Protecting the Underbelly: Shared Ontological Interests and Organizational Learning

LAURIE FIELD

Socio-Analysis 14: 2012 (24 - 43)

The organizational learning literature has tended to depict emotion as a hindrance to learning, whereas this paper argues that emotion facilitates certain types of shared (and under some circumstances, 'organizational') learning. By applying socio-analysis and critical theory to case study data involving pay and performance management, it considers the proposition that shared and perhaps 'organizational' learning can result from tensions between (a) the technical-economic interests of business owners and senior management and (b) the ontological interests of organizational members relating to protection against vulnerability and personal exposure.

Key Words: organizational knowledge and learning, ontology, Habermas, emotion

Introduction

Since the concept of 'organizational learning' first came to prominence during the 1980s, most writers have assumed a unitary view, viz., that the interests of organizational members are, or at least should be, aligned. From a unitary stance, it is natural and reasonable that knowledge and learning should be shared in the service of economic interests and associated technical interests (reflected in such things as improved productivity, profit and share value) and associated technical interests (e.g., resolving challenges in areas such as engineering, marketing, product design and systems integration).

More recently, however, the unitary assumption has been challenged in the organizational learning literature, with growing emphasis on the pluralistic nature of organizations and on the political challenges and tensions that accompany the acquisition and sharing of knowledge and learning (for a fuller discussion, see Field 2011). A group's political interest in preserving or enhancing their power and status may be associated with a great deal of learning—for example, learning about social justice (Grieves 2008), learning about institutionalized norms (Antonacopoulou 2006), learning to influence other groups (Rosenthal 2004), learning to maintain sufficient autonomy to buffer work-life against excessive control (Coopey 2004), learning to resist exploitation (Fenwick 2003) and learning about gendered aspects of work (Lowe, Mills and Mullen 2002).

While any instance of shared learning may be associated with a combination of technical, economic and political interests, the latter differs from the other two in an important way. Technical and economic interests are in the public domain and commonly referred to in organizational representations such as websites and annual reports, whereas political interests are likely to be hidden from those outside the organization. One can visualize political interests as residing at a deeper, covert layer beneath technical and economic interests (Table 1).

Table 1: Levels of interest associated with shared and 'organizational' learning

Level of interest	Status
Technical-economic	The basis of most theorizing about organizational learning
Political	During the last decade, a growing body of scholarship has examined ways in which political interests shape organizational learning content and processes
Ontological	The focus of this paper, applying socio-analysis and critical theory to case study data

However, the focus of this paper is deeper still, addressing the proposition that shared and perhaps even 'organizational' learning may be associated with a third, underlying 'ontological' level of interests, concerned with protection against vulnerability and personal exposure (or what is later described as a shared 'ontological' interest). In essence, instead of examining ways in which maintaining or extending power is associated with shared learning, this paper considers ways in which defence against powerlessness in the face of threat to the individual, group or organizational underbelly may contribute to shared and perhaps 'organizational' learning.

Emotional concomitants of organizational learning

Beginning with the earliest substantial account of organizational learning (Argyris and Schön 1978), and continuing in subsequent writing by these and other authors, there has been some acknowledgement that emotions play a part in organizational learning. However, with few exceptions, the perspective taken is grounded in cognitive psychology and a unitary perspective on organizational life, with emotion—particularly in the form of vulnerability and associated responses such as embarrassment and shame—usually cast as the enemies of organizational learning.

From Argyris' perspective, only some organizational learning is desirable, and he discusses at length the emotional barriers to achieving it:

> *In the process of growing up, all of us learn and warehouse master programs for dealing with difficult situations...*
> *We retrieve them whenever we need to diagnose a problem or invent a solution (Argyris 1994, p. 80).*

Here and elsewhere, Argyris suggests that learners have a rational 'computer' part with programming that can be compromised by drives for self-protection, particularly when confronted by the prospect of significant organizational change. Argyris makes it clear that he views the human drive to protect against feelings like vulnerability as 'anti-learning' (1994, p. 79) and 'a recipe for ineffective learning' (p. 80).

Similar thinking is echoed throughout much of the organizational learning literature. Reluctance to engage in learning which serves the technical and economic interests of the organization, or learning associated with protection against threat, has been referred to variously as 'learning disabilities' (Senge 1990), 'learning obstacles' (McGill and Slocum 1993), 'learned helplessness' (Marsick and Watkins 1994) and 'knowledge-inhibiting activities' (Leonard-Barton 1995).

We can see these tendencies in a discussion by Snyder and Cummings (1998) of factors which contribute to ineffective organizational learning. The authors apply a medical model to their analysis, assuming that shared learning is 'healthy' and then explaining how to 'diagnose' what they refer to as 'learning disorders'. For example, if people feel 'powerless' or let 'self-interest' influence their willingness to give honest feedback, the authors diagnose an 'organizational learning disorder'. Their recommended treatments include 'heightening members' aspirations and personal visions' and 'integrating these with organizational purposes'—in the terminology of this paper, shifting perceptions towards unitary alignment between the interests of the organization and its members.

In a more recent account claiming to apply 'psychoanalytically informed theory' to diagnosing behavioural barriers to organizational learning, Godkin and Allcorn (2009) take a similar perspective. Once again, organizational learning is seen as desirable but subject to interruption by 'unconscious group dynamics' (p. 41), with 'narcissism' and what they term 'arrogant organization disorders' considered particularly problematic.

A theme notably absent from analyses like these is that shared learning may involve insight into *the fact* that people really are relatively powerless and justifiably anxious in some work-related situations, or that some aspects of work and its environment actually do threaten autonomy and security. Instead, authors such as those cited above assume that individual interests should be subservient to the technical and economic interests of the organization and that, in the long run, what benefits the organization inevitably benefits its staff.

In a significant exception to the view that emotion is a problem to be overcome in pursuit of the learning organization ideal, Long and Newton (1997) apply a socio-analytic perspective to the powerful feelings which influence people's responses to new situations and shape their capacity to learn. Their paper was the first substantial attempt to challenge the dominant rational-cognitive view of emotions taken by Argyris and later Senge (1990), and to substitute a deeper, 'gut'-level view of human emotion. From Long and Newton's perspective, learning occurs not only consciously but also unconsciously, perhaps valued but perhaps also hated and envied. In response to Senge's (1990) suggestion that to facilitate learning, one needs to suspend one's assumptions and regard co-learners as colleagues, Long and Newton observe that 'the capacity to suspend assumptions and regard each other as colleagues is hard won from the inherent tendency to split and project our deepest anxieties' (p. 8). Throughout their paper, they acknowledge the challenging nature of shared learning in organizations and the difficulties (especially given pressures to quality and productivity) of providing an appropriate holding environment for learning.

It is surprising to look back over the fifteen years since Long and Newton's paper appeared and see how limited the take-up of these ideas has been and, in particular, how little empirical data we have to cast further light on the 'guts' of organizational learning. The only exception are two closely related studies (Vince 2001; Vince and Saleem 2004) which draw on fieldwork and psychodynamic ideas to consider interconnections between organizational learning, politics and emotion. Nevertheless, in both studies there is a tendency is see emotions as 'restrictive of' learning (Vince 2001) or, as Vince and Saleem (2004) express it, 'competing priorities embedded in the learning process generate intense emotions…that often run counter to learning within the organization' (p. 149)—suggesting that interest differences provoke emotion which, in turn, inhibit learning. In contrast, a central issue examined in this paper is whether some emotion-laden interests—referred to here as 'ontological'—can precipitate shared and perhaps even 'organizational' learning.

Groups with a shared ontological interest

This section discusses the meaning of 'shared interest group' and 'ontological interest'. The shared interest groups I have in mind may be constituted formally (e.g., management teams; project groups; shift groups; groups engaged in common work) or informally (e.g., alliances of union members; groups of innovative or disgruntled workers; particular ethnic groups; groups with a common socio-economic backgrounds), with common concerns that provide a focus for dialogue and engagement. In the case of formal groups, these might be encapsulated in strategic plans, project plans and role descriptions, as well as group members' commitment to acting in accord with them.

The term 'ontology' relates to the essential nature of the things that we know—that is, to their existence or state of being, their reality, their first principles (Schwandt 1997). Laing (1960) suggested the term 'ontological insecurity' to describe the profound insecurity of being that some individuals experience, insecurity where the ordinary circumstances of everyday life constitutes a threat to one's sense of self. In *The Divided Self*, Laing describes the painful anxieties that can accompany ontological insecurity—for example, the fear of loss of identity and autonomy, of obliteration and emptiness—and of the various manoeuvres people engage in to minimize such feelings. As has since been detailed in the psychoanalytic literature (e.g., Money-Kyrle 1978; Klein 1981; Sutherland 1989), one is never fully 'secure' or 'insecure', and to some extent ontological insecurity may be experienced by most of us if circumstances are challenging enough.

In this paper, I want to extend this concept to group and organizational level. Doing so draws on the idea, first proposed by Freud (1985) and widely accepted in the psychoanalytic literature, that identification with group leaders and consequently with other group members plays an important binding role in group work, echoing our 'inalienable inheritance as a group animal' (Bion 1961, p. 91) and our 'equipment as herd animals' (p. 133).

Because of these patterns of identification, a group needs to be seen as more than the sum of its individual members. The socio-analytic literature suggests that there is a 'shared sense of identity' (Kets de Vries 1995 p. 232) and 'collective state-of-mind' (Long 2009a, p. 243) in many groups which result in their functioning as if they had a capacity for feelings such as shame and guilt (Fraher 2007). That is, in parallel with intra-psychic dynamics played out on an individual's internal stage, parallel dynamics may also play out on a larger, collective stage (Long 2009b, p. 247).

The ontological interest can be understood in this context as common concern for protection and preservation of the 'herd', maintenance of its status and minimization of feelings associated with exposure to ontological insecurity—for example, deep-seated anxiety, shame, or feelings of powerlessness—which may result from organizational activities that impact on employment relationships and are experienced as 'attacks on existential identify' (Ashman and Gibson 2010, p. 8).

In presenting this argument, there is no suggestion that a pronounced ontological interest is the norm for all work groups or all management groups. Instead, the extent to which interests are held in common and pursued jointly is likely to depend on a variety of factors, including individual group member's sense of ontological security, opportunities to work jointly, the extent to which values and purposes are shared, and the existence of threat within and external to the organization (including the general job market and implications for employability). Moreover, the shared interest groups that this paper considers need not be formally constituted or recognized, and any group of employees and/or managers, of any size (including the whole organization), bound by common technical, economic, political or ontological foci and concerns could, in the right circumstances, constitute a shared interest group.

In the context of work, the ontological interest is evident in the concept of 'social defence against anxiety', proposed by Jacques (1955) and later extended by Menzies Lyth (1988). For Jacques, social defences protect against psychotic anxiety and are 'one of the primary cohesive elements binding individuals into institutionalized human association' (p. 479) providing, as Long (2006) describes it, 'a kind of institutional glue' (p. 283). Menzies Lyth's descriptions of ward nurses show how work settings can provoke feelings which go to the ontological core of organizational members' histories, resulting not only in defences against anxiety (reflected, for example, in rigid daily task schedules and fragmentation of contact with patients), but in greater group coherence as well (Hinshelwood 2010).

Armstrong (2010) gives a lucid account of this process, drawing parallels between organizational members' internal psychological states and their commonly held (and, at times, unconsciously distorted) constructions of their organization.

Bion's foundational work on basic assumption groups (Bion, 1961) is also suggestive of a shared ontological interest. In essence, Bion's observations of group work showed groups functioning on two levels concurrently, engaged not only in work tasks but also, to some extent, in basic assumption functioning. Hoggett (1998) has argued that these basic assumptions are a primitive group response to the 'threat of dissolution' (p. 14) in the face of economic and environmental circumstances.

Although Jacques, Menzies Lyth and Bion do not express their ideas in terms of 'interests', a common implication of their ideas is that group work in organizations not only involves efforts to address technical and economic challenges and tasks, but under some circumstances may also involve a common (albeit often unconscious) effort to defend the group against vulnerability and personal exposure. It is this that is referred to here as a shared 'ontological interest'.

Tensions between technical-economic and ontological interests precipitate learning

Further insight into emotional aspects of organizational learning can be derived from the work of Jürgen Habermas, an important contributor to critical theory (Outhwaite 2009). While pitched at a theoretical level with no specific mention of organizational learning, Habermas' analysis of knowledge and interests provides useful additional insights into the ways in which learning and interests may be linked.

Habermas (1987) argues that the basic conceptual structures of human knowledge are shaped by interests that are deeply anchored in people's social existence. From Habermas' perspective, interests extend beyond the technical-economic realm, encompassing attempts to resolve challenges relating to achieving mutual understanding (which he terms the 'practical' interest) and freedom from political constraint (the 'emancipatory' interest). Habermas argues that these challenges, in turn, relate to tensions and incompatibilities between the 'lifeworld' (the inter-subjective world of human experience and social action) and the 'system' (dimensions of society external to the individual, such as bureaucracy, institutions and financial markets).

In Habermas' view, the influence of money and bureaucratic power has grown to such an extent that it invades everyday culture (Habermas visualizes this as a corrosive 'colonization' of the lifeworld) and threatens social life. In the face of this ongoing threat, deep reflection (and here he uses psychoanalysis as an example) plays a crucial role, enabling people to learn to differentiate between internal and external pressures and to feel less hemmed in by the forces of money and institutional power that 'the system' represents (Dews 1999).

Habermas' work is of particular relevance to the present study for two reasons. Firstly, it suggests that shared knowledge and learning may result not only from the pursuit of technical and economic interests, but from tensions and incompatibilities between technical-economic interests and human interests. Secondly, if one were to enquire about what has been learnt in any given situation, Habermas' starting point would be to clarify whose interests were being served by that learning—in essence, suggesting that interests determine what counts as knowledge (Held 1980).

General methodology

In order to gain insight into the processes by which organizational learning in politically charged employee relations contexts occurs, I examined learning associated with attempts to change the pay and performance management system within two large Australian companies, referred to here as 'FinanceCo' and 'DrugCo'. These two met the criteria for selection of case study sites that had been established at the beginning of the study: they were changing their pay and performance management systems during the 12 months which had been allowed for fieldwork; they were agreeable to the study; they had no prior relationship with me; and they were very different from each other, one (FinanceCo) comprising a white-collar service centre and the other (DrugCo) a pharmaceutical plant. The changes being introduced in pay and performance management during the case study period are summarized in Table 2.

Table 2: Overview of changes in pay and performance management at the two research sites

	FinanceCo	DrugCo
Pay system prior to change	*Customer Relations Centre:* Increments based on skill and productivity, with opportunities for skills enhancement as long as one is willing to move between and learn new jobs *Product Centre:* A traditional pay-scale with increments based on position and time-served	Base rate with skill-based increments Focus on skills acquisition, with no productivity component
Changes sought by management but not implemented	Nil	Increase the working week by one hour
Changes sought by management which were agreed to and introduced	Different pay rates, some lower, some higher Agreement to multiskilling Loss of shift loadings New work arrangements and roles to support on-job learning More refined skills recognition system New pay-for-job-performance component	Different pay rates, some lower, some higher Attitudes taken into account in determining pay Changes to leave arrangements New pay-for-team-productivity componenat

Why pay and performance management change?

There can be little doubt that well-designed pay and performance management systems can support organizational effectiveness and profitability, with claims that they foster organizational commitment and success (Buchenroth, 2006), support the implementation of total quality systems (Jawahar and Salegna 2003) and have the potential to gain 'the hearts and minds' of employees during times of massive change (Flannery et al. 1996). At the same time, studies like those just cited acknowledge that mishandling of pay and performance management can threaten the interests of employees, undermining their autonomy and feelings of self-worth. Changes in pay and performance management arrangements raise the possibility of either outcome, and thus potentially provide a window into organizational learning in an emotion-charged employee relations context.

Details of methodology

Each case study involved a series of unstructured interviews supplemented by study of documents such as minutes of meetings and draft agreements relating to pay and performance management and each company generally. Interviews were conducted in two rounds approximately eight months apart. In each case, the first round of interviews occurred when negotiations were beginning on the new agreements, and the second after agreement had been reached. In all, forty four interviews were conducted, each approximately an hour in length. The primary aim in each case was to give interviewees opportunity to express their views about any aspects of the changes being proposed, including what and how they had learnt.

All interviews were recorded, and the transcribed material was analysed with the help of qualitative data analysis software, working paragraph by paragraph through each transcript in an effort to understand was being learnt and how learning was occurring. The software was used to search for instances of key terms, to construct and refine diagrams of relationships between themes and to store notes (reflections, speculations, questions to follow up) constructed as I worked through the interviews. A journal was also used to record insights as they emerged from the case studies and related reading.

The result of these activities was a detailed picture of shared and organizational learning at FinanceCo and DrugCo in the context of changing pay and performance management, and an emerging understanding of the important role that shared interests played in learning. Vignettes extracted from each case study to illustrate learning associated with ontological level interests are presented below.

Extracts from the FinanceCo and DrugCo Case Studies

FinanceCo Vignettes

Vignette 1: During the period leading up to the vote on FinanceCo's new pay and performance management package (referred to here as 'New Ways'), there was considerable debate about the likely impact of the new approach to pay and performance management. Some feared that it would downgrade their jobs. According to one middle-level manager, 'There is a lot of baggage from previous roles, under prior structures. People believe their jobs have been downgraded.'

In the terminology developed in this paper, 'baggage' seems to relate to learning resulting from a shared, ontological level interest. Groups with common interests learn from the past and from parallel situations where feelings of self-worth or being in control are threatened. Long-serving employees and front-line managers had learnt from FinanceCo's history of workplace reform that any changes might threaten their interests, a protective form of learning that was evident in many references to New Ways. For example, employees expressed wariness about its 'sugar coating' and about it being a 'Trojan horse', and they speculated about the 'sting in its tail'. Product Centre staff had also learnt from colleagues at another Centre that the changes could constitute a loss of control over their work.

Vignette 2: A member of the New Ways project group described what staff had learnt from management willingness to arrange frank briefings about the proposed changes: 'Staff thought "if management are allowing you to give an unbiased view, they must be all right". It changed their perception slightly.'

The word 'slightly' appears to acknowledge the limits of this kind of learning. The lessons of a decade of traumatic change at FinanceCo had greatly challenged group interests, and contributed to a great deal of wariness, particularly amongst older employees. A member of the New Ways project group described what had been learnt from dealing with resistance in the Product Centre: 'People are regressing. We're in a bit of a reverting stage, where people are wary of the idea of "one culture". Perhaps that's been a result our inability to paint the picture of how we see our culture in the future.'

These comments reflect management's hopes for the Product Centre as well as employees' reluctance. On the one hand, management seek a unitary culture where all members of the two Centres work seamlessly together in pursuit of a common technical-economic interest. At the same time, Product Centre staff members are seen as resisting these changes or 'regressing'.

When the ontological interest is threatened, people may apparently 'regress' because they lack confidence in themselves and their ability to change. This lack of confidence may itself be a learned response to various circumstances, both real and perceived, over the course of one's life, including the real circumstances of industry restructuring and company ruthlessness.

Vignette 3: A great deal of learning at FinanceCo related to the larger economic and political contexts in which the Centres operated—in essence, 'money and institutional power' and the treat it can represent to the ontological interest. For example, long-serving employees at FinanceCo had learnt that senior management had a tendency to see them as just another expendable resource. Describing the company's turbulent employee relations history, one team leader explained: 'Some years back, we employed lots of people to replace the ones retrenched, and we've still got people around who saw the strike. It was a mess. The majority left, and the ones who stayed keep saying "remember back then, when that happened?"'.

This statement is referring to years of accumulated learning about the tension between the technical-economic interest and the ontological interest. The threat that New Ways represented resulted in considerable resistance (or what Vince (2007) terms 'learning inaction') by employees. According to a FinanceCo manager:

> *'I think that some people just won't change because of the damage that's been done back then. They're in the stage of denial. So much has happened to them that any decision or process is seen negatively.'*

At the level of the individuals involved, the phrase 'the stage of denial' seems to relate to the stages of grieving associated with death and dying (Kubler-Ross 1969), suggestive of the deep level of trauma experienced by some employees in the transition to centralized sites. At a number of points in this transition, groups of employees had learnt harsh lessons about the influence of money and institutional power on their work at FinanceCo. They had learnt that FinanceCo's senior management team had little regard for their skills and experience, and were not averse to deskilling if it suited their economic goals. Whether objectively justified by external circumstances or owing more to unconscious dynamics, they had learnt that management could not be trusted.

But the reference to 'stage of denial' may also pick up on the broader, more organization-level not-knowing that was occurring. When management looks across at employees and draws attention to their 'denial', how much is it a projection of what they themselves are doing, viz., justifying radical changes that serve the organization's technical-economic interest, while downplaying or denying the ontological threat to themselves and their employees?

Vignette 4: The case study at FinanceCo revealed deep-seated fears about the consequences of economic and political forces on people's jobs and lives. As one of the team leaders in the Product Centre observed:

> *'A hypothetical example might be "everyone has to start at 6.30 am because we have to get an edge on the market and start before everyone else". Some people would think this is ridiculous. "Well then, if you don't come to the party, you might have to look at working elsewhere"'.*

I asked another team leader whether senior management were getting better at creating performance management systems that made it difficult for people to object to doing whatever they were told. He replied: 'Yes, that's a big issue. But I don't believe that's the monster behind the concept—the beautiful part is creating a dynamic learning environment.'

Given nothing monstrous has been suggested, these comments suggested to me that some employees feared a 'monstrous' ruthlessness lurking behind the 'beautiful' rhetoric. In this feared scenario, management would have absolute and quite unrealistic power over working conditions. Perhaps to reassure himself as well as me, no sooner is the existence of such a 'monstrous' scenario acknowledged than it is cut across with the reference to the hoped-for 'beautiful' and 'dynamic' nature of New Ways.

In another interview, I asked a team leader about the attitudes of employees who opposed to New Ways. He replied:

> *'I've heard things like "this is silly, do I have to do this". Every matter has to be explored individually. If someone is just around the corner from retirement, this could be a chop in the arm for them.'*

There can be little doubt that the phrase 'a chop in the arm' refers to a painful, violent assault, indicative of the level of confrontation that New Ways represented. Particular threat was felt by the large, well paid group of older employees in the Product Centre who, in the new context, did not have appropriate skills to match their pay. There seemed to be no satisfactory pay solution for them. As one of the team leaders commented: ‘They are afraid that once they have reached the peak, where can they go from there? To add insult to the wound [sic], if you then realize you have to change, it’s another six months before you will be judged again.’

The terms used here—‘afraid’ and the reference to ‘wound’—once again underline the vulnerability and distress that must be felt by groups of long-serving employees who learn that both their immediate work context and the broader industrial environment is being overturned by a new economic and political order.

DrugCo Vignettes

Vignette 5: From previous disputes, DrugCo management had learnt a great deal about how to deemphasize interest differences. For example, by couching the negotiating process as ‘Joint Problem-Solving’, they had cleverly occupied the high moral ground, according to the HR Manager: ‘I would definitely say that Joint Problem-Solving was worthwhile. Tactically, we were so lily white that any external assessment of what had been done would have found us looking pretty rosy.’

In contrast, union representatives’ approach suggested that they had learnt little from past skirmishes. At an important negotiation meeting, the main union official had handed DrugCo’s HR Manager a cartoon intended to unnerve:

> *A troubled looking man, labelled as the HR Manager, is in a small boat fending off swirling sharks. Each of the sharks is named for a union official. The dominant (union official) shark is saying: ‘Why don’t you just give yourself up quietly, otherwise this could turn into a frenzy!’*

The image is both frightening and threatening, pitched directly at the ontological level, and couching the negotiations as a life or death frenzy. Nevertheless, it is only a cartoon and was quickly dismissed by DrugCo management, who went on to utilize their solid preparation to win the case.

Vignette 6: In discussing the current negotiations, a number of employees referred back to a previous dispute where a group of workers marched off the site by security guards. According to a team leader:

'There was an extreme feeling of distrust with management, which went on for a long time. Those sorts of things that happen in your lifetime aren't things you easily forget. [For] production workers here…those things are just flags in their memory.

The phrase 'flags in their memory' is consistent with the notion that groups can have a shared memory associated with common interests, a kind of 'institution-in-experience' (Long and Newton, 1997) not only at the level of individuals, but at the level of groups with common interests as well. Here, the group's memory is 'flagged' at particular points by incidents that threaten the ontological interest. The earlier confrontational treatment of workers was part of a more general transition that had occurred at DrugCo and involved a change of ownership. According to a manager:

> *[The new owners] were more bottom-line oriented than [the previous owners]. The concept of being a pharmaceutical company was disappearing…we started to think of ourselves more as taking on the values of a fast-moving, consumer goods company, and the almighty dollar really came into prominence.*

Underlying such comments, one can imagine the reorientation which long-serving employees needed to make, from the unpressured work environment of earlier years to one where the interests of money and institutional power ('the almighty dollar') held sway. A considerable number of employees chose to leave during this period, rather than remain in the troubled environment, and those who remained did so in the realization that their security was subject to powerful international market forces.

At DrugCo, it wasn't only workers who were learning about the increasingly insecure work environment, but management as well. According to a senior manager:

> *The workforce is right when they say, 'Even if we did bust our butts and were the sight of excellence, someone in the boardroom, at a stroke of a pen could just wipe us off the map'.*

A conclusion like this conveys considerable despair about the challenges not only to individual interests but also to shared group and site-wide interests that international forces of money and institutional power can represent.

Discussion and Conclusion

At both FinanceCo and DrugCo, the changes in pay and performance management involved emotionally charged tensions between senior management's interest in maximizing productivity and minimizing costs, and employees' wish to protect their jobs, including protection against vulnerability and dissolution of their groups and work relationships. At both sites, the struggles were intensified by learning from previous periods of job losses.

These findings are consistent with Habermas' (1987) contention that a great deal of shared knowledge (and, by implication, learning) results from tensions between technical-economic interests and human interests. This paper has argued that 'human interests' include the ontological-level interests of organizational members, relating to protection against vulnerability and personal exposure. The data presented in the vignettes is also consistent with Habermas' suggestion that interests determine what counts as knowledge. Management at both sites were enthusiastic about learning associated with their own technical-economic interests, and did what they could to facilitate it. At the same time, they tended to ignore, delegitimize or restrict opportunities for learning associated with employees' political and ontological interests.

In the vast majority of organizational learning accounts in the literature, the only learning considered relates to pursuit of technical-economic interests, and emotion is either glossed over or depicted as a hindrance to learning. But a broader conception of organizational learning that includes learning associated with ontological interests reveals a very different picture. Both the content of learning and the processes by which learning occurs may be infused with emotion, including wariness (e.g., vignettes 1 and 2), denial (e.g., vignette 3), fear of being wounded and of violent attack (e.g., vignettes 4 and 5) and despair (e.g., vignette 6).

Another noteworthy aspect of the two case studies was that there was little evidence of learning that was truly 'organizational'. Instead, when one looked for learning that was broader than the level of individuals, the primary learning locus was 'shared interest group' rather than 'organization', suggesting that 'shared interest group learning' may be a more meaningful construct than 'organizational learning'. By 'shared interest group learning', I mean that the learning entity is a group of organizational members with common interests (which may include not only technical and economic interests, but political and/or ontological ones as well); that learning is common to group members but not to the organization as a whole; and that the lessons learnt are applied in service of group interests, including defence against group vulnerability.

In the two case studies, the only learning that could be considered 'organizational' resulted from traumatic periods where management and employees were equally under threat. At FinanceCo, intense uncertainties in the years leading up to the case study were a catalyst for widespread learning about the profound changes facing this industry. Similarly, at DrugCo, the closure of another pharmaceutical plant during the case study period shocked both management and employees, and there appeared to have been some lessons learnt that were common to BOTH managers AND employees about enterprise vulnerability in the face of international capitalism.

What flows from such periods or events is certainly consistent with definitions of organizational learning—that is, people across a whole organization gain new knowledge and understanding which is retained in organizational memory and subsequently impacts on group behaviour. Much more commonly, though, the learning that occurred at the two sites in relation to the ontological interest was retained within the group and did not extend to the whole organization. Of course, management's failure to give this type of learning organizational legitimacy must have contributed to this outcome.

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Biographical Note

Dr Laurie Field is a Senior Lecturer in the Faculty of Human Sciences, Macquarie University in Sydney, involved in postgraduate teaching in organizational studies. In parallel with academic activities, he has for many years undertaken consulting work relating to workplace learning and change.