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Reviews: Architectures of knowledge: Firms, capabilities and communities

Timothy Adrian Robert CLARK

Singapore Management University, timothyclark@smu.edu.sg

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Architectures of knowledge: firms, capabilities and communities by A Amin, P Cohendet; Oxford University Press, Oxford, 2004, 179 pages, £47.00 cloth, £18.00 paper (US\$99.50, \$19.95) ISBN 0 19 925332-3, 0 19 925333 1

Audiences are constantly bombarded by a whole host of bland catchphrases. Indeed, their very generation is viewed as a necessary part of the art of modern media communication. Complex and contested issues are forcibly reduced to snappy and memorable phrases so as to be quickly digested by an apparently impatient and inattentive audience. In some respects capturing the attention of the audience is more important than the precision of the statement. If we were to survey the most frequently uttered phrases, some of the following would very likely be in the top ten: 'Markets are more competitive than ever', 'we live in a truly globalized world', 'people are our best assets', and 'knowledge is the most important competitive asset of the modern organization'. These phrases not only reflect some apparent reality but also often represent the zeitgeist in that they capture the popular mood about some feature of organizational life. In this respect they articulate what is believed to be currently fashionable. Academic knowledge is not immune to these processes. In recent years there has been growing interest in the notion that management ideas and techniques are subject to swings in fashion in the same way that aesthetic aspects of life such as clothing styles, hair length, music tastes, furniture design, and so forth are characterized by surges of popularity and then decline.

Researchers have conceived of management fashions as ideas and techniques that fail to become firmly entrenched and institutionalized because organizations are attracted to them for a period and then abandon them in favour of apparently newer and more promising ones.

In this context, the role of the contemporary academic, in part, is to question the validity of such fashionable notions and deepen our understanding of their underlying assumptions. In this lucid, intelligently written, and perspicacious book the two authors conduct a wide-ranging review of the extant literature on knowledge management (KM), currently a very fashionable idea. In so doing they highlight a number of critical deficiencies in existing approaches to KM and in the process develop a possible route into and out of the morass of literature that characterizes this area.

Their argument is neatly summarized in the pithy introduction. The book focuses on the "generative dance between possessed and practised knowledge" (page xiv). Importantly, they argue that the interplay between 'knowledge' (knowledge as possessed) and 'knowing' (knowledge as practised) occurs within the "functioning of communities of actors who share similar beliefs" (page xiv). This has the potential to create challenges and tensions for organizations as they seek to reconcile the architecture of knowing with that for possessed knowledge. The former requires specialized units of knowledge whereas the latter needs to flow unimpeded across such silos as it constantly transforms itself through everyday interaction within informal groups of people acting under conditions of 'voluntary exchange'. Thus a key question that they pose, which is explored partially in later chapters, is how can firms align the disparate and fragmented practice-based communities within which knowledge is formed with the hierarchical division of labour?

Chapter 1, "Placing knowledge", reviews the range of different approaches to understanding knowledge and in the process identifies some of the conceptual and epistemological contradictions between alternative perspectives. They reduce the "polyphony of voices from various fields" to three approaches: the strategic-management approach in which knowledge generation is fostered through managerial action; the evolutionary-economic approach in which organizational routines are viewed as the building blocks of the organization's core dynamic capabilities; and, the social-anthropology-of-learning approach which focuses on how knowledge is formed and made explicit through social interaction within communities of knowing. Chapter 2, "Economics of knowledge reconsidered", reviews the economic literature on knowledge, questioning in turn

whether: (a) knowledge results from the accumulation of information; (b) codified knowledge should be privileged over tacit knowledge; (c) individual knowledge should be emphasized over collective knowledge; (d) knowledge is something which is 'possessed' and learned through experience. This leads to the question of how firms can build their own sets of competencies and process knowledge. Chapter 3, "The firm as a locus of competence building", develops the notion of the firm as a processor of knowledge. Drawing on a competence-based approach to organizations, it seeks to explore the processes by which dispersed knowledge is both built and coordinated into shared knowledge. This requires the firm to "amplify the knowledge created or possessed by individuals and crystallize it at the group level" (page 40). Such an argument leads to the assertion that "the firm must be seen *in primis* as a processor of knowledge, and not just as a mere information-processing device" (page 42). In this context the key question becomes which activities are the most important and thus worthy of the greatest attention and investment? In answering this question the authors argue for what they term a "dual" firm notion in which core competencies are managed "*but according to a specific lexicographic order of priorities*" (page 43, italics in original). In other words, firms distinguish between a zone of *core competencies* that are not tradable and a zone of *competencies* that are necessary for functioning but not key to competitive advantage. Such an arrangement results in a key governance challenge. How do firms reconcile the need to support both transactional efficiency and creative learning? Their answer is to argue for a "fuller recognition of an intermediate level between the analysis of the behaviour of individuals and the behaviour of the whole organization" (page 60). We are thus back to the importance of 'communities' as the location for knowledge generation and acquisition through "everyday interaction in which thinking and acting are combined in inseparable unity" (page 62).

Chapter 4, "Practices of knowing", builds on the previous argument by first examining how knowledge is instantiated by social embeddedness and connectivity drawing upon insights from actor-network theory. The bulk of the chapter is then devoted to a nuanced discussion of communities in which the similarities and differences between Knorr Cetina's notion of 'epistemic communities' and Lave and Wenger's concept of 'communities of practice' are discussed in detail. It is concluded that the former are procedurally organized, heterogeneous, and support the development of experimental knowledge, whereas the latter are spontaneous, largely homogenous, and exploit existing knowledge. Although these communities support the emergence and acquisition of different types of knowledge, the authors argue that both enmesh processes such as learning through doing, social engagement, the acquisition and socialization of allies and converts, and community maintenance "in a recursive act of knowledge generation through social action" (page 81). Their conclusion is that these critical factors need to be fostered and better understood if we are to understand better and succeed in generating knowledge that supports and furthers organizational goals.

Chapter 5, "Spaces of knowing", starts by critically engaging with a key insight derived from the national systems of innovation approach and the local agglomeration-proximity perspective that context is critical for supporting innovation and learning. These perspectives emphasize the importance of knowledge generation through "face-to-face contact, dense local interaction patterns, and interpersonal ties" (page 91). Organizations are thus severely hampered if distanced or otherwise disconnected from the local institutional arrangements and social interactions that nourish their continued survival and success. The authors do not deny the importance of localized ties but argue that the significance of distanced ties which "rely on a spatially 'stretched' connectivity" (page 93) has been overlooked. Using examples of the Swedish pop industry, Silicon Valley, and the media and advertising cluster in Soho, London, they argue that each of these sites is a recipient of "travelling and circulating knowledge, coming in bits from a number of distances and directions and in varied forms" (page 103). In this respect their success depends upon acting at a distance so that via relational connections relevant dispersed knowledge, wherever it may be, is brought into the site and in the process made locally relevant. In this way they wish to deemphasize the importance of relational proximity as necessary for the successful development of productive and successful knowledge communities.

Chapter 6, "Communities and governance of knowledge in the firm", examines the management of learning communities by contrasting the 'management by design' approach with

that of 'management by communities'. Their essential argument is that knowledge communities cannot be managed using the "tools of hierarchical or transactional governance" (page 113). Instead, they stress the role of engagement—enrolment—translation, conviviality, serendipitous contact, and sociality in general. Furthermore, in developing the organization as a "community of communities" they emphasize the critical issue of how "autonomous communities can be made to 'stick' to the hierarchical domain of the organization" (page 122).

The final chapter is concerned with the "Public policy implications" of emphasizing community as the basic unit of knowledge formation. These include, for example, revisiting the role of patents by moving away from ensuring that groups rather than individual agents are able to appropriate new knowledge. If communities are "seen as semi-public entities, holding something common but not available to all" (page 146) then property rights need to be rethought. Furthermore, given that knowledge is the product of an intermingling of heterogeneous actors strung across many boundaries, it cannot easily be broken down into discrete chunks. What matters is not so much who owns what but how the nodes in the network can be aligned and stabilized. The authors therefore argue for the overriding importance of building and supporting the 'cognitive weft' of 'mediaries'—human and nonhuman—that enrol and support the creation of knowledge networks. Above all, policymakers must support the fragile, unforeseeable, and serendipitous process of network formation. They conclude by arguing that "public policy has to be modest about the effectiveness of top-down interventions, and move ... towards a hermeneutic approach based on providing nodal support in existing and emergent networks" (page 153).

The book suffers from two shortcomings. It presents too idealistic a view of the power and role of communities. Not enough attention is given to the more critical literature that has emphasized how communities can suffocate and restrict the generation and dissemination of novel knowledge. Others have argued that meaning is not freely negotiated through practice but is mediated and attenuated through the interaction between habitus, which members bring to a community, and practice. Whatever the criticism, communities are not necessarily the democratic and emancipatory spaces for knowledge generation presented in this book. Rather, a range of factors may impinge on their formation or operation and predispose them to the absorption and creation of certain kinds of knowledge, thus severely restricting their ability to be truly innovative. The other main limitation of the book is its failure fully to support the theoretical arguments with empirical data. A few secondary sources are drawn upon and these are restricted to well-known examples. Without a clear and full articulation of the practical implications of the ideas within the book, and a convincing demonstration of their utility, the book is in danger of failing to enrol as wide an audience as it deserves. The ideas are too abstract with the consequence that the reader is left wondering what these micro-interactions that generate knowledge and underpin community formation actually look like. Given that throughout the book the authors emphasize the importance of learning by doing it would have been very helpful to have read a number of case studies illustrating the social dynamics and processes they highlight. Without this dimension the book is distanced from the very practices that it seeks to encourage.

Despite these niggles this is a challenging and informative book written in pellucid prose that advances the KM literature in a number of interesting directions. For me the most powerful ideas relate to the notions of the dual firm and action at a distance as critical to the development of critical knowledge. Communities are not located in a single space and time. Rather they are spread beyond firm, local, regional, and national boundaries. A further strength is that the terpsichorean imperative on which the book is based (the generative dance between possessed and practised knowledge) is exemplified in the authors' own partnership. The book draws upon and juxtaposes discussions of epistemology, actor-network theory, the economics of knowledge, cognitive science, as well as the sociology and geography of learning. It deftly weaves these into an integrated and highly illuminating narrative. This book deserves to enjoy a wide readership and will be essential reading for anyone who seeks a stimulating and rigorously grounded map through the tricky terrain of contemporary knowledge management.

Timothy Clark, Durham Business School, University of Durham, Durham City DH1 3LB, England