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ELECTRONIC DISCOURSES AND RATIONALIZATION OF ORGANIZATIONS

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Abstract

In this paper we explore the relationship between information systems (ISs) and progressive rationalisation in modern organisations. More specifically, we examine how organisational discourses mediated by electronic communication influence rationalisation of organisational processes. By drawing from two case studies, we contrast and compare communicative practices in organisation-wide electronic discourses and explain how the use of apparently similar types of ISs contributed to different, and in many ways contradictory, rationalisation processes. We do this by applying a rationality framework that synthesises different approaches to reason and rationality, thus providing a conceptual model for critical analysis of social and organisational consequences of rationalisation enabled and supported by ISs.

Introduction

As critical Information Systems (IS) researchers we recognise the importance of the meaning-making power of electronic modes of communication (enabled by IS) in contemporary organisations that not only determine their material and economic production, but also construct individual and collective identities, and shape social and cultural reproduction. While this understanding is applicable to many types of ISs, it is especially pertinent for ISs based on various groupware technologies that are designed to enable electronic communication and collaboration. A particular question that motivated our research is how *organisational electronic discourses* produce and reproduce organisations. More specifically, in two separate field studies (a retail company and a university) we explore electronic communications as discursive practices that served as a means of increasing rationalisation. In this paper we present and compare the two, in many ways exemplary cases of organisational electronic discourses: one that promotes strategic rationality and the oppressive aspect of power, while the other enables communicative rationality and the productive aspect of power. The objective of the paper is to examine these productions, both individually and comparatively, and to investigate the relationship between the nature of electronic organisational discourses and the ensuing rationalisation of organisations.

Before we explore these two cases, we first present briefly our approach to the phenomenon of rationality and rationalisation in modern organisations. By drawing on different rationality conceptions and their critique articulated by Weber and critical theorists, especially Habermas, in the following section we synthesise the *rationality framework* for examination and critical analysis of ISs in organisational processes. Within such a rationality framework, we then interpret evidence from two cases of electronic organisation discourses. Interestingly, electronic discourses in both cases were initially perceived as sites of democratic possibility. However, as time went on, their social and organisational implications were significantly different. In our search for an explanation of these differences, in the subsequent section, we examine and compare communicative practices and thereby learn how particular electronic discourses reinforced particular rationalisation processes.

The Rationality Framework

Rationalisation discourse in organisations focuses usually on production efficiency and effectiveness, optimal allocations of resources, cost minimisation and downsizing, increasing productivity, etc. ISs are among the means deployed to increase rationality of processes and systems, and their success is often measured by the degree of rationalisation achieved (Cecez-

Kecmanovic and Janson 2000; Klein and Hirschheim 1991). In this paper we focus on a particular type of IS, namely groupware and Computer-Mediated Communication (CMC) systems, implemented to mediate organisation-wide discourse. As mediators of organisational discourse, these systems are inevitably used (or misused) to produce a particular rationalisation outcome. In this section we briefly present different approaches to rationality and propose the rationality framework to examine rationalisation processes in organisations.

There are two fundamentally different and mutually opposing approaches to reason and rationality. One is 'subject centered' reason concerned with self-assertive individual interests that determine the goodness of goals and means to achieve them. The other is reason 'situated in social interaction' exemplified by intersubjectivity of mutual understanding of the participants. These two different concepts of reason lead to different notions of rationality of actors and their actions.

When actors pursue their interests and make decisions so as to achieve pre-defined, given ends, Weber calls it **formal rationality** (1978). Formal rationality is 'a matter of fact' and refers to efficacy of means to intervene in the objective world and achieve a given state of affairs (eg in production or administrative systems). It is further differentiated as **instrumental rationality** and **strategic rationality**. Instrumentally rational actors calculate means based on technical knowledge to achieve given ends disregarding other human beings involved. Strategically rational actors follow rules of rational choice and achieve given ends by influencing another actors, perceived as rational opponents. The more accurate an actor's knowledge of the target system, the more effective his/her intervention in the system, and therefore the more instrumentally rational the actor. Similarly, the better an actor's knowledge of other actors (opponents) and their likely counter-actions, the more effective his/her influence on these actors and therefore the more strategically rational the actor.

Substantive rationality, on the other hand, is 'a matter of value' and refers to substantive ends, beliefs and values. While this concept of rationality is also subject centered, it is not limited to the objective world or systems aspects only. It may also refer to norms and values, personal commitments to justice and fairness, political or ideological position, etc., that is to the social world and the inner subjective worlds. The issue here is that different actors pursuing their (different) interest, driven by their (different) substantive ends and values, will usually disagree in their judgement of rational action. As irreconcilable conflict of interests and values is endemic in modern organisations, Weber (1978) maintains, substantive rationality is inherently limited.

These rationality concepts, derived within the subject centered approach (especially instrumental and strategic rationality), as organising principles of social life and modern organisations, have been widely criticised, especially by critical theorists. Adorno and Horkheimer (1944), for instance, claimed that institutionalisation of this approach to reason and ensuing rationalisation of organisations, have socially disastrous consequences. It was not until Habermas formulated his critical theory, that an alternative concept of rationality had been proposed.

In contrast to the subject centered reason, Habermas proposed reason situated in social interaction and intersubjectivity of mutual understanding of actors (1984, 1987). Instead of rationality defined in relation to a self-interested individual, Habermas defined **communicative rationality** in relation to individuals as social actors that interact to coordinate their activities. Communicatively rational individuals use language to develop intersubjective understanding of a situation, as a basis for a rationally motivated agreement and coordination of their actions (aimed at achieving their, in principle, different ends).

Communicative rationality connotes argumentative speech free from any force or constrains. The key assumption here is that participants in communication understand the internal relationship between the raising of intersubjective *validity claims* and the commitment to give and be receptive to arguments. Communicative rationality in essence "signifies a mode of *dealing with* (raising and accepting) validity claims" (Wellmer 1994, p. 53). Communicative rationality could thus be said to express a reflexive conception of human speech, which means that all validity claims can only be redeemed in human discourse and can only be justified through argumentation. This also implies that the validity claims are not limited to the objective world of facts (like in instrumental and strategic rationality) but can also refer to the social world of values and norms, as well as to the subjective world of individual experiences, desires and feelings (Habermas 1984).¹

Table 1 summarises the above discussion and presents a taxonomy of rationality along two dimensions: i) the conception of reason, and ii) ontological assumptions about the world.

¹Habermas defines the *objective world* as "the totality of what is the case" and about which true propositions are possible. Apart from it he defines the *social world* that consists of a "normative context that lays down which interactions belong to legitimate interpersonal relations" (Habermas 1984, p.88). The social world embodies moral practical knowledge in the form of norms, rules, and values. Complementary to the objective and social worlds, which are external to an actor, Habermas defines an internal or *subjective world*, which is defined "as the totality of subjective experiences to which the actor has privileged access" (Habermas 1984, p.100).

Table 1. The Rationality Framework

<i>Reason situated in social interaction and intersubjectivity</i>		Communicative rationality
<i>Subject centered reason</i>	Formal rationality <ul style="list-style-type: none"> • Instrumental rationality • Strategic rationality 	Substantive rationality
	Rationality refers to the objective world	Rationality refers to the objective, social and subjective worlds

The rationality framework enables analysis of ISs in terms of their role and contribution to specific rationalisation processes, ranging from increased instrumental and strategic rationality, to substantive rationality, to communicative rationality. Furthermore, it may be used for critical examination and explanation of resulting social and organisational consequences, and thus contribute to a more critical approach to ISs.

Two Case Studies

University-wide Discourse via CMC

The field study, conducted in 1997/98, focused on a University X restructure triggered by Government funding cuts (Cecez-Kecmanovic et al., 1999, 2000). The University President claimed that funding cuts, together with increasing competition and deregulation, caused a major crisis. In order to raise awareness of the crisis and to involve staff in a broad-based discussion about the necessary restructure of the University, he initiated a consultation process. It included public forums, facilitated workgroups, an exploratory conference, and a variety of working teams and committees. A key communication medium, however, was CMC--a particular setup of e-mail and intranet managed by a coordinator and accessible by all staff (totalling approximately 250 academic and 420 general staff). A dedicated e-mail facility enabled each staff member to get all messages and documents related to the restructure and to distribute messages and documents by e-mail via the coordinator. Moreover, these messages and documents were at the same time posted on a special intranet page, serving as a repository and 'memory' of the consultation.

As the consultative process evolved throughout 1997, the use of CMC increased, thus enabling the University-wide electronic discourse focusing on all major issues of the University's future. During 1997 more than 130 messages, discussion papers and documents (by individuals and groups), ranging from one paragraph to fifteen pages, were exchanged via CMC. Announcing documents via CMC became a way of their legitimization in the consultative process. The President himself used CMC to present his own views and define problems as he saw them. He also proposed several documents detailing his program for the University restructure, always asking staff for their response and feedback. He also indicated that everything he proposed was open for criticism and debate.

Company-wide Discourse via ISID

The study of the Colruyt Company, the third largest retail company in Belgium, started in early 1990s and continued through 2000 (Colruyt 1984, 1993; Lengeler 1993, 2000; Janson, et al. 1997; Cecez-Kecmanovic and Janson 1999). In keeping with the idea that information should be available to anyone, the Colruyt company developed an interactive system for information dissemination (ISID) similar in function to modern document management and groupware systems. The idea for ISID originated in the early 1980s. The system was designed to meet the company's objectives for open, public and efficient communication. Company policy ensured that information about decisions, actions, and events as well as interoffice correspondence, outbound and inbound communication, and minutes of meetings are captured by ISID. An important system feature was its wide accessibility (80% of the information was accessible to all company members and union stewards, 20% was confidential and access was limited to authorized individuals only). Documents could be retrieved by keywords, authors, and recipients.

The key role of ISID is to assist all employees to engage in problem identification and problem resolution in the company and to become genuine actors in the decision making process. Any employee can raise a problem via ISID and initiate its resolution. Other employees may respond (via ISID) with relevant information or, perhaps, a ready-made solution. If no immediate solution exists a team of self-nominated individuals is created to explore the problem further and to propose possible courses of action. The team chooses a moderator democratically, based on self-nominations or nominations by others. Next, team members establish a common understanding of the problem situation and develop one or more potential solutions to the problem at hand. This is then communicated via ISID so that all other company employees with an interest in the problem and its solution get promptly informed and participate in the problem solving. Once publicly announced on ISID, the problem definition and its potential solutions are open to questioning, criticism and counter proposals. New inputs to the problem definition and its solution may trigger reassessment by team members and this process continues until, ideally, an agreement is reached. However, this is not always feasible due to time limitations (usually a three-week period) or deep-seated personal differences. In this case, the team moderator weighs all arguments, comments, and counter proposals, and makes a final decision and communicates it to all employees via ISID. This decision, for which the moderator carries ultimate responsibility, is then implemented. While the whole decision making process is lengthy, the democratically assigned rights of the moderator ensure that the process is within time limits that are tolerable for the retail industry.

Comparative Analysis of Communicative Practices

In both cases electronic means of communication enabled organisation-wide discussion about vital problems and issues. In both cases the use of the technology opened the decision-making to the widest member participation. However, the resulting organisational discourses in the two cases produced opposite outcomes in terms of actual participation and democratisation of decision making. In the University consultation, electronic discourses reinforced power relations, reproduced inequality of participation and assisted the President in framing problems and influencing staff. Consequently, they increased strategic rationality and thus undermined democratic potential. On the other hand, in the retail company, electronic discourses assisted mutual understanding, reaching agreement and coordination of actions by different employees. As a result they increased communicative rationality and advanced democratic decision making.

In order to make sense of these differences we compare characteristics of communicative practices in each case, as listed in Table 2. These characteristics are illustrative of the specific ways electronic discourse (re)constructed social realities and thereby advanced particular rationalisation tendencies.

The first two characteristics in Table 2 describe conditions for establishing organisational discourse. In the University, where communicative competence of staff was assumed and never questioned, and where norms of how to conduct an organisation-wide electronic discourse were never discussed, staff positions in the discourse were unequal from the start. A place in the University hierarchy, perceived right to speak, and ability to articulate ideas and proposals, all contributed to unequal participation. The lack of norms or policy on how to discuss things electronically, was convenient for those in power positions and those confident in themselves, to influence and dominate the discourse. As the result, these conditions provided a fruitful ground for the rise of strategic rationality.

In the case of the retail company, however, the situation is exactly the opposite. The concern for communicative competence and on-going training to improve it increased employees chances to take part in decision making and contributed to equality of participation and democratisation. Company policies assured that these opportunities are not misused.

The third characteristic in Table 2 describes the argumentation process. From this short description it is obvious that electronic discourse in the University was not in fact an argumentation process. Actually, the rhetoric of openness, freedom to speak and equal participation (often interpreted as equal access to e-mail) created an appearance of argumentation. Such quasi argumentation enabled the President to pretend to be communicatively rational while in fact being strategically rational. He used electronic discourse to effectively present his view of problems, impose an agenda and influence staff. Such quasi argumentation and resulting flood of e-mails disabled clear articulation of the alternative views and masked the extent of opposition to the President's proposals.

The Colruyt company, on the other hand, paid special attention to nurturing argumentation process via ISID. The right and obligation to make claims, present and respond to arguments, defend or reject claims, were considered essential for the democratic discourse and decision making. While there were examples of misuse of such a process for personal gains, the use of ISID significantly improved communication and ability to achieve mutual understanding, reach agreement and, based on this, coordinate individual actions. The policy of problem resolution using ISID contributed to increasing communicative rationality.

Table 2. Characteristics of Communicative Practices

Case study #1 University-wide discourse via CMC	Case study #2 Company-wide discourse via ISID
1. Communicative competence	
<p>The communicative competence of staff is taken for granted, nobody ever asked whether staff members possess social interaction skills and ability to articulate problems, interpret statements, and participate in argumentation; despite some obvious examples of the lack of communicative competence, no attempt was made to improve it.</p> <p>The fact that all staff had access to e-mail and that the majority were technically competent to use it, was considered sufficient to ensure equitable participation.</p>	<p>One of the company goals was to enhance employees' communicative competence - that is their ability to form intelligible expressions, both oral and written, thus enabling them to engage in meaningful argumentation and increase mutual understanding.</p> <p>The communicative competence is intentionally developed through company-sponsored seminars focusing on self-realisation, emancipation, company norms and policies, assertiveness, argumentation, and communication.</p>
2. Norms and rules governing the discourse	
<p>Norms and rules that should govern the University discourse about the restructure were never discussed; the President refused to 'be dragged into such a debate'.</p>	<p>All employees are authorised as well as obligated to take an active role in company affairs and, specifically, in problem identification and resolution and to act in accordance with prevailing values and norms.</p>
3. Argumentation process	
<p>All members of the University were invited to comment on the President's views and proposals and provide criticism and counter arguments; however, there was no obligation on the part of the President or any other participant to respond to criticism and respect the power of the better argument.</p> <p>The electronic discussion created a flood of information, organised only by date of posting; no other way of selecting or examining e-mail submissions was available.</p>	<p>All employees are encouraged to present their views and proposals via ISID, but also feel obligated to take other views into account, to respond to criticism and counterarguments, and accept the strength of the better argument.</p> <p>While all employees have the right and obligation to engage in the discussion, those directly affected by the problem most likely get involved. All comments, discussions or critiques related to a particular problem are easily available from ISID as threaded documents.</p>
4. Individual and collective identities	
<p>During the debate, the President restated his role as the leader and his responsibility for resolving problems and directing the University in the future.</p> <p>Academic staff responded by claiming that they too, as custodians of knowledge and key actors in the core academic processes, are responsible for framing and resolving problems and that they too are legitimate decision-makers. These claims were ignored by the President.</p>	<p>The CEO of Colruyt restated often that they have collective responsibility for making the company more prosperous and profitable, but that this also implies each individual's responsibility for intersubjective meaning making, cooperative engagement toward agreement and coordination of actions.</p> <p>The CEO rejected the authority of power and promoted the authority of knowledge and ethical behaviour.</p>
5. Cultural reproduction	
<p>The electronic discourse reveals the clash between two cultural traditions: a democratic one espoused by most academic staff and authoritarian tradition espoused by the President and a few of his supporters. Despite openness and freedom of speech electronic discourse reinforced power laden relationships and reproduced authoritarian decision making and coercive use of power.</p> <p>Reflection on past practices never occurred, except that in one of his documents the President referred to consultation as 'collegial processes traditional in the universities'.</p>	<p>The organisational culture encourages forthright speech, a critical attitude, development of intersubjective understanding of the problem at hand and reaching agreement through argumentation, and coordination of individual actions. This culture is continually (re)produced through on-the-job training and daily communicative Practices via ISID.</p> <p>Reflection on past practices, public disclosure and critique of attempts to misuse ISID enforce organisational learning and reproduce organisation culture.</p>

Electronic discourse was productively used to advance different power relations in these two examples. While in the University, the President often reminded staff that he was in charge and reaffirmed his authority based on power, the CEO of Colruyt on several occasions explicitly rejected the authority implied by his power position as incompatible with his value systems and ethics. He instead insisted on empowering employees and establishing conditions for their self realisation and emancipation.

The above comparison of the two examples reveals how different communicative practices in organisational electronic discourses reproduced and enhanced different rationalisation processes. In the first case, electronic discourses in the University increased strategic rationality and assisted coercive use of power, and thus undermined democratic potential of CMC. On the other hand, in the second case, electronic discourses via ISID in the retail company supported communicative rationality and the productive aspect of power, and thus advanced democratic decision making.

Conclusion

In this paper we addressed the question of increasing rationalisation via modern groupware and CMC systems. We first presented a brief review of conceptions of reason and rationality, based on which we synthesised our own rationality framework. We then examined and compared communicative practices in two case studies of electronic organisational discourse and resulting rationalisation tendencies. While technically, in both cases, the use of electronic means of communication provided opportunities to improve organisation-wide communication and enhance mutual understanding and cooperation among participants, in one case this has materialised, while in the other it has not. By analysing evidence from these studies within the rationality framework, we explained how similar electronic means of communication may be appropriated for significantly different communicative practices. Furthermore, by exploring specific characteristics of communicative practices (such as communicative competence, norms and rules governing discourse, argumentation processes, individual and collective identities and cultural reproduction) we revealed the specific nature of rationalisation produced in each case: strategic rationality in the University and communicative rationality in the retail company. These rationalisation processes explained how democratic potential was undermined in the first and advanced in the second case. The paper illustrates how the rationality framework may assist critical analysis of the role and impact of electronic communications in organisations.

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