

Rationality as an Organizational Product

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A perspective which conceptualizes organizing as a process of reality construction reveals a possibility of considering rationality not as an organizational attribute but as an organizational product. The focus of organizational studies should then shift from examination of rationality to interpretation of its production. It is argued that such a shift would be followed by a change in researchers' main roles: from simplifying and legitimizing to problematizing and unmasking.

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ORGANIZATION AS REALITY CONSTRUCTION

Organizations have been described by many "thing" metaphors, such as machines, organisms or psychic prisons (Morgan, 1986). Contemporary literature, however, sees them more in terms of "human" metaphors. Organization theory thereby reflects the general trouble in grasping the "social" in social sciences, which is often dealt with by anthropomorphization and personification (Allport, 1962). There are at least three such "human" metaphors favored by organization theory's mainstream, which differ mainly in their political anthropologies, i.e. their basic assumptions concerning human nature.

In the first human metaphor, organization is seen as an *aggregate of individuals*, who make decisions based on their own motives and then adjust them to the decisions of others (which may mean imposing one's decisions on others or obeying other people's decisions). It is easy to recognize *Homo Oeconomicus* behind this picture, a lonely creature who lives in a dyadic world, a world of decision-makers and decision-making parameters (to which other decision-makers belong). The psychological approaches

to organizations favor this model, and sources both of organizational defects and improvements are seen to lie with the individuals who constitute an organization, as in the following example:

One obvious means to bring about change in organizations is to change the individual members — their skills and attitudes and, ultimately, their behavior. (...) The point to be kept in mind when thinking about these types of change approaches, however, is that they are not focused on the individual as the end product of the change process. Rather, such methods should be considered as individually oriented procedures aimed at achieving broader changes in the functioning and effectiveness of the organization. They may or may not have the by-product of helping the individual, at least as seen from his perspective. The extent to which both the individual member and the organization would benefit simultaneously would depend upon how well the needs and objectives of each coincide. . . (Porter, Lawler and Hackman, [1975] 1981, 439 and 441).

Consequently, rationality in organization is a matter of as many individuals as possible exhibiting rationality in their attitudes, and, ultimately, in their behavior.

The second model sees the organization as a *Super-Person*, as one powerful decision-maker, either in a form of a leadership group or the organization as a collective, where willingly or not, one stands for all and all stand for one when seen from "outside". *Homo Collectivus*, whom Whyte would recognize without trouble as his Organization Man, is behind this model. This way of seeing organizations typifies consensus-based, apologetic theories of organizations. These are theories which tell us how organizations learn, unlearn, produce strategies and all the things which individuals usually do; but we are told that this is a metaphor. The theorists and the audience agree that organizations are not *really* individuals, but for all practical purposes they are like individuals:

As an organization gets older, it learns more and more about coping with its environment and with its internal problems of communication and coordination. At least this is the normal pattern, and the normal organization tries to perpetuate the fruits of its learning by formalizing them (Starbuck, 1965, 480).

Accordingly, rationality (or lack of it) is an attribute of "organizational behavior".

The third model objects strongly to this assumption and claims, instead, that the organization is several distinct groups of people, with markedly different interests, who then cooperate, negotiate, bargain or fight. *Homo Politicus* populates organizations, which are by definition conflict-based.

Men share power. Men differ about what must be done. The differences matter. . . [D]ecisions and actions result from a political process. In this process, sometimes one group committed to a course of action triumphs over other groups fighting for other alternatives. Equally often, however, different groups pulling in different directions produce a result, or better a resultant — a mixture of conflicting preferences and unequal power of various individuals — distinct from what any person or group intended (Allison, 1971, 145).

Even if organization is not any longer seen as homogenous, and therefore one should speak rather of "organizational actions" than "organizational behavior" — rationality still remains the attribute of these collective actors.

In this paper I propose to use yet another model of organization, which has gained in popularity during the last two decades, although it is much older (see for example Allport, 1962, on concepts of collective order and collective action, and of course Weick, [1969] 1979).

According to this model, organizations are not people at all (whether aggregates, collectives or groups) but *sets of collective action* undertaken in an effort to shape the world and human lives (Czarniawska-Joerges, 1990). This definition tries to follow the linguistic cue in the word itself (*organization*). Although it does not use a personified metaphor, the definition is also related to a certain understanding of human nature:

There is nothing to people except what has been socialized into them — their ability to use language, and thereby to exchange beliefs and desires with other people (Rorty, 1989, 177).

By using language, people endow their action (and inaction) with meaning. Because of this, understanding of organizations requires understanding of meanings ascribed to and produced by a given set of collective action. Both actions and their meaning are socially constructed in exchanges taking place between people. Human beings are social constructors; organizations are social constructions. Salaman and

Thompson (1980) called organizations "the constructors of social reality", which is a similar idea, but for the remaining anthropomorphism. In the sense proposed here, an organization is not a person (agency); organization is the (complex, systemic) action of constructing.

What is being constructed? Everything, from cars to social norms to power. The organization is a reality construction: physical, symbolic and political reality.

Such an insistence on de-personifying organizations may seem fussy: am I not speaking, in fact, about a community of people who create a common social reality? Is not the organization a community of social constructors?

The organization is both less and more than a community of social constructors. Less, because people involved in one system of social construction are always involved in others and these systems are sometimes contradictory: families, political parties, volleyball teams. More, because if we counted all the people involved in construction of a given type of reality, say, a reality of car production, we would have to count the producers, the sellers, the rally-drivers, the buyers — whose contribution may be less or more central, but nevertheless, without them, the car production of the 20th century would have never existed. In this sense, General Motors is only a minute part of the whole set of action, which means that when studying GM we are concentrating of a fragment of a set of action, and that, while doing so, we must never forget the existence of the rest of the set and its relations to other sets. Indeed, the notion of a "whole" is a practical construct which in fact does not more that single out a piece — a phenomenon — for further investigation (Rosaldo, 1989).

One set of collective action is distinguishable from another by the kind of reality it constructs, as socially perceived. However, what is publicly acknowledged and recognized is just the tip of the iceberg. The rest of the iceberg is what is taken for granted in a given society and is therefore only discussed when the water goes down or the tip starts cracking.

At the very bottom of the iceberg (provided icebergs have bottoms) lies *rationality*, which is seen as the stabilizing weight of most systems of collective action in organizational literature. Of recent, however, this particular construction has become increasingly problematized.

RATIONALITY AS GIVEN: THE TRADITIONAL VIEW UNDER SCRUTINY

"There is less to rationality than meets the eye" asserts Karl E. Weick (Weick, 1985, 109) and notices that an increasing number of organizational theorists are challenging the old notion of rationality. Rationality, or the lack of it, used to be a favorite topic for organizational analysts: is there anything to be added after we have swallowed the idea that organizations are actually garbage cans?

Following the long list of authors after Max Weber, I shall remind the reader of the two common meanings of "rationality": substantive rationality, and formal rationality.

Weber (1964, 185—186) postulated that substantive rationality involves "a relation to the absolute values or to the content of the particular given ends to which it is orientated", adding that "in principle there is an indefinite number of possible standards of value which are 'rational' in this sense". Stinchcombe (1986) explains that by formal rationality Weber "meant standardized methods of calculation on which routines can be based", whereas by "substantive rationality we mean going behind such formal methods to the substance of the matter" (p. 151).

Accordingly, I propose to understand substantive rationality as the use of reason in establishing the substance of action (the *what* of the action). In this sense, it could be also called a *value* rationality or an ethical and esthetic rationality. In this context, secular value systems can be seen as rational as compared to religious value systems which base the choice of the values on other grounds than human reason.

Conventionally, though, ethics and aesthetics are contrasted with rationality. "Goals are derived from ethics and morality, not reason" says Salaman (1979, 180), discussing organizational rationality. It sounds as if we might go around killing our brethren when led by reason only, without any knowledge of beauty or right and wrong, as if emotions and thoughts were strictly separated in our minds. The recent debate on rationality versus emotionality (*Rationality and Society*, 1990, Vol. 2, No. 2) still reproduces the dichotomy, while looking for unconventional reconciliations (for example Denzin proposes a replacement of "rationality of choice" by "interpretive rationality" whereas Stinchcombe suggests that people act out on

a combination of rational *and* emotional motives). This paradoxical approach, neglecting centuries of the use of reason in the service of ethics and aesthetics is a historical phenomenon, and is especially acute in economics and organization theory (Brown interprets it as resulting from the breach between positivist and romantic "grammars of selfhood", Brown 1987b). For centuries now, rational man was The Rational Man, Homo Oeconomicus, egoistically pursuing short-term gains of his (women hardly fit this definition of rationality, and they are not meant to, as transpires from most formulations) (see also Sjöstrand, 1986). Pursuing beauty or maximizing the gains of others was not considered rational. The Organization Man and the Political Man did not question the basic assumption: rationality *is* formal rationality, the rationality of means.

Organizational theories do not deal with substantive rationality for several reasons. One is that the values and goals of most contemporary organizations have been authoritatively decided a long time ago: by Smith and Ricardo for economic organizations, by Bismarck and Disraeli for state organizations, by Marx and Lenin for working class organizations, and so on. These authors spoke not only of methods and techniques, but about things like beauty, morality, happiness — which have today moved into an altogether different realm of thought and have no place in economics, the political sciences or sociology, not to mention organization theory. Ignatieff reminds us of this when discussing the writings of Smith and Rousseau:

[W]e would be mistaken if we thought that Rousseau used only the language of morals and virtue, and Smith only that of commerce and money. Both writers insisted that the drama of human progress must be understood in its historical, moral and economic dimension: theirs was a vision that social science has since dispersed... (Ignatieff, 1984, 109).

Another reason, strictly related to the former, is that analyzing the choice of values always involves some questioning of existing values and therefore a rebellion, something which was never an organization theory's speciality. That is why organization theory, together with general systems theory, was such a success in the Central European countries under the Communist regime, whereas many other theories of Western origin were never allowed in.

A third reason, closely coupled to the previous two, is that organization theory can be seen

as Instrumentality theory *per se*: how to organize best for no matter what purpose. Discourse about techniques *replaced* discourse about values (Habermas, 1973). In other words, formal rationality became one and the same as substantive rationality.

If, however, we still insist on treating formal rationality separately from substantive rationality, it can be approached in two ways: one is called *prescriptive*, the other *interpretive*. The prescriptive approach perceives formal rationality as a set of rules, or a method, permitting the choice of the best (optimal, satisfactory) means for achieving chosen (given) goals. In this sense, formal rationality concerns what is happening before any action takes place: it is a *prospective rationality* (Palumbo, 1985). The interpretive approach presents formal rationality as rules or methods for finding the best (optimal, satisfactory) way of presenting one's behavior as adhering to the norm dictated by the prescriptive approach (Staw, 1980; Palumbo, 1985). In this sense, it is a *retrospective rationality*. The difference between the two meanings is beautifully rendered (or hidden!) in the word "rationalization", which in most languages signifies both.

There is no need to choose between the two, as both exist in organizational life, as complementary rhetorics:

A principal use of rationality as a prospective rhetoric is the planning done by firms, agencies and nations. The organizational plan, for example, can be seen not as a set of instructions for what actually will take place, but rather as a rhetorical intervention to build constituency, to define the limits of "responsible opinion", and in general to impose the planners' or managers' definition of reality upon discourse and conduct within and among organizations (Brown, 1987a, 193).

As to rationality as a retrospective rhetoric, almost every action can be interpreted *post factum* as rational. Doing something crazy may be the most rational way of stimulating creative potential; being incoherent may serve as an exercise in flexibility, while a self-presentation which stresses irrational elements might be the most rational way to manipulate a partner. This is more than a mere sophist trick, it is a matter of perspective. Interpretation is also historical (Palmer, 1969). What made considerable sense ten years ago can look very irrational today and vice versa.

But why do people bother at all? Especially, why is proving that organizational action is rational so important?

Rationalization of organizational action, understood as interpretation, plays a crucial role as a legitimating device (Starbuck, 1983). By interpreting their actions as rational, organizational actors gain the trust and acceptance of the observers, both inside and outside their own organizations. This is because *formal rationality is a value per se* in societies dominated by legal rational forms of legitimation.

One should then problematize formal rationality in terms of substantial rationality: discuss it as a value which can be cherished or discarded by a given society, and which guides our actions in the way other values do (March and Olson, 1976 and after them Gustafsson, 1983 speak of an "ethic of rationality"). However, traditional organization theory treats formal rationality just like other values: like profit and public good, formal rationality is taken for granted. All these values were given to us by our predecessors who, supposedly, made a rational choice. The choice as such is never discussed.

And so, in our daily lives, we strive to achieve good, profit, happiness, justice- and formal rationality. But "striving to achieve" is an idealist rhetoric, assuming a world of ideas, or an ideal world, at which we are aiming during our life-journey. A materialist rhetoric would say that, by what we do, we *produce* good, profit, happiness, justice and formal rationality (or evil, misery, losses, injustice and irrationality). In organizations, "rationality must be continuously manufactured, like other perishable goods, at a cost" (Etzioni, 1988, 151).

RATIONALITY AS CONSTRUCTED: AN INTERPRETIVE VIEW

Actors use rationality as a rhetoric to account for their actions, observed Garfinkel (1967) in his studies of professional action. Therefore, rationality is a product of an interaction between people who use it retrospectively to legitimize what has already taken place.

Thus rationality, rather than being a guiding rule of individual or social life, turns out to be an achievement — a symbolic product that is constructed through speech and actions that in themselves are nonrational (Brown, 1987a, 194).

Brown claims that Garfinkel's observation demystified the Weberian mystique. But was there any? Max Weber, Alfred Schütz reminded us, was generous with definitions or ration-

ality, and left us with several, partly contradictory. One of Weber's definitions sees "rationalization", as "the transformation of an uncontrollable and unintelligible world into an organization in the framework of which prediction becomes possible" (Schütz, [1943] 1971, 71), very much in Garfinkelian spirit.

In other words, we want the world to make sense, and our set of values offers formal rationality as a basis for making sense of organizational action. "Justice" or "love" help to make sense of other types of action. Therefore, organizational actors shape their accounts of their actions so that they look formally rational. This does not mean that accounts are separate and different from actions nor that they take place only *a posteriori*. Planning is making way for future accounts; and monitoring is a contemporary account (Harré and Secord, 1972). The accounts are usually shaped in accordance with the rules of bounded rationality (people rarely claim they have a complete knowledge of all the relevant means-ends connections). We might therefore speak of *rational accounts* rather than rational actions (it is the interpretation that determines an action's rationality or lack of it; rationality implies the subjectivity of the actor involved).

Which accounts are rational? As rationality is socially constructed, it is the social perception of the account (actual or imaginary) which is relevant. Thus, a rational account has premises which all can accept, whose steps can be followed by all and whose conclusions must be universally accepted (Pitkin, 1972). In other words, a rational account must follow the rules of formal logic, a linguistic formal rationality.

All would be well if there were not for those "all" who tend not to accept many of these conditions and label the action as "irrational", if they see fit. One way of dealing with this problem is to declare that anyone who fails to accept the conclusion, is "either incompetent in that mode of reasoning, or irrational" (Pitkin, 1973, 153). Such a solution will only work, though, if the declaration is socially accepted. Individuals cope with such problems by using various defence mechanisms, which in one way or another make "all" into a hypothetical reference group whose hypothetical perception is very close to the original one held by the individual. Those who do not think in the same way are "irrational". This trick does not work in organizations, because the collective action

must be collectively accounted for, with at least some degree of consistency. And it must be so, as organizations (I am speaking mostly of business and administrative types) are legitimized by the assumed rationality of the actions which constitute them.

If individual action can be and often is accounted for in terms of irrationality (people boast about their degree of "craziness"), this is not true for organizational action. If a legitimate organizational action is to remain legitimate, it must be accountable in terms of formal rationality. *Rationality, then, is the crucial product in every organization and the key accomplishment in everyday organizational activity.*

Many cases of visible decision-making seem to have as their goal not so much any resulting action, as "correct" decision-making *per se* (Brunsson, 1990). Alternatively, decisions are made earlier and then staged in accordance with the script of the "rational" process. These are rituals, symbolic acts with a legitimating function (Meyer and Rowan, 1977; Benson, 1983). Budgeting, for instance, can be seen as a ritual of reason (Czarniawska-Joerges and Jacobsson, 1989).

The action accounts can be labeled "rational" or "irrational" by their recipients. The former assumes the proper means-end choice as a reason behind the action, whereas the latter assumes "affectual or traditional" determinants, in Weber's terms (Schütz, [1953] 1973, 20), that is, an emotional state or a religious rule as a reason for action; both illegitimate in a contemporary formal organization.

But why should people involved in the same system of collective action throw the label of irrationality at each other's action? After all, if for different motives, they should all be interested in prolonging the legitimacy of the organization. The difference in perspective can be mostly explained by differences in space and time:

Both attempts, to induce rain by performing the rain-dance or by seeding clouds with silver iodine, are subjectively seen, rational actions from the point of view of the Hopi Indian or the modern meteorologist respectively, but both would have been judged as non-rational by a meteorologist twenty years ago (Schütz, [1953] 1973, 29).

Note that "space and time" is used metaphorically, as "not being in the position of another person", which can mean physical or historical distance but may also mean different interests. In that latter meaning, the "rational account

rules" are used as political tools. In that sense Horkheimer (1974) and Horkheimer and Adorno (1983) argued that formal rationality paved the way for technocratic domination.

Hence, within the same system of collective action which must be accounted for as rational, we have multiple rationalities coexisting (different perceptions of means-end relations to a given action). This cannot be just accepted. The value of formal rationality requires that actors negotiate, fight, impose or in other ways try to reconcile their rationalities. There are at least two reasons for this. One is that in a world which accepts formal rationality as a taken-for-granted value, individuals who are voluntarily participating in a system of a collective action must see its rationality or else declare themselves insane. Another is the above mentioned quest for legitimacy.

CHANGE AS UNMASKING THE RATIONALITY PRODUCTION

Let me illustrate the earlier discussion with an example of organizational change where different "rationalities" appear. Organizational changes are, by definition, good fields for observation of this sort. Compared with everyday organizational life where the attempt to reconcile multiple rationalities is taken for granted and rarely noticed, the time of change is the time when reconciling mechanisms stop functioning, either on purpose or by default. In other words, organizations fail to produce rationality while under change.

This was a study of a reform introduced in several Swedish municipalities where it was decided to decentralize political decision-making to the local level of Sub-Municipal Committees (Czarniawska-Joerges, 1988).

The official ideology of SMC-reform announced that the introduction of submunicipal committees was the best way to increase democracy in municipal life. At the individual level, the champions of the reform used statements that were formulated in terms of *bounded rationality*. SMCs are namely the best means so far, and not really ideal, but as long as nothing new emerges, they must serve.

There must be some other way than the submunicipal units too, but just now I can't see any other alternative. There is definitely a need for trying to make contacts with people, and for opportunities to influence, for better discussions about how to distribute tax revenues.

The opponents of the reform attacked it on two grounds. One was *irrationality*, i.e., they claimed that the enthusiasts were in the grasp of emotional forces and could not think properly:

Some people take the view that out in the field everything will take care of itself, but I think this is due to some form of thinking which almost resembles religion. They have no ties with reality. There are certain people who you can't talk SMCs with, who don't see any problem with decentralization. They only see advantages, and I think it's a defect when you are so single-minded and short-sighted.

Another ground for opposition was *defective rationality*: namely, that SMCs were *not* the best means to achieve democratic objective:

It's a pseudo-democracy. There has been an attempt to make the people believe that democracy would be increased by expanding the number of committees. The only thing you gain with this is that you get certain people more interested in politics, but it's only people who sit on the committees. You don't increase the interest of, so to speak, the common man.

The optimists saw an easy way of reconciling these divergent rationalities. Surely it must be possible to judge who was "really" rational by measuring the effects of the reform? However, those who tried, and tried earnestly, had to realize that this was far from easy:

[W]hat is really difficult to measure, is precisely the effect that we are trying to achieve, in terms of service and the adaptation of production. How can these things be measured, financially? And even worse, how does one measure a sense of belonging and job satisfaction? How can one measure things like that? Participation? Feeling good as a result? The fact that operations improve as a result of increased participation? These sort of things are difficult to measure.

If measuring effects like feelings of belongingness, job satisfaction and increased democracy is extremely difficult in itself, then it is virtually impossible to prove that such feelings are the result of something concrete or, even worse, something as non-concrete as organizational change. *Post factum* accounting then becomes a vast area for rationalization. People rationalize in organizational contexts, as we said before, for individual reasons, because action, unlike uncertainty-reducing talk and decision, tends to produce uncertainty. We usually know only very roughly what we are doing when we begin (Weick, 1979), but our destiny as sense-makers makes us look for acceptable interpretations (Palmer, 1969). Sensitive and

open-minded organizational actors found themselves puzzled and in doubt over their own actions and feelings. They were not able to account for them rationally:

Sometimes I am surprised about my own attitude to these questions. I have worked very much alone as an officer, quite isolated sometimes. I know that there has been opposition to this [SMCs reform] and still is. Some doubt: it costs money. And it's getting more and more expensive. It will be more bureaucratic. It does not promote progress. It is better to have this sort of central expertise that we have today. People do not understand it. People do not care about it. But, for my part, even if I think about all this, I believe in this, unconditionally. It hasn't changed in anyway.

Such an "a-rational" justification could not, however, be used for purposes of organizational legitimation. An official document, formulated by the same actor, put it as follows:

Democracy is a matter of our possibility to decide on the shape of our society. Democracy is not given once and for all. Every generation must achieve it anew. And it is in the municipality where the democratic principles can be best employed. . . . The introduction of Submunicipal Committees facilitates contacts between the elected and the electors. What is more, better cooperation between various sectors can increase democracy's potential to unite people in a common effort.

This was, then, the *official rationality* of the reform. Some actors, however, learned that they had no right to ascribe it to their actions. This was the case with officers from Specialized Offices, who discovered that there was no ready-made role foreseen for them after reorganization. Those who espoused the idea of Sub-Municipal Committees as a way to increase democracy were treated with the utmost suspicion. The reform envisioned the Specialized Offices as unnecessary, and therefore their officers should react with protest, not with approval. They were expected to behave "irrationally". This proved extremely frustrating for some:

Then I got into a phase when I wondered if I had any part to play at all in an organization like this, if anyone needed someone like me. And it's been like this for several years. Now I am beginning to get out of this depressing condition, but in this context I have in fact rather seriously considered my resignation.

Such acute conflicts, if they happen as expected, can be helped by a rationalization language which comes from the outside, for example from a successful course on overcoming resistance to change:

. . . I, myself, represent originally a centralistic approach, as one might call it. I represent the central financial administration, I am responsible to the Executive Committee which prepares issues for the Municipal Council, for all officers and committees, and so the centralistic attitude really gets under your skin. And when the political will began to develop here, in A., in favor of decentralistic movement, I found it difficult to see the value and the usefulness and the possibilities in such a development. You get blocked by your own traditional approach. As a result, I had to work rather a lot, for several years, with myself, to understand that there are some values in this, too, which are worth trying and working for. And so I have learned about what it is that happens inside me. I have realized that in management training. This was a management training program in the art of understanding changes.

This was, then, a successful case of "conversion" from "irrationality" to "rationality". The course facilitated the use of rationalization as an individual defence mechanism. But how can a whole system of action be "rationalized"?

TECHNOLOGY OF RATIONALITY PRODUCTION

One technique of rationality production for organizational use is introducing *special rationalization actions* into the system. These can be performed by organizational actors themselves, by external consultants and, also, by organization theorists, who all create and refresh the rationality vocabulary. Meetings, presentations, conferences serve usually to reconcile conflicting rationalities: a meeting is considered successful if a single rational account of previous happening or planned actions emerges as its result.

Another way is *preparing rational accounts* for external use: press conferences, public speeches and all other kinds of public relations. The two methods are usually interrelated: Kunda (1989) described how in "Tech", a company he studied, the leaders used to give information to the press and then presented the clippings at internal meetings as an "external feedback".

Rationality must be daily and constantly produced. Imagine what would happen if this were not the case. "Local governments decentralize" the mass media tell us in Sweden. On the spot, it seems that some people in local government think they are implementing a decentralization, some others think that the first group is implementing a centralization, and a

further group thinks that nobody is implementing very much, there is just some talk going on. Such a description would hardly make a positive headline, however. Such an organization would be labeled "mad". The situation of change permits a certain period of faulty production ("madness"), but not for long.

To gain legitimation for the organization, and therefore an opportunity to act for themselves, organizational actors and their confederates from outside must present the organization as a system of rational action, especially as other, competing systems of action often question this rationality. Therefore, *the conflicting rationalities must be covered up by an image of consensual rationality*. This, additionally, hides power issues and possible conflicts within the organization. "Rational decisions typically mean 'managerially rational', which means rational in the eyes of the people on top, the owners, the current dominant coalition" (Weick, 1985, 110).

How is the passage from change to stability managed in terms of rationality? During the period of change it is legitimate to acknowledge conflicting rationalities (which become visible since the taken-for-granted of daily rationality production has been temporarily suspended), until "the best" rationality "wins" (an interesting case of conflicting rationalities in the time of change is described by Benson, 1979). This *winning rationality will det the standard for future rationality production*.

In the case of Submunicipal Committees, the issue was unclear. The government did not support the far-reaching projects of renewal within municipalities as presented by the Minister of Civil Affairs and thus it is uncertain whether the Submunicipal Committees are the best way to increase local democracy, or not.

From this perspective reforms, and other kinds of planned organizational change, can be seen as planned paradigm-shifts (see also Brown, 1978). They are attempts at *introducing* — wholesale — *new rules for accounting*, new rules for social construction.

Unfortunately, we know more about paradigm shifts in sciences than in organizations. Although there are some studies of change as paradigm-shift (Spybey, 1984, 1989; Forssell, 1989), more are needed to reveal the mechanism of rationality production, as visible in disturbed organizational reality, and the mechanism of paradigm shift itself. Both mechanisms for sustaining continuity and those for introduc-

ing change should be best seen at the time of planned change.

RATIONALITY PROBLEMATIZED

Social scientists, and among them organization researchers, used to behave as if they were in charge of the Greenwich Institute, or at least that part of it where the Absolute Standard of Formal Rationality was stored. This was because, as Schütz pointed out when commenting on Parsons, science was seen as "the rational achievement, *par excellence*" (Schütz, [1943] 1971, 64, Parsons, 1937, 58).

The growing number of empirical studies brought challenge into this picture. First, the cognitive limitations became recognized in the model of *bounded rationality* (March and Simon, 1958). After that, rationalities multiplied. In his paper from 1978, James G. March listed seven such "alternative rationalities" (March, 1978, 91). This proliferation of concepts, confusing as it might seem at first glance, has an enormous advantage: it *problematizes* what is taken for granted and therefore contributes to a de-reification of organizational concepts.

As to further problematization of rationality, I propose, within the prescriptive approach, to analyze formal rationality within the discourse of substantial rationality. Rorty (1987) did it in relation to the humanities and came to conclusion that "rationality" understood as proper scientific method is *not* an intellectual virtue, unless it is pragmatically redefined as "civility", that is, community's tolerant debate in style approaching a Habermasian ideal communicative situation (Habermas, 1979). Martin, Kleindorfer and Brashers (1987) redirected attention to decision-making that involves translating values into goals, and not goals into means. Reflection oriented this way may be a more fruitful contribution on the part of the researcher than the formal rules of decision-making, which automatically support the unquestioned value of formal rationality.

Within the interpretive approach, an "unmasking" of the notion of formal rationality is needed. This can be done by showing how it is treated as given ("the value of our times"). Richard H. Brown in his plea for a poetic for sociology (1977) reviewed various roles that researchers or, more precisely, their theories, play in the process of social change.

The most obvious, and inevitable, is provid-

ing practitioners with a rhetoric for legitimating change proposals (usually by calling them "rational"). It is irrelevant whether we like it or not: it does happen, and the main issue should not be "whether" but "what". If we provide rhetoric of change, what kind of rhetoric should it be? A rhetoric suitable for legitimating may be adversary to understanding. On the other hand, researchers who offer a language which might facilitate understanding risk a de-mystification, risk being stripped of their "scientific" authority. What is the use of increased understanding, after all?

Here "unmasking" comes into the picture, in the theatrical and not the moralistic sense of the word:

The skilled dramatist does not tell the audience that his characters are good when they appear bad, or the reverse. Instead, he lets such contradictions reveal themselves through the unfolding action (. . .) No moralistic name calling is required; indeed, the moral absolution of the reformer is as inelegant as the "nothing but" reductivism of positivist defenders of the status quo (Brown, 1977, 184).

The unmasking happens through revealing the unobvious side of the obvious, the paradoxical side of the taken-for-granted, the good side of the evil as much as the reverse. This is not a hunt for scandal nor a need to condemn, but a search for meaning hidden from a superficial inspection. Such meaning should be, when revealed, easily accessible to non-scientists and not only to the inhabitants of ivory towers of science. The way to discovery leads through pointing out hidden relationships between opposites and showing their unexpected interdependency. Unintended learning can bring in more change than a controlled attempt to teach; an evaluation can help to formulate the goals of a reform; the rational is achieved only through the irrational (Cohen, 1974). Instead of taking for granted what organizational members take for granted, the researcher should turn the organizational truths upside down, shake or scratch them, in order to get beyond the surface.

In this sense social theories can be on the side either of piety or of profanation, in favor of order or of renovation. They can sanctify the conventional by formalizing it into occult language or they can demystify the sacrosanct by formally exposing its contradictions (Brown, 1977, 232).

In this context, the function of the social sciences in providing organization members with a language with which to perform ration-

alizations must be observed. Even if it cannot be avoided, it does not have to be accepted unreflectingly. Just as therapists do not have to believe in their patients' rationalizations, even knowing that some rationalizations are usually needed and benevolent in basically well-balanced personalities, we do not actually need to participate in rationalizations created by the actors. Instead of telling people what is rational and what is not, we should spend more time studying what they perceive as rational and why. More specifically, we could analyze how people engaged in a collective action decide what is rational and what is not. How is rationality produced and for what purposes, and how are the clashes between multiple rationalities handled in front of internal and external audiences? What is the politics of rationality?

Karpik attempted such an analysis at a macro-level, discussing social, economic and technical rationality (Karpik, 1979). At an organizational level, Zey-Ferrell (1981) noted, in her review of dominant perspectives in organization studies, that the fact that there are many rationalities within the same organization was consistently neglected. The need has been noticed, the postulate formulated. It is now time to implement the postulate. Showing formal rationality as, on the one hand, a value in itself, and on the other and organizational product, is a possible step in this direction.

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