Knowledge Management: A Case of Quelling the Rebellion?

By

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Introduction

“The more individuals are really degraded to functions of the social totality as it becomes more systematised, the more will man pure and simple, man as a principle with the attributes of creativity and absolute domination, be consoled by exhalation of his mind.” (Theodor Adorno, quoted in Jay (1984))

This paper does not take a stance in hostile opposition to 'knowledge management' (KM). Rather, it draws on a number of critical perspectives to problematise particular approaches to KM which are seen as managerialist and grounded in instrumental rationality. We begin with an interpretation of the current interest in KM as an attempt to reconstitute an ailing rationalist discourse of strategic management. In an effort to problematise particular approaches to KM we then examine fours models. Three of these are labelled ‘Western’ (Wilson 1996, Davenport and Prusak 1998, and Leonard 1998) and are seen as sharing a positivistic view of knowledge, an overriding instrumentalism, a focus on exchange relations and an undersocialised view of knowledge and organisations. The fourth model (Nonaka and Takeuchi 1995), is labelled a ‘Japanese’ approach (obviously) and seen to reflect many themes found in the critical/postmodern literature. For example, a social constructionist view of knowledge, an emphasis on heterogeneity and particularity in knowledge construction processes, a de-emphasis of instrumental rationality in favour of critical rationality and a Habermasian concern with democratic forms of communication. On the basis of this latter analysis we offer a (qualified) view that the Japanese approach to KM offers greater emancipatory potential than its Western counterparts.

Why The Current Interest in Knowledge Management?

The dominant rational discourse of corporate strategy views organisations as engaged in periodic realignments of organisational activities with environmental requirements via a process of positivistic analysis and rational choice by strategists. Developed in the second half of the twentieth century this model owes much to the military traditions of the economically dominant nations. Relations are competitive, battles are fought, resources deployed, positions established, organisations are machines and control means hierarchy (Morgan, 1997, p.15).

Central to this adversarial model of corporate strategy is the notion of competitive advantage.

"Competitive advantage is at the heart of a firm's performance in competitive markets.”
(Porter, 1985, p. xv)

"This transition from corporate planning to what is now termed strategic management was associated with increasing focus on competition as the central characteristic of the business environment and competitive advantage as the primary goal of strategy.”
(Grant, 1998, p.17)

Competitive advantage is often defined as the ability to outperform rivals, in the same market, in terms of profitability. The search for sustainable bases of such advantage became something of a crusade in the 1980s. A succession of ideas came and went with increasing rapidity. For Porter (1980) ’positioning’ was the answer, for Deming (1982) quality, for Porter (1985) cost
or (but not and) differentiation, for Stalk (1988) time, for Prahalad and Hamel (1990) core competencies, for Barney (1991) unique resources and for Hammer and Champy (1993) re-engineering business processes.

Accepting the naturalness of the dominant rational/managerialist discourse of strategy implicates each of these authors in its reproduction. Witness the implicit reiteration of the primacy of senior managers as controllers of the organisation’s prosperity. Furnishing senior managers with the concepts they use to shape the discourse of strategy helps create the disciplinary technology (Foucault, 1980) which in turn sustains the existing pattern of social relations (Knights and Morgan (1991). What for our purposes is more significant is the increasing speed with which one ‘silver bullet’ follows another into the discursive melting pot.

The causes of this acceleration are to be found in discontinuous changes in the social infrastructure which themselves are mediated by radical changes in the commercial world. Constellations of these changes produce what D’Aveni (1994) terms 'hypercompetition' under which tangible bases of competitive advantage dissolve in the face of near instantaneous catch-up by existing and emerging competitors. In describing these changes (i.e. global competition, deregulation, structural changes, technological discontinuities, mergers and acquisitions, changing consumer expectations, emerging trading blocks, less protectionism and environmental concerns) Hamel and Prahalad (1994) suggest: “These forces were changing the sources of advantage of firms and the economics of industries in new and unpredictable ways.” (p.7). Furthermore, “….almost all industries have been impacted by all or a subset of these factors simultaneously. The cumulative effect of these changes, still unfolding, is so significant that it can best be described as a “silent industrial revolution”. The factors have led to a major shift in the basis of competition.” (p.9)

The speed with which ideas are generated and disseminated suggests an escalating failure of the dominant strategy discourse to mediate what it views (i.e. laying aside the issue of enactment) as organisation-environmental interaction. Evidence of disquiet is mounting. Proliferation of strategy models in the 1980s and 1990s attests to this fact (Whittington 1993, Feurer and Chaharbaghi 1995, Camillus 1995, Rouleau and Seguin 1995, Kiernan 1997, and Mintzberg, Ahlstrand and Lampel 1998)

For managers schooled in the rationalist discourse of strategy, predicated as it is on neo-classical economic models of competition, the time-compression associated with hypercompetition poses a major intellectual challenge. Used to content-oriented notions of competitive advantage, it is difficult for managers to accept that the sustainability (albeit temporary) implicit in the punctuated equilibrium model has given way to a process-oriented dynamic world in which meaning and hence action are indeterminate according to positivistic thinking. Uncertainty and risk are seen to multiply as a result of this indeterminacy. But what of the managerial response? Their subjectivity may be constituted by (and constituting of) the discourse but they are not entirely blinded by the resultant noetic structures. “Thought need not be content with its own legality; without abandoning it, we can think against our thought.... The thinker’s equipment need not remain ingrown in his thinking; it goes far enough to let him recognise the very totality of its logical claim as a delusion” (Adorno, 1973, p.141). Crediting managers with sufficient reflexivity to appreciate the
limitations of their current discourse\(^1\), as a means of coping with a changing world, what implications does this realisation suggest?

For managers, hypercompetition negates the relative stability required to develop the strategies and structures by which they feel they exert a comforting level of control over the fit between organisation and environment (while at the same time providing a justification for new theories such as “the learning organisation” and “knowledge management”). It seems that the existing “regime” (Foucault, 1980) is challenged. Managers working in this regime perceive the associated disciplinary technology as less effective in ordering an inter- and intra-organisational world in acceptable ways, i.e. ways suited to the sectional interests of management. To them their grip on power is loosened.

Faced with a chaotic and complex world, to which the rational discourse of strategy brings no illusion of order, managers become dimly aware of “the seemingly unbearable thesis that subjectivity presupposes facts while objectivity presupposes the subject - this thesis is unbearable only …. to one who hypostatizes the relation of cause and effect, the subjective principle to which the experience of the object fails to bow.” (Adorno 1973, p.141). The mutually constituting nature of subject-object relations explode the rational discourse of strategy. Gone is the detached analytic strategist, making instrumentally rational choices, replaced by a socially embedded individual trying to make sense of a world which continually confronts their own identity. This is Adorno’s ‘negative dialectics’ according to which the identity thinking of the rational discourse gives way to the interpretation of juxtaposed ‘constellations’ of ideas and images about (i.e. they are non-identical with) concrete phenomena as the basis of our understanding/knowledge (ibid. p.163).

In essence, our argument is that the socio-historical context has radically changed and the ‘rational’ strategy discourse is epistemically incapable of making sense of this changed world. Managers face a legitimation crisis. Change mitigates control. If the discourse they have promulgated does not yield compelling ‘truth effects’ their hegemonic position is open to challenge. The discourse, if retained, is stripped to its ideological content (Knights and Morgan 1991, Shrivastava, 1986). This crisis suggests a potential for groups who are seen to command the basis of organisational success to redefine social relations and redistribute power in their favour. From a KM perspective the key group is termed “knowledge workers”.

By way of a defence strategy, managers (aided by academics and consultants) have sought to reconstitute strategy discourses. Faced with the transience of competitive advantages based on tangible resources, managers have sought to recast the discourse in terms of intangible resources, in particular, knowledge. It is to an examination of the discourse of “knowledge management” that we now turn. This discussion will seek to problematize KM and to consider the extent to which it constitutes a break with the previous rational discourse of corporate strategy.

**Knowledge Management Discourses**

This section provides overviews of two distinct approaches to KM we discern in the literature. Firstly, a model will be sketched that stresses a content oriented approach based on the

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\(^1\) Perhaps a contentious assumption, but why should some not also be capable of such reflection even though they may have ideological reasons for not openly voicing such concerns.
efficient use of existing knowledge. This approach is an outgrowth of business process re-engineering (BPR) and information systems consulting. Secondly, we shall examine the model developed by Nonaka and Takeuchi (1995), which stresses a process approach to the maintenance of competitiveness via continuous innovation. For convenience we label these models ‘Western’ and ‘Japanese’ approaches to KM.

**Western Knowledge Management**

This section draws on three well known texts as exemplars of what we characterise as a ‘Western’ (i.e. Anglo-American) approach to KM. From each will be extracted their definition of knowledge - for this is crucial to subsequent prescriptions for its management - and then the associated prescriptions will be outlined.

Illuminatingly, Wilson (1996) suggests “knowledge is that which is known, and so it is an essentially human form of information” (p.33). In discussing knowledge he examines familiar categories (tacit/explicit, migratory/embedded and personal vs. organisational) and in each case privileges the latter. His commodification of knowledge is encapsulated in his statement: “Knowledge is a resource which it is right and proper to exploit: knowledge breeds more knowledge when it is exploited. People on the other hand are diminished when they are exploited. It is wrong to view, or describe people as a resource” (p221).

To Davenport and Prusak (1998): “Knowledge is a fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information” (p.5). Like Wilson they assert the inseparability of knowledge from the individual subject – “Knowledge exists within people, part and parcel of human complexity and unpredictability” (p.5) – before disembodying it: “Unlike data and information, knowledge contains judgement. Not only can it judge new situations and information in light of what is already known, it judges and refines itself in response to new situations and information” (p.11, emphasis added).

Perhaps mindful of the epistemological banana skins, Leonard (1998) avoids explicitly defining knowledge as such. Her stance is more subtle. She equates (conflates) knowledge and competitive advantage. Adopting a ‘competence-based’ approach to competitiveness she argues that: ‘‘Core’ capabilities constitute a competitive advantage for a firm; they have been built up over time and cannot be easily imitated’ (p.4). The “development of core capabilities is inextricably linked to learning; knowledge is both raw material and finished goods in today’s corporations” (p.3). In other words, the value of knowledge is its ability to produce competitive advantages.

These definitions share a common heritage. Each reflects a managerialist paradigm in its view of a disembodied knowledge subjugated to the instrumentally rational strategies of management. As Davenport and Prusak put it: “Knowledge can and should be evaluated by the decisions or actions to which it leads” (p.6). Writing in a similar vein, Demarest (1997) goes further: “The goal of commercial knowledge is not truth, but effective performance: not “what is right” but “what works” or even better “what works better” where better is defined in competitive and financial contexts” (p.375). We might ask: works for whom? For despite politically correct assertions about the importance of people, through “a process of alienation and fetishism, the qualitative differences among various commodities [in this case knowledge], both in terms of their usefulness to specific consumers and the creative contribution of their
specific producers, are neglected in favour of a purely quantitative and abstract measurement of their fungible worth in the market place” (Jay, 1984 p.66-67). In abstracting a dynamic social process\(^2\) to a reified commodity, the above definitions serve to reproduce exchange relations at the expense of heterogeneity. This argument is consistent with Adorno’s claim that the exchange process derives from the separation of mental and physical labour which itself derives from his argument that both subject and object presuppose each other noted above. (Jay, 1984 p.67-8, Adorno, 1973 p.176-7)

Similarly, each sees knowledge as acquired from without through learning. Knowledge exists objectively. It is the task of the organisation to selectively learn that knowledge which is appropriate to their objectives. A view of the organisation as an information-processing unit seeking to learn new ways to compete is strong in the work of each of these authors. However, Camillus (1995) suggests: “The learning paradigm works well in the evolutionary periods. When revolutions occur the learning paradigm disintegrates in the face of massive, discontinuous change” (p.3).

Let us now briefly outline the prescriptions these writers propose for managing knowledge before seeking to problematize their overlapping schemas.

In constructing his version of knowledge management, Wilson (1996) sounds the death knoll of the ‘industrial paradigm’ of management with its emphasis on “command-and-control” via a bureaucratic organisation and Tayloristic preoccupation with efficiency. In its place he proposes an “inform-and-entrust paradigm” which he describes as “an updated version of TQM …. The paradigm empowers people, but at the same time allows co-ordination and control through people’s desire to subscribe to a shared vision, and enjoy the benefits of federation” (p.50). Wilson sees the development of a knowledge orientation in terms of familiar change management initiatives. His prescriptions include flattening the structure, empowering staff, decentralising decision making and shedding a culture of “daddy knows best” (p.26) to one where everyone’s contribution is sought and valued.

In contrast to Wilson’s cultural shift, Davenport and Prusak (1998) place their faith in the market. “Like markets for goods and services, the knowledge market has buyers and sellers who negotiate to reach a mutually satisfactory price for the goods exchanged”(p.25). “Within organisations cash is usually not involved in these transactions, but that should not disguise the fact that a market price system exists and payment is made or assumed.” (p.25) They see KM as about improving the efficiency of these markets so that knowledge flows more freely in support of process improvement projects. KM is very much about operational improvements in efficiency. In effect, they see KM as ‘infomediation’ based on their implicit assumption that improved competitiveness simply requires more efficient use of, existing, knowledge resources.

Finally, for Leonard (1998) KM is concerned with managing the learning process by which the knowledge required to establish and enhance “core capabilities” is captured and integrated into the organisation’s management and technical systems. The efficacy of this process is dependent on the skills and knowledge of people, which is strongly directed by the organisations “values and norms”. “Thus, knowledge building for an organisation occurs by combining people’s distinct individualities with a particular set of activities. It is this

combination that enables innovation, and it is this combination that managers manage”. (p.8) This view aligns closely with the “resource-based view” of strategy (Wernerfelt, 1984, Barney, 1991) and the concept of “the learning organisation” (Senge, 1990).

These three managerial conceptualisations of KM share a number of features which serve to locate them firmly in the tradition of modernist organisation theory and thereby negate their own claims to offer alternative paradigms for coping with a more complex and chaotic world. Let us consider these common themes.

Firstly, in seeking to define knowledge, the intimate relation between individual identity and its production is noted. The obvious implication is that, if knowledge is central to organisational success (as they all strongly argue) then, its inseparability from individuals places those individuals at the heart of this success. Subsequent discussions, however, treat knowledge as a ‘thing’ independent of those who produced it. Based on Foucault’s argument regarding the dissociability of knowledge and power (Foucault, 1980) two points suggest themselves: (1) these writers are insufficiently reflexive in failing to recognise the constituting role of the disciplinary technology in defining identities and sanctioning, as legitimate, particular questions and forms of inquiry; (2) the technique of disembodying knowledge, at least from its creators, serves to deny their power and thus reproduces unequal power relations (i.e. an exercise of power).

Second, all of the above schemas share a greater emphasis on the management of knowledge rather than its creation. The means to achieve this is, in each case, a revised socio-technical system designed to translate tacit or migratory knowledge into explicit knowledge. This explicit knowledge then becomes embedded as “structural capital”, “process capital” or “intellectual capital” (Edvinsson, 1997). The imperative to achieve this transmogrification is explained by Edvinsson (1997) thus: “the human capital cannot be owned, it can only be rented. The structural capital can, from a shareholders point of view, be owned and traded. Therefore, human capital is much more volatile, and structural capital can be used as a leverage for financing corporate growth” (p.369). Consistency between the definitions of knowledge and prescriptions for its management is clear. Note also the perception of workers as ‘volatile’ (i.e. uncontrolled and risky, likely to assert their right to leave). Thus KM can be read as a disciplinary technology designed to reduce the products of workers’ minds – in addition to the outputs of their physical efforts – to a tangible form controlled by organisations, in the form of property rights, for the purposes of exchange. Its effect is to reproduce inequities of power in the exchange process that ensures the hegemony of a capitalist elite.

Thirdly, these models share an undersocialised view of organisations. Their shared instrumentalism privileges managerial interests and serves to circumscribe ‘technical-rational knowledge’ as the only valid form (Deetz and Mumby, 1990, quoted in Alvesson and Willmott, 1996, p.97). These conceptions of KM thus serve an ideological purpose. In restricting debate about ‘ends’, they naturalise, idealise and universalise existing sectional interests (Shrivastava, 1986). Knowledge about a whole range of domains relating to organisations is thus rejected as illegitimate. For example, issues such as ethics, ecology, gender, power and conflict are addressed only insofar as they threaten particular hegemonic interests, not as legitimate sites of discourse giving rise to a plurality of sectional interests for organisations to address. In effect, these undersocialised accounts privilege technical-rational knowledge over the interests of knowledge workers.

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Finally, the presumption of commitment to the organisation ignores the conflictual nature of organisations generally (Benson, 1977, Shrivastava, 1986) and the potential for resistance to the oppressive effects of power/knowledge suggested by Foucault’s “technologies of the self” (Rabinow, 1984, Best and Kellner, 1991). Recall, for instance, Wilson’s claim that his “inform-and-entrust” paradigm “empowers people, but at the same time allows co-ordination and control through people’s desire to subscribe to a shared vision” (Wilson, 1996 p.50). Given his conception of knowledge, it is hard to see how this “desire to subscribe” arises from his prescriptions for managing it. It is hard to see how they can in any way change the existing structure of social relations that would be a prerequisite for a genuine participation and commitment. He simply assumes commitment when the coercive threat of job losses (as the hierarchy is delayered) is apt to secure merely compliance.

In light of the above points, we see the KM frameworks discussed as part of an attempt to reconstitute a regime in which power is exercised through different techniques that maintain the existing pattern of social relations and their associated distribution of power. It is our view that they represent “immunising stratagems”, not – as in Lakatos’s (1970) positivistic sense - for maintaining hypotheses in the face of anomalies, but to defend an unequal set of social relations in the face of the failure of its reproductive discourses to adequately guard against its dissolution.

Japanese Knowledge Management

This section will use Nonaka and Takeuchi’s (1995) model to explore the emancipatory potential of KM. Whilst not immune to some of the criticisms noted above, their model displays some striking parallels with a number of dimensions of critical and postmodern thought. Three specific areas will be addressed to highlight what we see as its emancipatory potential. First, their definition of knowledge will be evaluated. Second, we analyse the process by which they suggest knowledge is created. Third, their prescriptions for developing a knowledge orientation are analysed.

Adopting a qualified version of the standard analysis definition of propositional knowledge, Nonaka and Takeuchi (1995) “consider knowledge as a dynamic human process of justifying personal belief towards the “truth”” (p.58, emphasis in original). For them knowledge creating knowledge involves “eliciting and constructing knowledge” (ibid.). Viewing “knowledge as essentially related to human action” they “focus attention on the active, subjective nature of knowledge” (p.59). Citing Berger and Luckman (1966) as a key influence, they note the mutually constituting nature of knowledge and identity (p.59). In other words, whereas others see knowledge in positivistic terms, Nonaka and Takeuchi take a social constructionist view. Consistent with this definition, they do not ascribe hegemony to any one group (front-line employees, middle managers, or senior managers) in creating knowledge: “the creation of new knowledge is the product of a dynamic interaction among them” (p.15).

What of the nature of this “dynamic human process” by which knowledge is created? Rejecting the Cartesian dualism inherent in the definitions of knowledge discussed previously, Nonaka and Takeuchi draw on Polanyi (1966) in stressing its tacit dimension as an integration and embodiment of particular experiences. It is this tacit knowledge which the individual uniquely brings to the organisational knowledge creation process. Two essential elements then combine in this process: language and social interaction. In similar vein to Adorno’s non-identity thesis, new knowledge (constructed meaning) is seen to arise dialectically from the...
juxtaposition of linguistic devices such as metaphor and analogy with existing knowledge. New knowledge (new interpretations in Adorno’s case) being the result of a dialectical process of seeking to reconcile discrepancies between accepted meaning (what is ‘known’) and the metaphors used to confront accepted meaning. The process of surfaced and converting individuals subjective knowledge (tacit knowledge) into shared explicit knowledge is always the product of social interactions: “It should be noted that this conversion is a “social” process between individuals and not confined within an individual” (Nonaka and Takeuchi, 1995 p.61). In all cases, knowledge creation starts at the micro level and is then ‘amplified’ and developed into organisational knowledge. This ensures “one man’s hunch can become an entire firms competitive advantage”, as Micklethwait and Wooldridge (1997) put it.

Throughout Nonaka and Takeuchi’s work great play is made of the importance of diversity and particularity in providing the conditions for multiple interpretations and perspectives to bear on the knowledge creation process. Prescriptions as to how knowledge-creation can be encouraged, therefore, centre on the development of conditions that bring particularity into play. Specifically, their five ‘enabling conditions’, the emphasis on cross-functional teams, “strategic equivocality”, the figurative use of language, the importance of context, and their advocacy of communication unhindered by status or power (see p.63 on tama dashi kai) are all valorised to open up a space where differences can surface and effect knowledge creation. It is worth exploring one or two issues to better understand their postmodern connections.

Firstly, both Adorno and the later Foucault maintained the possibility of autonomy for the constituted subject. Similarly, Nonaka and Takeuchi’s enabling conditions of “autonomy” and “fluctuation and creative chaos” recognise that individuals resist and work against the constituting influences of the prevailing regime in order to create meaning (i.e. knowledge). In the case of Canon, engineers developing their first electronic calculator defied managerial instructions to abandon the project (DeWit and Meyer, 1994 p.695). Whilst the possibility of resistance is noted in the Western approach, it is there seen as dysfunctional behaviour, to be eradicated, rather than as constructive.

Second, the de-emphasis of instrumentalism inherent in the concepts of ‘strategic equivocality’ and ‘redundancy’ highlights the importance of negotiated consensus via open communication and thus mirrors Habermas’ (1987) notion of “communicative action”. For instance:

> Top management’s ambiguity with respect to philosophy or vision can lead to a reflection or questioning of our value premises as well as of factual premises upon which corporate decision-making is anchored (p.80)

> Redundancy of information is also a prerequisite to realisation of McCulloch’s (1965) "principle of redundancy of potential command" - that is, each part of an entire system carrying the same degree of importance and having the potential of becoming its leader. Even within the strictly hierarchical organisation, redundant information helps build unusual communication channels. Thus redundancy of information facilitates the interchange between hierarchy and non-hierarchy’ (p.81).

The cliché that Japanese companies prefer to put their emphasis on nemawashi (consensus building) and ringi (shared decision-making) is borne out in Nonaka and Takeuchi’s work. Indeed, according to them, such are the conditions of communication in many Japanese

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3 Not in the sense of resisting change, but in actively seeking to interpret and make sense of their experiences rather than being passively constituted by them.
companies that they might be said to approximate to Habermas’ “ideal speech situation”. Take the example of ‘brainstorming camps’ used by many companies: “The meetings are not limited to project team members but are open to any employees who are interested in the development project under way. In these discussions, the qualifications or status of the discussants are never questioned, but there is one taboo: criticism without constructive suggestions” (p.63). Alternatively, the free access to information at Kao Corporation: “Maruta [CEO of Kao] argues that information differentials among employees should not become the source of authority or power” (p.178).

This is a long way from the Western approach above. In place of a data-mining model, in which knowledge is presumed to pre-exist in people and KM is about how to extract it, we here have a sense-making model. In locating the development of this perspective in the post-1945 period, stressing its relation to a specifically Japanese pre-disposition to draw on tacit knowledge, and emphasising its dependence on social interaction Nonaka and Takeuchi provide a model which treats knowledge creation as a historically, socially, and culturally embedded process (Granovetter, 1985). A process implying a greater degree of ‘freedom’ of thought and action than implied in the Western conceptions.

Lest we get carried away with this vision of a Habermasian heaven let us sound a few notes of warning.

According to Jacobs and Herbig (1998): “The Japanese innovation generation process has an unusually high cost associated with it in terms of the generation of problems and solutions, high degree of social interaction (work is the reason for existence and family often gets short-changed), human exhaustion and overwork (karoshi), mental exhaustion, and burnout.” (p.134). This highlights that while the managerial processes of Japanese companies (at least as characterised by Nonaka and Takeuchi), might be interpreted as offering emancipatory potential, viewing these processes in the wider context of an avowedly capitalist economy suggests workers are treated as a resource rather than as autonomous individuals with their wider preferences and ambitions. Are these individuals as equally subjugated to the objectives of their managers as their Western counterparts?

Micklethwait and Wooldridge (1997) argue that intense competition means Japanese companies no longer have the time to operate a consensus based management philosophy. They also suggest that the Japanese managers are culturally insular, seeing overseas postings as ‘banishment’, and that their management style is more geared to incremental improvement than radical change. Echoing the sentiments of Yotaro Kobayashi, head of Fuji Xerox, they suggest: “Japanese managers ought to challenge their business models rather than just endlessly improve them”. Perhaps instrumentalism is also dominant in Japanese management practice and that our earlier reading suggests that it is merely administered more by social than technocratic means. Certainly, the reflexivity needed to transcend instrumental behaviour is lacking according to these authors.

Also, whilst noting its immunising effect in hindering imitation of competitive advantages, Johannessen (1998) also warns that: “Tacit knowledge can be a key barrier to innovation” (p.378). This arises because the embodied nature of tacit knowledge means it is slow to change and so creates inertia. Thus Nonaka’s assertion that to “create new knowledge means quite literally to re-create the company and everyone in it in a non-stop process of personal and
organisational self-renewal” (Nonaka, 1991) has at its heart the paradox that tacit knowledge is both essential to its success and a source of resistance to its attainment.

**Conclusion**

The central argument of this paper is that ‘knowledge management’ is an attempt to reassert control over the bases of organisational success given the failure of a rationalist discourse of strategy to guide managers in the development of sustainable competitive advantages. This imperative stems from the time compression associated with hypercompetition, a result of which is the rapid dissolution of tangible sources of competitive advantage. Faced with a legitimisation crisis managers need to reconstitute their discourse in order to maintain their hegemonic position within the existing pattern of social relations.

From an analysis of several well known texts (Wilson, 1996, Barton, 1998, and Davenport and Prusak, 1998) a ‘Western’ approach to KM was sketched and problematised in terms of its managerialist features. These include its positivistic definition of knowledge, its instrumentalism, an underlying concern with exchange relations and its under socialised conception of knowledge.

By contrast, Nonaka and Takeuchi’s (1995) model was read as an approach to KM that offered certain emancipatory potential in line with the general aims of critical theory. In particular, we highlighted its social constructionist definition of knowledge, its micro-level analysis of knowledge creation grounded in particularity of people, context and social relations, and its displacement of instrumental rationality in favour of a neo-Habermasian form of ‘communicative rationality’. Finally we warned against unqualified approval of the Japanese approach on grounds that it has negative effects on workers and is perhaps insufficiently reflexive in questioning its own practices.

In stressing the importance of individual contribution, irrespective of hierarchical position and formal power, KM suggests a potential power shift in favour of knowledge workers and a context for developing managerial systems based more on critical than instrumental rationality. Whether this emancipatory potential can be realised depends on the approach to KM adopted by the organisation. In what we have termed “Western” forms, KM offers little hope for such a realisation. Conversely, “Japanese” approaches exhibit processes based more on communicative action than managerial authority. The difficulty of fostering a genuinely democratic approach to management is not overlooked however. We are aware that Japanese management practices can equally well be read as a subtler more socio-cultural form of control than the technocracy of the managerialist model.

**References**


