

## PRAXIS RESEARCH AND LEARNING ORGANISATIONS

Since the mid-1980s, there has been a growing emphasis in public debate and policy on skills formation, as an integral component of industry restructuring. Three major developments have occurred in response to these pressures:

- \* industrial awards have been restructured to provide for progression on the basis of skill and competency, rather than time and seniority;
- \* public policy with respect to education and training has focussed on an apparent reordering of priorities to emphasise measures related to improving international economic competitiveness; and
- \* amongst individual enterprises, both private and public. there has been intense review of their internal approach to skills formation, with an emphasis on seeing training provision as a component of business planning, in which organisational objectives, technological investment, work organisation and training are integrated.

This paper will focus particularly on the third of these areas, presenting a case study of a particular strategy for organisational learning which has emerged from the technological change agreement negotiated between the Public Sector Union and the Australian Taxation Office. Within the context of the modernisation of the Australian Taxation Office, the Union Research Centre on Office Technology (URCOT) has worked with members of the Public Sector Union to implement an approach to workplace-based research which leads, indirectly at least, to improved individual and collective learning.

### Enterprises as Learning Organisations

A growing number of organisations have begun to explore the implementation of a 'learning culture', as the key to improved organisational performance. Based on his experience with the Centre for Educational Research and Innovation (at the OECD) and in reviewing the Swedish Development Program in New Technology, Work and Management, and other studies, Ford argues that,

... an enterprise's dynamic comparative advantage is related to the ability to absorb, adapt and implement conceptual changes; the ability to integrate innovations in the organisation; and the ability to learn. How does one enterprise learn faster than another. (Ford, 1991, 6).

Ford suggests that achieving these objectives is not simply a matter of incremental change, or of greater emphasis on training. Rather, it involves a significant conceptual shift from 'traditions of training and development' to an commitment to 'integrated enterprise learning'.

Ford's experience and analysis focuses not only on changes in

structure and objectives, but on the need for a fundamental reconstitution of organisational culture. This requires the involvement of a broad range of the workers within an enterprise, and the development of processes which can integrate innovations in participative work organisation, technology, skill formation and employment relations (see Ford, 1991, 12).

Not all researchers of organisational change place the same emphasis on participative change strategies. Dunphy and Stace, for example, are more cautious, arguing that

environmental conditions may require a more coercive approach to change. They conclude:

Our research shows that participation or coercion, or styles in between, may be equally effective in bringing about change in different circumstances. Participation is an effective approach to change when both managers and employees are prepared to support the changes needed to bring an organisation into fit. (Dunphy and Stace, 1990, 76-77).

Where new technologies are integral to the change process, the case for participative approaches seems to be strengthened. The OECD has argued that the key is the quality of the human resources present in an organisation, which is critical to the speed and effectiveness of the implementation of information technologies. Furthermore,

...the successful use of such advanced forms of new technology as CAD/CAM, FMS and corporate information systems is promoted by the recasting of methods and procedures, such as the shift from simple hierarchy and divisional organisation towards the complex, multilinked matrix type of organisation. (OECD, 1988, 78).

They add that teamworking becomes increasingly important as an organisational unit, as no one individual, least of all management, is able to analyse and use the required information adequately. In enterprises undergoing this type of change, new arrangements which do, as Ford suggests, link together the

introduction of new technologies, with appropriate forms of work organisation and skills formation, become essential. The Australian Taxation Office is one such organisation.

### The AT0 As A Learning Organisation

In 1987, the Australian Taxation Office (ATO) embarked on a ten year program to reequip with contemporary information and communications technologies. The scope of the change process quickly expanded, as the ATO determined that it would not simply automate its existing functions, but would totally review its organisational and business structures and priorities. This led to a complex set of negotiations and agreements, firstly with the Department of Finance and the federal Government, secondly the Computer Power Group, and subsequently with the unions, specifically the Public Sector Union (PSU). The Modernisation Program is intended to, ... improve efficiency and productivity in the ATO through:

- \* reorganisation, redesign and restructuring of business systems;
- \* acquisition of new computer equipment;
- \* redevelopment of computer systems;
- \* decentralisation of staff and activities; and
- \* improvement of accommodation.

To implement this program, the ATO will need to develop:

- \* a more multiskilled and flexible workforce;
- \* better working conditions and career structures; and
- \* improved management structures and procedures.

(ATO-PSU, 1990, 5)

The ATO proposed that the government should provide the funding necessary (\$1.2 billion) for the modernisation process, as it became known, in return for a specified level of savings. The key to the 'savings' was a reduction of 3,000 in the workforce which

the ATO would have required in the late 1990's, had modernisation not occurred. It has been a massive process, involving more than sixty separate projects (see Mathews, 1992).

As a key element of the approach to change, the ATO negotiated with the Public Sector Union (PSU) an agreement which addressed industrial issues arising from such a massive process of technological change. Known as the Modernisation Agreement, it

was a comprehensive document, which precluded compulsory retrenchment and also covered occupational health and safety, the use of consultants, employee monitoring, equal employment opportunity, staff profile, workforce planning, staff development and training, mobility, accommodation, work organisation, and union involvement in modernised decision-making. The Agreement was registered as a s.115 agreement, with the force of an industrial award.

This approach to modernisation has placed a premium on the development of effective 'constructive users' (Hales, 1993), and on the recasting of the ATO culture so that it becomes a dynamic, learning organisation. This commitment is founded on two main ideas. The first acknowledges that the Modernisation Program has been implemented as a defined set of projects; completion of these projects will be the beginning, however, not the end, of the change process. The speed and character of change in the political and economic context of tax administration is such that the ATO will always have to be reflexive, responsive and adaptable, if it is to provide service while successfully collecting revenue. Secondly, the ATO is rapidly becoming a decentralised agency. As the ATO notes in its Corporate Plan, this involves the ATO staff, at all levels, taking on increased responsibility for decision-making.

Hand in hand with providing our services where our clients want them goes devolution. This, of course, is the devolution of responsibility to make decisions at the local level where knowledge of client needs and market conditions can best be harnessed to achieve the right balance of help and enforcement. (ATO Corporate Plan 1992-1995, 1).

On present indications, it is expected that staff at all levels of the organisation will need continually to enhance skills and exercise responsibility, in the decentralised environment. This will be in significant contrast to the existing arrangements.

This requires ATO management to have a more sophisticated understanding of the skills formation needs of their workers, and of the broader learning needs of the organisation. The implications of this can be understood at two levels: firstly, the organisation might develop a work place environment which enables the workers to learn as an integral dimension of their work; secondly, the organisation might also develop structures to facilitate collective learning, which is much more than simply the sum of individual gains.

The ATO has recognised the importance of revising the context

in which training of its employees occurs, and has expressed the ideal that it would develop a learning culture in which:

- \* all staff understand and accept their role in their own learning and the training and development of their colleagues;
- \* managers recognise that direct involvement with all aspects of development ranks equally in importance in their responsibilities with planning and managing;
- \* they are supported by an executive modelling, demonstrating, and supporting the learning culture;
- \* they are supported by appropriate expertise, up-to-date materials and appropriate modern technology; and
- \* learning and work are integrated. (Human Resource Development Policy, February, 1992).

These objectives are sought through an approach which involves various kinds of work-based training programs, built around an agreed competency framework. The ATO has also committed itself to supporting professional education and training programs provided by external institutions, such as the University of New South Wales. Other arrangements which support skills development include enabling staff to undertake higher duties, transfers between sections, and performance evaluation and career planning support.

Strategies for achieving organisational learning are of a different nature. Four kinds of activity can be identified:

- \* research and development, directed at various kinds of innovation or improved delivery of existing services;
- \* the collective evaluation of past performance, through specific review and planning conferences. The use of steering committees, which draw together experience from a variety of backgrounds is another means of ensuring that knowledge from one part of the organisation is made available to others in a manner as systematic as possible;
- \* the involvement of union representatives, who are able to voice the collective wisdom of the staff who

are, or might be directly affected, by particular initiatives; and

\* the use of external consultants, where it is apparent that the organisation requires specific expertise which is not available from its own resources.

This analysis requires further development. For the purposes of this paper, however, particular comments will be made about the third of these strategies, and the specific contribution of the

Union Research Centre on Office Technology.

URCOT: the Swedish Background and 'Praxis' Research

Under the terms of the Modernisation Agreement, the PSU has a particular role in decision-making about the implementation of Modernisation. The Agreement specifies that communication with members throughout the organisation is an important aspect of this role, as is the expression of points of view which have been adopted through the democratic processes of the union. URCOT was established to provide independent research advice to the Union, with respect to its broader role in the Modernisation process. From the outset, it was understood that URCOT would fulfil its responsibilities through an action, or 'praxis' research approach, based on the experience of Swedish researchers at the Centre for Working Life in Stockholm.

The Swedish researchers emphasised close links with trade unions and developed a research framework which was intended to enable trade unions to acquire independent knowledge (Goranzon, 1982, 43). The PAAS project, in particular, used the label of 'action research' to characterise their intellectual and political priorities.

A number of current conceptions on the part played by research in bringing about change can be summarised under the three headings "understanding without change", "change without understanding" and "change through understanding"... "Change through understanding" means for us an activity aimed at increasing the ability of the parties concerned themselves to solve their own problems... The researcher's work becomes a matter of providing knowledge and experience so that those people subject to a change can better understand their own position, develop their own concepts and find alternative courses of action. (Goranzon, 1982, 73-74).

For the Swedish researchers, the emphasis on practical experience as the basis of knowledge, and of worthwhile design and change, was important not only politically, but also with respect to learning theory. Furthermore, the knowledge which employees gathered would be more likely to be immediately useful.

Sandberg, another Swedish researcher, has suggested that the value of action research, as an industrial or scientific methodology, can be weakened significantly by the tension between the conflicting priorities of trade union action, scientific research and, one might say, effective learning. The tensions, to which Sandberg referred, included differences in the objectives of trade unions and researchers:

a short time perspective versus a long term perspective; problem solutions and clear guidelines versus a study of problems and a widening of perspective; the articulation of views and demands through the organisational hierarchy versus through the research process; locally useful knowledge versus

theories and generalisations. (Sandberg, 1985, 88).

In Sandberg's view, these tensions lead to one set of priorities being subordinated to the other. He has proposed, in the name of 'praxis' research, that the process should include: 'an activity that contains a dialogue, and has an action part subordinated to an action practice and a conceptual or reflective part subordinate to a scientific practice' (Sandberg, 1985, 89). The interplay between the two is essential, and should be understood more as an exchange rather than a combination or an integration of the two types of activities.

Knowledge is used in the dialogue/action and knowledge is produced there, and in the subsequent analysis and conceptualisation. Praxis research is thus characterised by a conscious and planned interplay between an action and dialogue phase in research and a phase characterised by distanced conceptualisation and reflection... The two parts of praxis research must be carefully developed to make possible this interplay. (Sandberg, 1985, 89).

The concept of praxis research provides a framework for addressing the twin priorities of producing effective change and of ensuring the intellectual rigour which can make the outcomes of local activities more generally useful in informing

theories about change and about the implementation of new forms of organisation and technology. Successful long term change depends on the grounding of the change process in the experience and knowledge of the workers; the thoroughness of the intellectual analysis which is provided of the present situation and of alternative possibilities; and effective trade union mobilisation.

#### URCOT and Organisational Learning

This theoretical framework provides the basis for URCOT's contribution to organisational learning, within both the PSU and the ATO. A further contribution to learning is made through the particular skills which employees develop through their direct participation in URCOT's research projects.

URCOT has established ten Investigative Work Groups amongst union members, for the purpose of undertaking research on major problems associated with technological change. Four major issues are currently under investigation: teamworking; the human-centred design of technological systems; work flow and job design; and workforce planning.

The activities undertaken by each of the IWGs are quite distinct, being shaped by local circumstances and priorities. The research activities range from secondary analysis of various kinds of documents, to questionnaires, to semi-structured interviewing, and observation exercises. Apart from the initial, general training in research methods and principles, additional training is provided, in data analysis, for example, as required. The URCOT staff also assist with the

data collection and provide access to relevant theoretical ideas or related research, and assistance with data analysis and report preparation. The outcomes of the research are implemented through delegates' committees, PSU industrial staff, PSU nominees on Modernisation project teams, and written reports. URCOT staff also assist with ATO projects, as appropriate.

Participation in an IWG offers a group of workers the opportunity to extend their knowledge about key issues of concern in, or directly related to, their workplace. This kind of learning can occur through both participation in the structured reflection on existing circumstances, which is a necessary part of defining the focus and scope of a particular research project, and from the new knowledges which the project generates. Within the context of Modernisation, participation in an IWG also enables people to gain a much more sophisticated

understanding of the overall process of change occurring within the ATO, as well as deeper understandings of the change process itself.

The strength of URCOT's approach is the close linkage between research and 'business-as-usual' activities. The commitment to a 'praxis' research philosophy is exercised through the direct interplay between grounded experience and careful conceptualisation and reflection which, to be successful, requires the IWG members to think beyond their own immediate context and research. The strategy has enabled many ATO staff, who would not normally be consulted, to express their views on issues which are central to the Modernisation process.

The contribution of URCOT to the learning organisation goes well beyond the benefits for the individuals who participate in the IWGs. In each of the four kinds of collective activity identified in the previous section, URCOT is making a significant contribution. Particular examples include:

- \* URCOT's research projects are addressing the concerns and experiences of staff who would have difficulty, in an organisation as large and hierarchical as the ATO, in having their voices heard. The research is likely to generate knowledge that would not otherwise be available, and may also result in technical and organisational innovations;

- \* Some of the research undertaken by the IWGs has been useful to the PSU representatives on Modernisation project steering committees, where learning can be shared between different parts of the organisation. In some instances, URCOT staff have become involved directly in ATO project committees;

- \* The formal relationship between URCOT, Branch Delegates Committees, and the decision-making structures of the PSU means that the specific policies and initiatives which emerge from URCOT and the PSU have a very broad basis of support within the organisation; and

- \* URCOT itself represents something of an external consultant in the Modernisation process, even though the members of the IWGs are directly affected by the changes. URCOT also has the capacity to draw on

specific consultancy support if required, in order to improve the quality of the advice to the PSU.

After one year of experience in working with Investigative Work Groups, the URCOT researchers and PSU officials have themselves learned a great deal about the worth of a 'praxis research' approach. Whilst considerable progress has been made, and the URCOT staff have some confidence in the strategies, there is scope for further learning about the formation of Investigative Work Groups, and about the kind of support that is appropriate. Issues to be explored include the scope of projects, the possibility of Investigative Work Groups spanning more than one Branch Office, and a review of the level of support which is provided in data collection and analysis.

URCOT, the Learning Organisation and Industrial Democracy

The linking of URCOT with the Swedish tradition locates URCOT's political priorities very clearly in support of the democratisation of workplaces. According to the Swedish experience, the significance of research in the strategies adopted by a trade union to extend workplace democracy will vary from situation to situation, depending on the issues at stake, the resources available to the union, its internal organisation and other circumstances. In the case of ATO Modernisation, the PSU has achieved a high level of membership, and an established structure for members to participate in decision-making. URCOT provides the PSU and the ATO with a resource which can provide a quite distinctive means of communication, through the IWGs, with people at all levels of the organisation. The emphasis on generating new knowledge to address defined issues, and on using this knowledge to formulate plans for action, assists with the cultural changes which are necessary for the ATO to become a 'learning organisation'.

URCOT's commitment to promoting industrial democracy is based not only on asserting the rights of workers under the terms of natural justice, nor that it will enhance job satisfaction and company loyalty. Indeed, there are a good many examples where employees are irritated, even distressed, at having to take part in decision-making and to accept responsibility beyond that typically associated with their level of employment.

Similarly, it must be acknowledged that democratic processes are no easier to implement in workplaces than elsewhere. Social divisions derived from class, gender and ethnic relations, not least shaped by educational background, influence significantly the levels of participation of union members from different backgrounds.

The early experience of URCOT confirms that the most important reason for pursuing industrial democracy is that it will, if successfully implemented, improve the quality of the

decision-making within the organisation. Democratic decision-making is a prerequisite for the organisation to draw fully on the expertise which their workers have developed, especially with respect to business systems and client relationships. The successful design and implementation of a new system depends on the close involvement of workers who are familiar with the business area, and likely to be involved in its subsequent use.

In a time when there is great interest, not least from management consultants, in workers participating in decision-making about the production process, it is important to have a clear understanding of the role of trade unions in the implementation of industrial democracy. While management might have a commitment to worker participation, the rights and responsibilities of workers will become increasingly blurred if their participation is founded on their specific position within the enterprise, or within a part of the enterprise. In the current industrial and economic climate, it is inappropriate to advocate a model of industrial democracy which is founded on an aggregation of individuals. The trade union should be the crucial unit in the implementation of industrial democracy, insofar as their own practices enable them to present the collective views of workers in dialogue with those of shareholders or management.

Seen in this light, the research and development activities of URCOT, and the contribution to organisational learning, have much to offer in the implementation of industrial democracy, and improved outcomes from change initiatives such as the ATO's Modernisation Program. This perspective has much to offer other enterprises seeking to maintain comparative advantage through becoming 'learning organisations'.

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