

# THE DISAPPEARANCE OF LOCAL KNOWLEDGE AND SOLUTIONS IN MANAGING AN EXPERT ORGANIZATION

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## Abstract:

1. There is widespread concern how universalistic management theories influence practice and how they undermine local and contextual viewpoints. The paper studies this theme in the context of a large knowledge-intensive research organization, where there is strong tension and challenge between universalistic management approaches and local unit level practice. There seems to be strong tendency for local viewpoints and solutions to remain invisible, in spite that they are often necessary and best possible local arrangements including careful contextual considerations. Management by numbers with ICT information system together with top-down organizational view creates a management system that is poor in identifying, supporting, and nurturing diverse unit level working practices.

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# 1 INTRODUCTION

## 1.1 Universal perspectives

There has been a lot of writing about how management theories and thinking travel and how they influence practice. Researchers interested in "fads" wonder how "managers are a willing group, always looking for something new and innovative" (Gibson et al 2003). Miller and Hartwick (2002) found that these fads had eight primary qualities, among them "one-size-fits-all" (other qualities included "simple", "prescriptive", "legitimacy-giving", etc.). According to Miller and Hartwick (ibid.) the fads "claim universal relevance, proposing practices that adherents say will apply to almost any industry, organization, or culture - from General Motors to government bureaucracies to mom-and-pop groceries". Miller and Hartwick (ibid.) warn that few management approaches are universally applicable, and attempts to implement a mismatched approach can do more harm than good.

Some researchers have emphasized the harmful effects of this universalistic thinking, and of the theories they are built upon. Some have even suggested that "bad management theories destroy good management practices", giving encouragement and legitimation to e.g. Enron type run amok management practice (Ghoshal 2003). Ghoshal (ibid.) does not specify, what exactly he means by "good practice". However, he does refer to "common sense", which seems to include moral considerations as well as taking the situation and context more thoroughly into account when applying theories to practices.

In universalistic thinking, proposed approaches to management are often presented as "best practices", applicable to any organization, environment, and situation. One point here is how ideas travel in the first place. The concept of "translation" has been introduced, meaning that a lot adapting and transforming takes place in the local context when new ideas are brought in from elsewhere (see e.g. Latour 1986, Czarniawska and Sevón 1996). Still others have studied different types of processes on how ideas travel and the ways they get translated (Erlingsdóttir and Lindberg 2005). There seems to be a widespread questioning about the universal approach. This universal approach which can be found strongly in many prevailing management and leadership approaches, such as, e.g., Kotter's change leadership process model (Kotter 1996). In this paper, the question is not so much about ideas traveling from one place to another, but rather about how universal one-size-fits-all management practices affect the way local solutions are seen and valued, or indeed devalued.

## 1.2 Perceptions of knowledge

In her paper "Translating Local Knowledge at Organizational Peripheries" Yanow (2004) considers the traveling and translation of knowledge on and across organizational borders. One of the central themes of the paper is how and why local knowledge is seldom recognized by the top management. Yanow (ibid.) argues that there is much important, even strategically essential, knowledge in the lower levels, but the management of the organization does not value or even perceive it.

According to Yanow (ibid.), the reason involves different perspectives on knowledge. She asserts that the management often holds a "rational-technical-'scientific' approach... [where]

knowledge is made up of detached, universal, generalizable facts that can be known objectively, absent the context of their origin". She continues that this "expert" or "academic" view holds knowledge as something "that can be detached from the minds of its thinkers and passed along... to others". Yanow (2004) juxtaposes this universal view on knowledge with a local view, in which "[t]he expertise embedded in local knowledge resides in intimate familiarity with and understanding of the particulars of the local situation". This knowledge is thus held by the workers, practitioners, in a specific context at a certain time, and cannot by its very character be simply "detached" elsewhere. The differences in the perspectives of knowledge and the position of the possessors of knowledge in the organization (workers with local, and management with universal knowledge) work together to mask the importance of local knowledge.

*"That this knowledge is typically developed within a community of practitioners makes it 'local' knowledge – that is, specific to a context and to a group of people acting together in that context at that time; but it is seemingly not recognized beyond the boundaries of that community – its very locality, that first-hand experience that made its generation possible, is not perceived as having any bearing on, or legitimacy in, or value to the wider organization. It (and at times along with its 'knowers') is typically discounted and dismissed and sometimes even disparaged by managers higher up in the organization; and those even higher than that rarely have any knowledge of its existence at all."* (Yanow, *ibid.*)

In her paper, Yanow (*ibid.*) concentrates on how communities of practice, which work in organizational peripheries, create local knowledge through translation and how this knowledge is not recognized by the management. She argues that one of the reasons for this disparagement is that as the knowledge is created across organizational boundaries, the practitioners are seen as "other" or "untouchable", and because of this, are kept "at an arms length". Yanow (*ibid.*) goes on to state that "'local' knowledge resides at all 'localities'" and that "mid-level managers may also be translators". We take this to mean that the top management could also be disregarding knowledge and ideas, which originate at the "shop-floor" of the organization. However, like Yanow (*ibid.*) states, in these situations the practitioners are "firmly based within organizational boundaries" and such perceptions of "otherness" should not occur. We would therefore ask: why and how does local knowledge created within the organization become to be disregarded by the top management?

### **1.3 The knowledge-intensive organization**

It is often presented in the literature that knowledge-intensive organizations are forerunners in management practices. In these organizations, traditional industrial age business logics and organizational practices - bureaucracy and control – are said to be outdated. In knowledge-intensive organizations, managers are not any more "managers" but rather coaches, who aspire to support multiformity, development and learning (Kärreman et al. 2002; Senge 1996). In these organizations, emphasis on experience, situational specifics and social interaction processes are of utmost importance (Gherardini et al. 1998; Binney et al. 2005). Overall, from this knowledge-intensive and complex nature of the work and from the significance of expertise and individual experience follows that traditional organizational structures and management methods have become outdated and inefficient (Hamel 2007).

However, some case studies made in large knowledge-intensive organizations show an opposite development. For example, Kärreman et al. (2002) argue that management practices based on control and bureaucracy are rather making their return, though in new forms in the context of expert organizations. According to Kärreman et al (ibid.), these trends mean, e.g., (a) efforts to standardize work and working methods, (b) molding individuals and units similar and interchangeable by creating hierarchical task and competence categorizations, and (c) management on the basis of economic measures and costs (management by numbers). Also, if we are to believe well-known strategy "guru" Gary Hamel, this is largely the situation in many organizations. In an interview Hamel (2008) expressed his concern that while companies all the time develop their products and processes, these same companies at the same time do not seem to be able to renew their management practices. "The world is completely different now than decades ago, but still management practices are guided by the ideas born 100 years ago. No wonder that the companies have problems in management", Hamel (2008) states in the interview.

These observations in today's knowledge-intensive organizations seem to suggest not so much "new" types of practices emerging, but instead rather going back to machine bureaucracies (Kärreman et al. 2002, Hamel 2008). One trend in these approaches seem to just the all-embracing universalism which critically downplays localism and contextualism.

Many researchers have presented their concerns about the effects of universalistic, one-size-fits-all thinking. Yet, only few studies (Yanow, 2004 and Ghoshal 2003 being outstanding exceptions) have focused on the actual process of how universalistic thinking marginalizes local ideas, and what effects this has on management thinking and practice. Moreover, these kinds of problems are not yet fully seen as concerning knowledge-intensive organizations. Knowledge-intensive, "professional" organizations are often viewed as rather democratic and forward-going organizations, where much of the power resides in persons and in local places all the way to the "shop floor" (see e.g. Mintzberg 1986).

In this paper, we take a grounded and inductive approach on how universalistic thinking "clashes" with local ideas in a large knowledge-intensive organization. Guided by our data, we focus on *how a universalistic managerial thinking in one knowledge-intensive organization discounts and undermines local ideas and solutions*. We also present some ideas about why it is so, and further we suggest that it would be well worth it addressing more on management and organizational issues and problems.

## 2 METHOD

### 2.1 The case organization

The data of this paper is drawn from interviews within a Northern European Research Organization, here referred to as RO. The RO is a large multi-technological research organization with personnel of about 2800. It is a governmental organization, but only about a third of its budget is covered by the basic funding allocated in the state budget. The RO carries out both basic and applied research and provides its customers for high-end technology solutions and innovation services.

During 2006 the RO faced a notable organizational change process where its structure was changed from a more traditional line organization model into a matrix-type organization. The old line organization became characterized as the Research and Development (R&D) function. The new matrix functions include Strategic Research (SRE), Business Solutions (BSO), and Group Services. This was a major change, as the new matrix functions did not exist at all in the old organization model.

The Research and Development (R&D) function consists of seven research branches. A total of 46 research units are divided between the branches. Each research unit further consists of two to six research teams headed by a team leader, with five to thirty researchers each. The research is executed in projects, which are inscribed to either BSO or SRE matrix functions, according to the funding type. Projects that are wholly client funded belong to BSO function and those with some own funding belong to SRE function. The new organization can be classified as a rather sophisticated hybrid with features of a matrix organization and process organization.

The middle management as a whole consists of R&D managers, i.e. leaders of the R&D function's research units, as well as of part-time customer managers from the BSO function and of research coordinators from the SRE function, both physically residing in the research units. The R&D managers report to one of the seven R&D executives, who manage the seven research branches. The RO is run by a CEO and a top management team of ten people.

## **2.2 Background**

The ideas presented in this paper are based on a year-and-a-half long research project in RO. In the project, we adopted a grounded, inductive and iterative approach (see e.g. Glaser and Strauss 1967, Eisenhardt 1989) to develop our understanding about the management of expert organizations. The initial research question of the project was "How expert organizations are managed".

The research project had two phases. First, 22 middle managers and all the ten members of the top management team were interviewed. The transcriptions of these interviews were analyzed by the project team (the writers of this paper). After this first phase (about 8 months), the second phase of data collection was planned and executed. In this phase, we interviewed four team leaders and eight researchers within two research units, which were selected on the basis of differences in the "state" of the research field (new vs. established), research branch, geographical situation, and the size of the research unit. We also interviewed the two R&D executives who managed the selected research branches, and one middle manager from both SRE and BSO. We also videotaped two team level meetings, two research unit level meetings, and two research branch level meetings.

We began data analysis during data collection. The questions and themes that "rose" from the data influenced the data collection process. New themes also forced us to search for new literature and develop our theoretical framework. In the analysis, we used qualitative and interpretative methods to answer our initial research question about managing an expert organization. This data analysis process has many similarities with systematic combining,

which is “a process where theoretical framework, empirical fieldwork, and case analysis evolve simultaneously” (Dubois and Gadde, 2002.).

Very early in our analyzing process we came across with an interesting theme: the all-encompassing differences between the roles, practices and even structures of different actors and units. But, despite the differences being overwhelming and obvious, there also existed a tendency to homogenize the organization. Particularly the upper levels in the organization seemed to be eager to come up with procedures and rules that disregarded these differences. At this point we realized we were dealing with a clash of universalistic and local thinking. So, for this paper, we went back to our data from the first phase of the project, and analyzed it with the new research question: *How, where and why the universalistic thinking of the top management “clashes” with local, lower-level ideas.*

## 2.3 Data

The results presented in this paper are based mainly on the qualitative analysis of the interviews of 22 R&D managers, and all of the ten members of the top management team. The R&D managers were selected on the basis of differences in research branch, geographical situation, the size of the research unit and gender. The interviews were conducted during autumn 2008. The duration of the discussions varied between one to two hours, most of them taking close to two. We also used secondary data from the second phase of the project (one team leader interview, observation of one meeting), anecdotal evidence from interacting with the members of the organization, and the results of a research project that studied the previous (2002) organizational change at RO (Talja et al., 2009).

The interviews were open, thematic interviews, in which the interviewees were asked to talk about their work. The interviewees were given a lot of space to “wander off” to describe their work and organization in more detail. The R&D manager interviews dealt with themes regarding the general outline of their work; what elements it consists of; when, with whom, and how they collaborate with others; what they thought about the structure and management system of the organization; what works well and what things could be developed about their work; and what were their views and thoughts about the future of their unit. In the top management team interviews, the themes discussed were the structure and management system of the organization; how well the different functions and units collaborated with each other; their own role and tasks; how they viewed the future of the organization.

The interviews concentrated on the actual work and doings of the interviewees and on the structure of the organization. We did this because we wanted to end up *describing* rather than *prescribing* (Gronn 2002) the management and working of the organization. Questions like “How do you manage” or “What is your leadership style” would have carried with them preconceptions about divisions of labor and organizational roles, and would also have provoked the interviewees to consider questions like “What does he mean, leadership/management?” (see e.g. Gronn 2003, 2002; Howell 1997; Gemmill and Oakley 1992). By concentrating on the hands-on work we feel we have reduced this prescription bias.

## 2.4 Analysis

We began the data analysis process for this paper by reading through our data. In this reading we sought for situations, characterizations and anecdotes which could be interpreted to reflect either universalistic thinking or local ideas. From the several situations and characterizations we found we concentrated on those 1) of which we had most data and 2) which we found to be most illustrative examples of the different kinds of thinking. Then we sought to find examples where the different views were clearly conflicting. During this process we also tried to find possible reasons behind the conflict. When the themes presented in the next chapter were identified, we further developed these themes using our secondary data (see “Data” chapter). This analysis process is reminiscent of the case study approach (see e.g. Yin 1984, Eisenhardt 1989).

During the whole analysis process we also sought for new literature. When a new interesting theme rose from the data, we searched for more literature on the subject. Upon finding relevant material, we took it in to enhance our theoretical framework. This again shed more light on our data and opened up new possible interpretations. This constant moving between data, literature and theoretical framework is an integral part of many approaches to qualitative research, e.g. case study (Eisenhardt 1989) and systematic combining (Dubois & Gadde 2002).

## 3 FINDINGS

In this chapter we present the findings about universalistic versus local thinking we found in our data. The findings show how universalistic and local thinking collide, and how local thinking and action become invisible in top management thinking. First we focus on how strategizing and visioning work is seen in the management approach of our case organization. What are the different viewpoints on it between top management level vs. unit and team level, and what are the consequences? What knowledge is valued and what is not in forming the strategy? What role is placed on middle management (R&D managers)? Second, we focus on the ICT process, how information systems are implemented and used, and how they affect the management practice.

### 3.1 Invisibility of lower level contexts and solutions

#### Strategy and visioning

The basic problem of the organizational approach in our case organization seems to be that research units are presented as implementers, not possessing strategic or leadership qualities. This is how one top manager of strategic research unit emphasized it:

*"... [R&D manager], middle management, they are responsible of that the research unit is able to execute these research projects and customer projects" (Top manager)*

The key in this view is that the middle management is essentially focusing on execution, taking care of resources, while others take care of visions and strategy. This view is challenged by middle management, as in the following excerpt:

*"And rather often one hears, even from the managers, that the task of R&D is only to take care of resources. It is quite an immortal way to put it, because, well, such plain resource has no intrinsic value of any kind. And one cannot keep such, such plain resource alive, if there is not some kind of direction and greatness in the doing (laughing), and sure it must come out from those people, not from some matrix." (R&D manager)*

In RO, the strategy formation and strategy process can be described as fairly top-down and traditional, in spite of the organization being an expert organization. There are many ideas and practices in the lower levels that could be relevant to the organization-wide strategy, but these remain largely invisible to top management. For example, strategy is discussed also in team meetings. As a matter of fact, in many cases strategy is formed and planned at team level.

*"Well, in team meeting, we discuss it (team strategy) and we do such, generally they are consensus decisions, that everybody sees the need that doing this and that is good, and gives his/her blessing to it and everybody is then behind it...so the competence of the team generally defines indirectly the goals of the team... so they are such strategic decisions that in team level we decide that do we start developing such and such capability." (Team leader)*

The team leader also states that top management strategy is used sometimes as a reference point. First the team plans, *"what are those areas...where there is growth potential...what new areas there could be and do our capabilities fit there"*, and *"then we go backwards and compare to what is given from top management"*. In this example, the organization-wide strategy comes *last* in formulating team-level strategy. However, as top management strategy formulations guide funding, they are thus seen as important.

There is a strategy process where lower level employees are given a chance to influence and comment on organizational strategy. In the lower levels, however, this process is not always seen as a fruitful one; very few people thought they could really make a difference. One of the reasons involves problems in communication between the top and lower levels. One team leader wondered how he could influence the bigger picture if he did not understand the strategy and if the influencing happened mainly through commenting slides.

*"I have always wondered every year when this our strategy comes, ever since it changed from written document to PowerPoint strategy, and I really have to admit that the managerial intent is not that clear. Trying to find out strategy from slides, well, it is how it is presented by who does the strategy, not what is written in the slide. Somehow it went backwards, that there was not any written strategy." (Team leader)*

A lot of strategizing and visioning work is done in middle and lower organizational levels, but it is not always visible and valued from the perspective of top management. This is also highlighted by the improvement ideas of middle management. One R&D manager suggested that instead of trying to work the organization-wide strategy down the organizational ladder, one possibility would be to build strategy, or vision, from bottom-up, in one research unit alone or between a coalition of suitable partners (with some other research units, or knowledge area groups). This would create research unit driven agendas and vision. *"We could build with these two baskets (knowledge areas) our vision"*, he continued, adding that this type *"does not apply to all research units"*. So the main points here are, first, that in the network type organization visioning could be done more as emerging and forming autonomously from bottom up, and second, that there is profound differences inside the organization how this could or should be done.

However, many interviewees felt that the local differences were being neglected. One R&D manager wondered about the disappearance of lower (branch, line, and unit) level visions and agendas:

*"[The RO] has its own strategy, it is ok, but then in some way there is the disappearance of the line of business that we serve by our research, in a few years it has somehow been forgotten, the research and development agenda of our branch."* (R&D manager)

It could be argued that the view of the top management towards middle management as not having strategic, visioning or leadership qualities is quite strong. Again, this contrasts to how R&D managers themselves see their work, as including a lot of visioning and future planning. R&D managers described that a large part of their work involves thinking what "tomorrow's thing" is and from where and how to get the right employees. This was considered by R&D managers as self-evident and necessary activity. To plan these types of things is precisely such visionary leadership that is traditionally expected from higher management. However, the R&D managers felt that the top management did not always see things the same way they did:

*"...and not to imagine that all the wisdom is accumulated in top management and that they plan the strategy and then these researchers just follow it. Well, the ideas come from here anyway. Those things that take things further."* (R&D manager)

The examples above illustrate that much strategic, visioning and leadership work is being done in the lower levels of the organization. These activities are reflected in the different processes of the organization, and many feel that top management does not value or recognize the work done by lower levels. It may be that the organization is so overwhelmed by the universalistic discourse, where leadership and strategy are mainly seen as residing in top management, that it may be difficult to see that in fact it resides more in lower levels. It may be difficult to see that the activity of the R&D manager is in fact completely different than just implementing things. In our case organization, the leadership element of middle management is somewhat unofficial compared to official tasks of following the cost structure, project level and project profitability.

Words and sayings can back old prevailing thinking models here. In our case, BSO (business solutions) or SRE (strategic research) were said by a top manager to 'own' all the projects

and money, in fact everything that is done in research units. The word own has strong content. If you own something you can do what you like with it. Talking about BSO or SRE as "owners" paints a picture of these new functions as being the new centers of power. Another metaphor, used by a top manager, frames the top manager as a gardener nurturing "good" grass and picking up weeds and throwing them away. When this metaphor is spoken from higher levels, it may create an image where the speaker presents him/herself as being very knowledgeable about what is weed and what is not: the know-it-all top leader. The image of power centralization may grow unnecessary strong. There is only a tiny step from metaphor to reality through the reification mechanism (Gemmill & Oakley 1992).

This kind of thinking is in stark contrast with the lower level reality, where R&D managers, team leaders and even researchers make many "important" decisions as a part of routine work, as illustrated in the examples above. The next story, brought in from a study that examined the organizational change of RO in 2002, is a further example of the important activities of middle management. These activities also remained invisible, known mostly only at local level, but not influencing the Kotter-model dominated management worldview.

The thinking of top management behind the change seems to be strongly influenced by the eight phase model of Kotter (1996). This model, with its heavy emphasis on strong guiding vision and force of top management team, had been widely presented as a general "right way" model in presentations and workshops in our case organization, both by top managers and by an outsider consult, in an earlier change during 2002-2003. In the study of that change process (Talja et al. 2009), it was found, first, that most research groups underwent only slight structural changes and many research groups simply continued as before or in a slightly developed form. However, one new research area was formed almost "from scratch", from "leftovers". It had severe financial problems due to an insufficient project base. The situation was rather challenging for some groups, which were placed in a "strange" environment or lacked projects. The manager of this "leftover" group and the personnel were forced to find solutions for this severe situation, and in this they succeeded. So, in the end it was more like a success story of change.

Now, one of the questions here was the relative contribution of top management vs. lower level action, in this success story. The innovative outcomes would hardly have been possible without top management "mixing up the deck" and creating a sink-or-swim scenario for many groups. Hard times were one factor but clearly not enough – good and effective leadership in *middle management* was one important key to success. And this leadership at middle level was much like that discussed in many books on heroic top managers and, as a matter of fact, was not unlike the model by Kotter (1996) that had been presented by top management consultants on our case as guidance for change, as stated above. *Except that the model was not realized at top level but by a unit of about 100 personnel, at middle management.* It is tempting to suggest that those many heroic leader models correspond better to reality if we move them to the middle management level. In our case, at this managerial level such verbs as "visioning", "motivating" and "energizing" had a lot of real meaning (Talja et al. 2009).

### **The role of middle management**

Middle managers described that the importance of the economical and financial management has been overemphasized. They felt that the cost management appears as a tool that restricts

their activities, communication and it makes their work reactive instead of proactive. They felt that their official role is managing resources and costs, as one manager points out in the following quotation:

*“In my job description it is probably stated that, as [R&D managers], our most essential task is to keep our [research unit’s] cost structure competitive. ...On paper, we are not for example in charge of the resource allocation or results. At [RO], [research units] are not profit centers but cost centers. ...I have formed my own idea of what my work is about and what I should do, but it is not in line with the official definition. There is a clear contradiction between these two. If we would work according to the official definition and saved cost in every situation, pretty soon we could turn off the lights.” (R&D manager)*

Middle managers were concerned about the development in which research units were seen mainly as cost centers, and they as cost managers, although their own focus was in the contents and direction of the work, and on enabling good research in the future. The limited amount of basic funding allocated to the research units makes it hard to survive in the changing economic cycles. The development and the role of middle management have not been given much attention when building the new organization in 2006. The message from middle managers might in many ways be very different. Some described that instead of “managing by numbers” the organization should turn towards “managing by enthusiasm”.

*“I think we should change towards “managing by enthusiasm” instead of this prevailing “management by numbers”. We should strive towards mutual visioning and openness and try to get away from the bureaucracy and that type of thinking that I cannot reveal my plans because they are going to be stolen... I have tried to boost the spirit in our [research unit] by organizing situations where I will reward people for good achievements and we are discussing together about the new project ideas... My core competence is actually organizing meetings.” (R&D manager)*

All the middle managers had a view of their own role and the core of it but the views were diverse. Overall, they emphasized motivating employees and keeping this motivation alive. Their own role was usually described as “enabler” or “eliminator of obstacles for the researcher” and trying to make sure that the operational conditions would be as good as possible. It seems that the content of their work depends on their personal way of doing and the needs of the research unit. There seems to be room here for personal choices: what kind of a role the middle manager personally takes in the organization; is s/he a strategic actor, enabler and leader or is s/he an actor who takes care of the costs and acts as a resource manager.

### **3.2 The top management sees lower level reality via ICT-systems**

In an ICT training session about competence development system, one skeptical participant asked about the rationale behind the system. The answer from a HR manager was that this new system is "widely applied in all kinds of organizations". So here was the reason in

applying ICT: it is a trend. This legitimating was illuminating, "all are doing this, so this must be best practice".

The development of ICT and computer based monitoring systems seemed to be a current and dominant trend in the organization. To some extent this relates to the question of monitoring the trilateral groups formed from R&D, Strategic Resources (SRE) and Business Solutions (BSO), in which ways and from whose perspective the development of incomes, costs, profitability and the development of the work was measured, monitored and evaluated. The middle managers and others saw that the general emphasis has been on "management by numbers" through the information systems rather than on the interactive and dialogical management and leadership. Further, the use of the measurements and indicators and their too frequent monitoring was seen as problematic:

*"Our pretty central indicator is the measurement of how projected you are, and this is what the upper management follows. It seems that in our organization the goal is to maximize this indicator in a short period of time, like in this fall. It will drive to that, that you feel that those longitudinal visions and their implementation feel somehow unrealistic. I have once said that in the companies they live in quarterly economy but here in [RO] we deny it because our quarter is one quarter of a month which is one week." (R&D manager)*

It is natural that project level is measured and followed up. However, critical questions can be raised about how it is done, by whom and in what way. It seems that through systems and indicators the organization is seeking efficiency and functionality. The middle managers raised up many concerns about these systems, their functionality and usefulness. For example, the tendency for self-service, multiple different ICT systems, their usability and the centralization of the secretary services and facelessness were critically assessed like in the following quotation:

*"The problem e.g. with the travel secretary teams comes from the facelessness. There are nowadays teams, let's say team number 4, that are serving us and not a person anymore. I would see it as an improvement that there would be the same person serving same people, like in "own doctor" principle. That would make things far easier because we would not always have to start from the basics... I would also like to give some positive feedback to the ICT helpdesk and administration in general. They have worked really well taking into consideration that we still have some problems with systems and ERP. The financial administration on the other hand is using too much power, like I mentioned, we have that pretty tight economic controlling." (R&D manager)*

To some the current systems started to remind "the steering of an army". However, the greatest annoyance for the middle managers seemed to rise from the more general management tendency that all the research units are seen as alike in the organization. It was referred from the fact that all the measures, cost rates, earning logics and official coordinating meetings have to be similar throughout in the organization.

In our observations we witnessed an episode, where in one middle level management meeting the group members were discussing new projects and about how they should be coded in ICT systems. In these meetings there is heavy emphasis on numbers, depicted form information systems. During the discussion one participant, a R&D manager, expressed – somewhat amused – that "if it is not in the system, it does not exist". In another incident we asked one higher manager that shouldn't the R&D managers learn to discuss better about their substance issues and not only about numbers. He, and an HR manager, burst into laughter and strongly emphasized that such a process is just what they should not be allowed to do. They continued that substance issues were something that R&D managers could discuss hours and hours, but "number discussions" were the right way at this level.

So, the tendency here is that the reality picture of higher management is strongly based on the ICT systems. The centralized ICT system does not allow virtually anything to emerge in its coding system that is local, context-specific, or in its early phases. Without strong "upwards" discussion culture there seems to be real threat that local knowledge and solutions remain invisible or marginal in managing the organization.

Centralized information system management seems to assume that all kinds of information and measurements can be obtained from individuals, groups, and units, and that this gives accurate description of what is going on in organization and so, it is assumed, on this basis, good management can be executed. This can lead to the assumption that discussion and interaction are unnecessary, as the relevant data come from information systems. Individual, group, and unit level configurations - the local situational solutions - then remain completely undetected. So, again, what is appropriate locally remains marginal, though mostly appropriateness dictates what really is done in practice and often that is just the way success is secured and failure avoided. But it remains invisible at higher levels where "managing" is executed. Standardized similarity creates perhaps illusions of manageability, but it may be based on a false description of reality.

## 4 DISCUSSION

The focus of this paper is on how the prevailing managerial thinking and approaches are not good in identifying, encouraging, acknowledging, and supporting local solutions. How local solutions seem to become marginalized, discounted and dismissed by top management, much like Yanow (2004) suggests. They don't get the status of ideas; they don't enter to discourses in managerial rhetoric. So they remain local. They don't emerge as waves of novel practices; instead they are in danger of drowning in the big powerful waves of all-embracing knowledge information systems.

Kärreman et al. (2002) observed in their two knowledge-intensive case companies significant features of "bureaucracy, the emphasis on rules, standards, centralization of vital functions, fine-tuned hierarchical differentiation, and the like", contrary to more "adhocratic" feature, among them self-governing teams and/or highly committed individuals. They found elements of returning machine bureaucracy, but they did not make any strong claims about the impact of these bureaucratic features. We would emphasize more the negative impact of new management systems. They tend to close eyes from real matrix-network development,

when they make visible wrong issues and leave invisible those issues that are the most important issues about organizational innovation.

Why is it so? Yanow (2004) wonders why local knowledge is ignored within organizations. She lists reasons that organizational theorists has proposed. These include organizational size issues, psychological factors (defense mechanisms of managers), organizational design approaches (with disinclination to draw on local knowledge). She then focuses on the nature of knowledge. According to her, on managerial level the preferred knowledge is more rational-technical scientific type, whereas on local level it is more of story-telling type knowledge, as stated in the introduction. We would add to the list of reasons various kinds of organizational and leadership issues. In our case organization, different thinking prevailed at top management level and at lower organizational levels (middle management and team level). Without understanding and taking into account these differences, it would be difficult to improve the dialogical challenges and it would be difficult to avoid one thinking mode prevailing too much over other thinking modes. How to strenghten the message that the prevailing approach fails to see, in the words by Chia and Holt (2009), that "invisible coordinating forces appear to work to bring together fruitful outcomes indirectly and circuitously through a plethora of local coping actions". We think that huge gaps still exist in understanding the implications of this for management.

Based on our case study about managing an expert organization it seems that the one size fits all trend is strongly advancing also in this highly knowledge-intensive expert organization. There are many elements in this trend. They include the prevailing unitaristic (strong emphasis of similarity across organizational units) worldview of top management, the overplaying of knowledge information systems in creating the reality image of what is going on in organization and through these the inherent assumption of efficient management by one size fits all practices. The elements strengthen each other - and illuminate why management and leadership practices have not been renewed in most organizations. On the other hand, at the same time the important and different local solutions remain invisible, and thus those local specialties are absent in the management practice and thinking. Unitaristic worldview in individual organizations both confirms and reinforces universalistic management thinking generally.

Overall in our case organization, despite the stated goals of top management about the importance of communication, interaction and leadership, the trend is that management rules (via management information systems) and leadership is dragging behind. There seems to be a myriad of issues influencing this situation. First, the universalistic thinking models dominate, e.g. Kotter's change model emphasizing strong management vision, strengthening image of an organization where wisdom is on the top, and then the wisdom just goes down the organizational ladders. This domination may be strengthening when efficiency goals are overemphasized. Second, knowledge information systems, including HR information systems (competence development systems etc.) add to this. Overall, trend is towards the mindset that "if it is not in the system, it does not exist". So, the picture of the organization created in the top management is overwhelmingly created by the numbers, not by "connecting" with people (Binney et al. (2005).

Contrary to one-size-fits-all management practice, our case observations suggest that it is precisely the local specialties; the local solutions that make things work successfully. Our observations tell that much of strategic work is done in research units and in teams, in many

cases virtually with very minor input from management initiatives, but not acknowledged enough at top management. Unitaristic management view fails to absorb a new type of dispersed organizational image. Unitaristic management and knowledge information system based on it tends to dismiss many important issues that do not fit the information system questions. In an atmosphere of "not in the system, not real", the important local issues - often expressible only through talk - remain at the local level, invisible.

One related theme in our study has been how "good solutions" can be transferred to other parts of the organization. Our observations highlight something very different approach than what is usually advocated in "best practice" approach. We could find many well functioning local systems and solutions, but these seemed to be precisely of the type that cannot be transferred. They were arrangements that were based on local needs, situational conditions and operational environment. This included considerations on organizational members, their competences and individual characteristics, and group level role implications with group dynamics considerations. Formal considerations were of minor interest in the overall aim to make the arrangement work in the best possible way.

The challenge is to show the trend of the returning one-size-fits-all approach, showing its deficiencies and the importance of local solutions, finding ways for local talk and local solutions to be integrated into management talk and practice. Ghoshal (2004) proposes "common sense" as an alternative to management theories that may destroy good practice. He does not go deeper into what common sense is and how it could enhance management and leadership approaches. We feel that the idea may be fairly close to local contextual solutions that have been one focus in our paper, and that it might be very useful to explore this idea further.

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