

ORGANISATIONAL LEARNING: POSITIONING OF SELVES AND CREATION OF MEANING

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ABSTRACT

In this paper I show how a study of an organisational restructuring as a change of practice may help elaborate our current understanding of the relation between organisational change and learning. The point of departure was a Danish enterprise being restructured from a family oriented R&D enterprise to become a global player in a competitive market. I have studied practitioners' accounts of the organisational changes and soon found out that images of 'for' or 'against' changes acted as anchors for positioning selves and creation of meanings. When trying to make sense of the data in light of theories of organisational learning I found that they offered concepts through which to see, on the one hand, individuals' reasoning and, on the other hand, learning environments as conducive of inquiry and (critical) reflection. This left me with a question of how to relate individual reasoning and learning environments apart from one being contained in the other. In other words how is it possible to understand the subject-world relation as also a subject-knowledge relation, i.e. to be able to see the connection between the development of identities and of knowledge? A theory of learning as participation in communities of practice may help us understand how practice is sustained and stabilised whereas a Pragmatist theory of learning emphasise expansion of current knowledge/identity or transformation (change) because of its emphasis on resolving tensions in an anticipatory future oriented way. In the interpretation of the organisational restructuring both theories were useful in order to understand the dynamics between the 'for' and 'against' positions as subjects related to changing worlds by creating meaning through positioning selves applying these images as anchors to do so.

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

1 INTRODUCTION

It is possible to interpret the field of organisational learning as emerged out of an interest in dealing with organisational change.[†] Read this way, the literature on organisational learning can be understood as providing insights on how to prepare organisational members to cope with changes as well as how to design organisations as learning environments conducive for organisational change. When for example interventionist practices is to make organisational members aware that they communicate in defensive ways when caught in

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[†] When I write “organisational learning” it should be read as including the “learning organisation” as I see the two as connected by way of respectively process and form and as such cannot be thought of as apart. But I think the language becomes too heavy when I use both terms all the time.

threatening or embarrassing situations and to teach them non-defensive ways of reasoning then this is a way to prepare organisational members to cope with the unexpected – to meet change in a prepared way in order for productive organisational learning to occur (Argyris & Schön, 1996).

The widespread interest in reflection and especially what critical (or “productive”) reflection can do for organisations in order to change them into learning organisations is also a way to connect learning and change by designing organisations to be conducive for inquiry and reflection. When for example learning organisations are defined as organisations “that has at its core the aim of embedding critical reflection inside organisations” (Cressey *et al.*, 2006: 11) then I read the development of critical reflection as a way to connect change and learning by organising the organisational environment for reflection in order for organisational members to be able to cope with change. Reflection and how to organise reflection in order to bring reflection into the collective space of organisational life and work, and to tear reflection away from its anchorage in the individual are ways in which organisational change are linked to organisational learning (Høystrup, 2004; Reynolds & Vince, 2004). Further, installing critique and critical thinking in the reflection processes may be accentuated in order to connect organisational change and learning (Antonacopoulou, 2004). In sum, the literature on organisational learning can be read in light of an underlying logic of the need to prepare organisational members to cope with change by being alert, engaged and ready to question own assumptions, inquire and to critical reflect upon the organisational life and work in order for them to meet change by learning. A learning organisation is in other words an organisation in which there is a learning environment with organisational members ready for and prepared to meet change.

When I tried to use this conceptual understanding of the relation between change and learning to understand organisational learning related to an organisational restructuring process in a Danish enterprise it left me with tools to understand, on the one hand, individuals’ reasoning and reflection and, on the other hand, how the organisation could be understood as a learning environment. But I did not have any theoretical tools to connect the two besides seeing one (individuals) being contained in the other (organisational environment). I could not through the concepts offered understand how one formed the other and vice versa. Neither could I see how this formation of organisational members was also a process of knowledge production, i.e. how different positioning towards the organisational restructuring was also a creation of meaning. I could in other words not understand why the ‘for’ of ‘against’ positions towards the restructurings, which I detected very soon in the research process, served as anchor points for positioning and meaning creation (which I could see was the case when I dived more deeply into my data).

Understanding the organisational restructurings as changes of practice and learning as participation in this practice helped me see the organisational learning process in light of sustainability and stabilisation, i.e. a struggle to maintain the status quo (Gherardi, 2006) but it was still hard to understand how and why practitioners related to future development that was still not part of practice. A Pragmatist theory of learning helped me understand how current and past practice is formative for the future by its emphasis on resolving tensions in an anticipative way of reasoning (Elkjaer, 2000, 2003, 2004). Together the theories helped me understand the dynamics between the ‘for’ or ‘against’ positions as

subjects relating to changing worlds by creating meaning through positioning selves applying these images as anchors.

In the following, I first introduce the background for the project and an elaboration of a Pragmatist theoretical framework on learning emphasising the point of departure in the subject-world relation as the point of departure for the subject-knowledge creation (Lave, 1997). Then I introduce the methodology for the study, which is based upon an understanding of researchers acting as catalysts for practitioners’ accounts of in this case the organisational restructurings from a family oriented R&D enterprise to a global player in a competitive market.[‡] Then I present the company in which the study was made and the structural changes that were implemented just before we entered the company.[§] In the interpretation of the data I have stressed how what was coined as two different groups – ‘for’ or ‘against’ the organisational restructurings – acted as anchor points for the creation of meaning by practitioners positioning themselves towards the organisational practice in past, present and future. I conclude by stressing how taking a point of departure in the subject-world relation for the creation of knowledge through the positioning of subjects adds to our understanding of the relation between organisational change and learning by making it possible to include the telos of change (Lave, 1997). I.e. to be aware that reasoning and reflection is always about ‘something’ that may be to relate to opposing images of what is going on in an organisation and as such act as different anchor points for positioning, learning and knowing.

2 LEARNING THROUGH LIVING ORGANISATIONAL LIFE AND WORK

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

A Pragmatist theory of learning also stresses the need for engaging in order for learning to occur but takes us a step further as it helps open up the process of participating in practice in order to become knowledgeable. The notion to do so is the concept of experience – not as it is understood in the common sense version of this term as inner reservoirs of knowledge and skills acquired in the past but as the living process of subjects engaging with the social worlds of which they are a part and the results hereof (Bernstein, 1966

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

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

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

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

In the case study reported in this paper I used the Pragmatist notion of experience to open the data for an interpretation of the organisational learning process coming out of an organisational restructuring of the enterprise. When we first entered the enterprise we immediately heard the accounts of organisational members labelling and being labelled as ‘for’ or ‘against’ the current changes. When listening carefully to these voices I could detect them not only as actual living beings but also as images of what was going on in the organisation and as such acting as anchor points for the creation of meanings of the changes through positioning selves relating to these images. This is what I call the mutual creation of subject and world through which subject and knowledge is created, recreated and transformed. Expansion and transformation of practice is in conceptual terms made possible through anticipatory reasoning – through imagining the future and using past and present experience to do so.

3 RESEARCHING ORGANISATIONAL LEARNING

It is not possible to research the relation between organisational change and learning without making assumptions about what is change and learning. In this case change is defined as the empirical phenomenon under scrutiny, i.e. a restructuring of an organisation and learning is defined as creation, recreation and transformation of experience through experimental anticipatory reasoning. The organisational restructurings provided the uncertainty and our researching into this created an opportunity for organisational members to through their accounts position themselves and create meaning in transaction with

researchers (McCall & Becker, 1990; Mik-Meyer & Järvinen, 2005). This means that it is in the transaction between the interview persons, the organisational restructuring, us as researchers and the interview situation that the interview text is produced and interpreted. Data is as such relational and can only be interpreted in a situated way relating to a field of inquiry – in this case the relation between change and learning. The validity criterion is whether the study adds to our collective understanding of the field, the relation between organisational change and learning, and my answer is that this is the case because the research opens up the value of having a relational subject-world point of departure for knowledge production rather than researching individuals in organisations.

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

The data that we draw upon is besides meetings and observations, documentary material, which consisted of the Annual Report (2005), the Internet, the intranet, newspaper clippings, issues of a newly launched company newsletter, and a booklet covering the Medindu history in two parts from 1966-1983 and from 1984-1993. The bulk of the data is, however, our interviews, which we made in two rounds. In the first round we interviewed 14 persons and were primarily focussed upon changes in the induction practices and interview persons were chosen so as to represent both newcomers and old-timers. After this first round of interviews we had a meeting with the HR Manager and the Site Manager to agree upon the next practice and round of interviews. At this meeting we gave a short presentation of the results from the first round focussing on the differences in voices that we had observed and the tensions originating from these differences. On the basis of this presentation and our talks we agreed that the second practice to be looked at was the maintenance of employees’ commitment in times of turbulent changes. Again 14 persons were interviewed but this time only persons with different levels of managerial responsibilities from team leaders to the corporate level. The answers to the above mentioned themes of changes were the specific entrance into the restructurings but were no so important compared to the importance of the overall restructurings of the enterprise.

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

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

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

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

4 MEDINDU – PAST, PRESENT AND ANTICIPATED FUTURE

Whenever the history of Medindu is told it begins with the story of the Danish medical doctor (the founder: 1918-2006) who in 1966 invented a way to standardise the application of antibodies to recognise and diagnose cancer cells. This invention was the foundation of Medindu and this is elaborated in a booklet written by members of the founder’s family. This booklet used to be distributed to all newcomers in Medindu but this is no longer the case as the current idea is to “*look forward into the future and not dwell on the past*” (from meeting with key informant). In the booklet we are told the story about the inventive researcher who began his business when he was still connected to the university in some small rented premises with just himself and a laboratory technician as the only employee. In the beginning, the company grew slowly but in 1971-72 the staff consisted of 19 people, mostly women.

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

When we meet Medindu about 13 years after the publication of the above mentioned booklet in the winter and spring of 2006, we are entering a company, which in August 2005

had appointed a new CEO and in December 2005 had been restructured: *“Towards the end of the year, the management launched a series of initiatives to create a clearer focus for the business, shorter decision-making processes, clear division of responsibilities within the organisation, and, not least, sharp customer and market focus”* (Annual Report 2005: 10). The restructuring included a change of name, a new visual appearance and organisational changes towards greater focus upon customers and efficiency as well as organising into three sites (one in Denmark and two in the US). A site manager whose task it is to coordinate between R&D and Operations heads each site while the long-term goals, strategies and visions are managed at the corporate level. The sales and marketing organisation has also been restructured into three sales regions in order to strengthen this part of the enterprise. Lean production was also introduced in Medindu to increase production efficiency and reduce inventories. Lean production had in fact already been introduced back in 2002 but a new effort was made in 2005.

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

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

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

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

almost sell themselves whereas today it is hard work to sell products in an increased competitive market.

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

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

5 A STORY OF POSITIONING AND KNOWING

Entering Medindu is walking into an enterprise with some very engaged people who all relate in a more or less emotional way to the current life and work in Medindu. Some express happiness and despite the turmoil trust the new CEO and the corporate strategy: *“I feel safe and I believe in management. It’s very much a feeling but it has gone well so far. Of course mistakes are made but it moves in the right direction.”* Other expresses more scepticism: *“The wish to compete with the big ones and hope for more earnings that way has been decided solely by management and I think it’s much too risky.”* These two quotations illustrates the different positionings in Medindu, which is both an anticipation of the future of Medindu and towards the current corporate management’ ability to handle that. In the everyday interpretation these two positions are coined as ‘for’ or ‘against’ the organisational restructurings: *“One group is more business oriented and geared towards the necessity of making more focus, the other talk about the lost Medindu spirit and that it’s no longer the same.”*

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

The following picture can be painted of Medindu through the image of the ‘against’ position. The picture is orchestrated by me as a researcher and is a blend of interview persons’ accounts of a position and the accounts of this image from the perspective of the

‘for’ position. In the ‘against’ changes version of the story of the restructurings in Medindu, Medindu has been a unique enterprise due to the founders’ invention of a way to produce standardised antibodies to diagnose cancer. Medindu has had a position in the market as a niche production, and customers were both researchers who used Medindu’s products for research and hospitals, which applied the antibodies in laboratories to diagnose cancer. This sense of what is Medindu’s strength is ascribed to the history of Medindu, which due to the founder and his family was a pleasant enterprise to be and to work in because of the Medindu spirit signalling family rather than business. The culture in Medindu was in its origin and due to its founding father a research culture, and researchers are coined as very engaged people who primarily care for creating new products and not for getting them sold: *“Before we could do what we wanted and if anybody had some funny ideas we could just make it.”* The emphasis is on customer care and high quality products: *“We’re known for our focus upon customers to whom we deliver products of a good quality plus deliver good service.”* This is unfortunately not sufficient when the emphasis is upon speed and efficiency due to fiercer market conditions: *“We’re not so fast but the quality is high.”*

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

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

The positioning in Medindu in which the past is viewed as full of mistakes talks about the need to reduce complexity. The following is a rather vivid description of how the everyday life and work of Medindu creates this complexity image: *“Somebody from a research unit who likes Medindu will call about a research project and don’t we want to be part of that? Then there is a customer who wants some particular products and couldn’t we produce them right away? And we could not continue like that. We had to somehow streamline the company and everybody can see that. We have to have these numbers of customers, products and research projects down so that we can handle them.”* It is a very persuasive claim that “everybody” can see the problem of complexity but it is, nevertheless, an important image created by referring to the past. A few quotations to illustrate: *“We probably have all these products because the company is very research oriented and researchers think it’s exciting to develop new products.”* And another interview person says: *“Before the researchers have created their own products and regarded them as their own ‘children’ irrespectively of whether they could be sold or not.”* And another interview person says: *“It has been company policy to treat all customers alike but now we differentiate between them and reduce the products in order to strengthen our market position. I trust that it’s the right decision but some (R&D, BE) will probably resist because they are enthusiastic for their products.”*

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

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

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

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

This latter rationale also taps into the story about how the discussion and information culture was much more a part of Medindu in the past. This culture was voiced by some as a “discussion club”, which was seen as detrimental to the development of the enterprise: *“When I started everything had to be agreed upon, and it was not enough to be in 80% agreement – you had to agree 100%. It could take two years to reach that kind of agreement and then the project was obsolete.”* The other side of this story is that there is too little information in Medindu today, and that this creates uncertainty: *“The wish to be quoted on the stock exchange is being used as an excuse for not giving so much information. We do not as managers (low level, BE) know very much as we’re not allowed to get so much information. It can be very problematic because then people have to find the answers themselves.”* The story of this lack of information and communication in the new Medindu is also told by higher level managers: *“But we need to change the strategy so that people can follow it instead of just providing one-way communication from the CEO and to the organisation. But on the other hand the CEO says – and this is not totally wrong – that in Medindu people have discussed and discussed and discussed forever, and we could never make a decision because all 1500 employees and managers had to provide their opinion about everything, which has meant that we were never able to change things and make progress. The CEO says that now this should change and people have to accept that now there is a management who makes decisions and it’s their job to implement these decisions. This is the way he has created the new Medindu.”*

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

solutions and large projects that there is competition on the market and much more to win – and to loose. One of the interview persons says: *“The new focus areas (systems solutions, BE) have big companies as competitors and it’s in this competition that we’re supposed to win market shares.”* The ‘against’ changes position sees the future differently: *“I think it’s extremely dangerous with these focus areas (system solutions, BE) and the strategy about winning market shares from others. The consequences are that there is a need for less development because we focus upon fewer areas.”*

Now the circle is closed because we are back to the tension between the emphasis upon R&D versus upon sales and marketing but with the images of two positions for creating meanings in an enterprise like Medindu undergoing turbulent changes. These are not easy tensions, and I quote: *“We’re known for our focus upon customers to whom we deliver products of a good quality plus deliver good service. This is our strength and our weakness, and this is what our new CEO wants to change because it costs many resources. It’s (the delivery of good quality to all) about to kill us because it demands so much. We want to maintain our customers but we also have difficulties earning money. We used to be market leaders but now we have competition. We have spread too much and now our competitors have reached us.”* And finally an interview person says: *“I agree with a lot of the strategic management decisions. We have to do fewer things and focus upon one group of customers and on the other hand deliver bigger packages.”* And some are even willing to give up some of the cornerstones in Medindu, the good quality, and I quote: *“Maybe we do not have to always deliver 100% quality – maybe 90% is enough if it means that the product can be marketed 6 months earlier.”*

Below I have made an overview of the two positions in Medindu:

| | One position | Another position |
|------------------------------------|---|--|
| Production focus | Niche production | Systems solutions |
| Aim with enterprise | Production of quality to all | Win competition, earn money |
| Research orientation | Many small projects, innovation | Few large projects, “me, too” products |
| Structure | Complex, difficult to see through e.g. decision processes | Standardised, formalised |
| Culture | Family oriented “Medindu spirit” | Business oriented |
| Relation to new corporate strategy | Distrust | Trust |

6 CONCLUSIONS AND DISCUSSION

I began by claiming that it is difficult to see the relation between organisational members’ reflection and the organisation as a learning environment in the current theories of organisational learning that can be understood as connected to organisational change. This makes it hard to include how the actual knowledge production takes place when

organisations change. A practice-based understanding of organisational learning is helpful in pointing to participation in practice as connecting the subject and world in the learning process but does not provide any conceptual tools to connect to how practice is transformed but rather how it is maintained. Bringing in a Pragmatist theory of learning helps to both see the connection between subjects and worlds as well as possibilities for transformation of practice and knowledge because of its emphasis on resolving tensions in an experimental anticipatory way of reasoning.

I used the Pragmatist notion of experience and inquiry to coin two different images of what was going on in an organisational restructuring by pointing to how a ‘for’ or ‘against’ positioning provided two anchor points for creation of meaning. This was done by reading the texts as the unfolding of rationales (‘what if Medindu changes to be more market oriented?’; ‘what if Medindu maintains its current emphasis on R&D?’) for reasoning in either ‘for’ or ‘against’ changes that resulted in two fairly coherent images. These are not to be mistaken for how ‘real’ people was thinking/doing but are to be understood as anchor points for positionings and mirrors for creation of meaning. None of the images were valid in the sense that one is ‘right’ and the other ‘wrong’ – even if the ‘for’ changes was the position of the corporate management. Both images were present in Medindu and as such part of the current knowledge production (telos or scope of the organisational learning processes) in the enterprise.

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

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

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