manage to protect workers from interference may be found in the case of the Harvard Union of Clerical and Technical Workers (HUCTW). Relational strategy to promote participation, mutual respect and collaborative problem solving at the workplace has been utilised by the Harvard Union of Clerical and Technical Workers since its inception in the 1980s. The union recognises that the health of civic culture and the quality of the everyday workplace cultures are fundamentally interwoven. It works to enhance the complex relationships among Harvard University administrators, faculty, students and public to recognise the diverse and legitimate interests of each party so that interference from the diverse groups are kept to a minimum. Its approach attempts to enhance the quality of service without assuming that the customer is always right or that the employee is always right (Anon, 1997).

The second type of relational work that managers are involved in is to the management of processes by developing relationships with units as a whole to provide unit members with strategic perspective and resources while maintaining autonomy (Kahn, 2002). This aspect of relational work is exemplified in the interconnectedness of the polyurethane manufacturing industry in Taiwan. Here small to medium enterprises work closely with medium to large firms to manufacture polyurethane. Every firm is completely independent of other firms with regards to working together and maintaining competency. Each firm has a separate relationship from other firms as different firms finish different levels of the final product. However collaboration among the manufacturing firms is necessary because if one has a problem, all firms will be affected. The loss will be in the final product and ultimately felt by the whole industry. While maintaining their autonomy, the relational work of collaboration enables the individual firms to be aware of their resources and retain a strategic perspective on the manufacturing industry as a whole.

The third aspect of relational work facing managers is to develop relationships so that employees feel securely supported in their work. Boiral (2002) found that the core business of an environmental management organisation became more efficient when managers promoted a relational climate of learning that encouraged sharing and recognition of employees’ experiences. In an environment which affirmed employees, workers became more efficient in identifying the pollution source, management of emergency situations and development of preventative solutions.
Managers who can develop a nurturing environment which values face-to-face interaction (Harris, 2002), fosters emotional commitment (Ranft & Lord, 2000) and networking both within the organisation and outside the organisation (Kash, & Rydercroft, 2002) can elevate the innovative capabilities of their units beyond the incremental and mundane. Workers on the other hand who feel understood, accepted and appreciated are more likely to be accepting of others, which leads to an increase of dynamic growth, resulting in creation of trust, commitment to one another and an increased willingness to see another person’s point of view (Miller, 1996b). The extent to which workers share knowledge and how they interact has been found to affect knowledge transfer (Cummings & Teng, 2003). This affects the organisation’s output.

The above examples demonstrate that there is a need to move from hierarchical systems of prediction and control to team-based structures, where information is shared across divisions and functional boundaries. The worker now needs to be a continuous teacher and a continuous learner, able and willing to empower and enable others, take responsibility for problems and work collaboratively with others to solve them. Evolving new interactions with each other however, does not merely require exhortation to change organisational practices. It requires active acknowledgement and engagement with complex and deeply held beliefs (Levinas, 1989). These beliefs do not just encompass the expectation we have about everyday interactions. Even more fundamentally they encompass how we interact, support and complement one another. In the face of globalisation with its rapid technological change, such norms are increasingly being called into question.

Traditionally, the organisation was hierarchical, with separated functions. Competence was seen in how well one beat everyone to the solution of a problem through the invention of a unique solution. Independence, individualism and specialisation were the hallmarks. To assume responsibility for the whole and to subsume one’s agenda or symbols of status or hierarchy run counter to the traditional definition. Managerial skills such as empathy, mutuality, reciprocity and sensitivity to emotional contexts are generally thought of as feminine traits, the characteristics of being a woman. These are not seen as masculine traits. To exercise them is to be seen as effeminate and weak. Therefore to practise them in an organisational context is to be perceived as unable to succeed, weak, naïve and incompetent (Fletcher, 2001).

Moreover such relational aspects of “a nurturing environment”, “fostering emotional commitment” and “networking” are concepts that are more traditionally associated with housekeeping and child rearing in a family context. It has been taken for granted that it is a free resource that occurs of its own accord in the family. It is therefore difficult to grasp that the act of easing, smoothing and soothing may not be a free occurrence but an intentional, strategic act designed to preserve individual identity and corporate unity in the family. To question whose work this is, is to question our beliefs of separation of work and personal life. It questions how we are meant to support and complement each other. It questions the kind of personal characteristics we think we need to succeed at home and in our public life (Valian, 1998).
However creating a team requires many of the beliefs and behaviours essential in creating a family (De Vault, 1990). As stated above, creating a family is not a natural occurrence but a constructed reality, supported and maintained by material practices. One needs to create a communal entity and experience of group life to create a team. Implicit in this action is the belief that the intangibles such as trust, cooperation, mutual respect, affection, attitudes, values and new ways about thinking and doing things are worthwhile outcomes. They are invisible because they are embedded in people and social interactions. They are also invisible as the product of work because they do not fit the conventional definition of successful, competent outcome Wadel, 1979). Consequently such relational work is “disappeared” because it violates the organisational norm.

At the regional level a similar struggle is being enacted as the economic pressures of globalisation exert social change at the operational level of farming. Economic pressures have necessitated women and men obtaining off-farm incomes that are independent of the farms and each other. Farm work for men and women is still segregated with women being subordinated in decision making and their contributions ignored by farmer organisations (Alston, 1997, 1995). The continued patriarchy of farm family relationships is maintained by strong conservative community values which define good farm practice as the domain of men. There is a masculine ideology defines men as farmers and women as adjuncts with only men having the necessary qualities to be good farmers. Men who rely on women for contributions that extend beyond the home and garden are perceived as inadequate. The affront to the hegemony of the masculine is greatest when the farming tradition is managed by women as a construct by and for urban consumers (Phillips & Campbell, 1993). It is also treated as a “bit of a joke” that the side-businesses conducted by rural women tend to be the primary source of income in farming households (Gray & Lawrence, 2001) rather than the traditional farming practices.

Traditional rural culture is sustained and reconstructed through the practices and values of farming and its necessary social relationships. Social relationships in the country are close, mutually supportive and positive. Communities have a strong belief that their own locality is important to them (Gray, 1991), a sense of attachment to their local community (Dempsey, 1990) and capacity for united action (Poiner, 1990). Gray and Lawrence (2001) are of the opinion that organization and social change while based on individualism and still led, though symbolically by the masculine, must be maintained to sustain a viable rural society. Their only doubt is whether local individuals can provide that leadership to retain guardianship of their own culture. They view the second pressure from urban dwellers who desire a reconstruction of rurality as they imagine it to be as a retention and reassertion of rural culture but in a subservient form to urban interests. They warn that the economic pressures which force farmers to diversify to remain economically viable and social pressures from this diversification and the construction of rurality by urban consumers may prompt hostility and violence as a reaction to the feeling of powerlessness as “individuals are cast loose from the structures which provide some security amid marginality” (p73).

This threat of violence arises as rural women are becoming more politically and organisationally active. They are seen more often on committees and management
positions in farm organisations and government authorities (Leipins, 1998). At Federal level there is a rural women’s policy unit and at State government level sponsored rural women’s networks exist in New South Wales, Queensland, Victoria, Tasmania, South Australia and Western Australia. While there is government funded social research on farming from a feminist perspective (Alston, 1996), change is happening in activity outside farming rather than in family relations on the farm. It would appear that despite the increased responsibilities that may result, women appear to be in a double-bind of a patriarchal and an anti-feminist ideological culture (Teather, 1999).

Here is where government instruments can become more therapeutic and less caustic by taking the lead to promote relational work practices. Extensive external networking through formal and informal structures has been proven to assist public and private sectors to weather economic and technological change (Gerstlberger, 2003; Liao, Chem, Liu & Liao, 2002; Simmie & Lever, 2002; Dayasindhu, 2002; Shapira, 2001; Gordon & McCann, 2000). The access that government institutions have to industry and community organisations can be used to raise awareness and make public the changing organisational norm brought about by globalisation. Fletcher (2001) recommends naming this changing dynamic to highlight it as relational work to publicise its action and effect in organisations. This then puts it on the organisational agenda as part of the work ethic so it may be recognised and rewarded. She also recommends that managers and workers call attention to the intended outcomes of relational practice and its value-added potential to accustom everyone to these actions. A language of competence can then develop. If words such as “effective” and “efficient” are substituted for actions where previously such actions were termed “nice” or “thoughtful”, it begins to formally document such previously invisible behaviour.

Organisational norms of leadership, decision-making and organisational learning are normally decided in one-sided nonmutual terms. In networking individually and with groups, government instruments can take every opportunity to question these norms and to encourage envisioning relational alternatives to achieve qualitative goals, such as sustainable development. Questioning assumptions from a relational perspective calls attention to the individualistic, hierarchical “logic of effectiveness” (Fletcher, 2001, p125) underlying current organisational practices. This also includes questioning natural responses to everyday situations in the workplace such “being an expert means not admitting that you don’t know” and therefore you don’t ask for advice” (Fletcher, 2001, p125). Networking internally and outside the organisation through formal and informal channels breaks down isolation and brings new input which energises and empowers decision-making.

Working relationally with public and private sector and community groups creates a working environment where people can bring what they know – tacit and codified knowledge - to generate solutions that address the idiosyncrasies of the local situation. In cultivating relational work practices, government instruments foster networks that are capable of reasonable risk-taking and experimentation to generate innovation and sustainable development.
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