Internal versus external goods – A useful distinction for understanding productive workplace learning?

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The goal of productive learning is self-evident in most workplaces, yet the process and method depends on contested notions of learning, context and practice. In this paper, I build from MacIntyre’s framework of moral philosophy in examining concepts of practice, internal and external goods and link them to related concepts of judgement and context as recently examined by Beckett, Hager, Halliday and Athanasou. To review whether this theorising of practice is useful to understanding learning across workplaces, I compare two cases in literature – one in education, the other in sport – that highlight the internal/external goods distinction. In considering business workplaces, I challenge a provocative view articulated by Dobson, that the very nature of business requires a pursuit of only external goods without any virtuous foundation. Finally, I raise some research questions that problematise the internal/external goods distinction for enhancing productive learning. These questions are currently being tested in fieldwork.

Introduction

To aim for productive learning in the workplace would seem, at first blush, an unproblematic self-evident issue that is educationally uninteresting. Yet the pedagogical assumptions, methods and criteria for achieving productive learning are challenged by contested notions of learning, context and practice. What constitutes productive learning for one individual might differ for another; in one workplace and not the other, in one situation but not another, for a particular professional practice but not for another – raising further questions challenging from whose perspective am I interpreting the notion of productive learning? This paper first summarises what other researchers believe to be characteristic of productive learning in workplaces and then situates its contribution from an educational philosophy perspective using core concepts of practice, context and judgement as learning. In particular, I focus on the utility of distinguishing between internal goods and external goods as originally conceived by MacIntyre (1984). Two cases of practice from the literature are examined – one from an educational context, the other from the context of commercialism in sport – before returning to interrogate practice in business workplaces. Linking the work of MacIntyre with contributions from Jenkins (2004) and Aram (1976), I subsequently express the challenge of workplace learning in terms of the fit between individual and collective actions in which context-sensitive judgements can represent an integrated, holistic and productive method of learning.

What counts as productive workplace learning?

In workplaces, particularly those concerned with commercial gains, the goals of organisational performance and individual performativity often appear to override, or at least shape, learning. Learning-by-doing and learning-through-doing are commonly-held workplace beliefs with the emphasis on being able to demonstrate practical skills, skilled behaviour or quality judgements on a variety of decisions and activities that characterise daily practice. Formal learning, such as found in training or structured programs, typically has instructional objectives tied to competencies, skills or knowledge needed for specific jobs and roles. Informal learning, such as found in peer observations, learning from others, learning from previous experience or mentoring, is accepted but not necessarily valorised given its indirect link to performance outcomes. Marsick and Watkins characterised informal learning as the ‘natural opportunities for learning that occur every day in a person’s working life’ and in particular as ‘lacking design imposed by others’ as found in structured programs (Marsick & Watkins, 1990, pp.4,22, my italics). They further distinguished
informal learning from a subset called incidental learning, where the latter is a by-product of other activity, i.e. learning that is not intentional. Thus in this broad field called informal workplace learning, what people do, how they behave, what they think, how they decide, how they learn and how this learning changes what they do, say or think the next time is of interest.

What does it mean for this learning to be productive? Definitions of ‘productive’ are numerous and include synonyms that connote 1) creativity: constructive, constitutive, originative, generative, formative, as well as 2) re-use: capable of reproducing (Dictionary definition of productive, various). While some practitioners have emphasised productive learning from a knowledge re-use perspective (see for example Collis & Winnips, 2002; Davenport & Prusak, 1998), others have interpreted this concept from a prescriptive how-to-improve-practice perspective: conditions that improve learning, reduce barriers and dysfunctions, and correct errors. In particular, Argyris in his body of work individually and with others, identified a theory of practice, models of learning (single-loop, double-loop) and interventionist strategies intended to improve individual, group and organisational learning (1982, 1999; Argyris, Putnam & Smith, 1985; Argyris & Schön, 1978). Senge has also contributed from a strategic and operational delivery perspective (1990; Senge, Kleiner, Roberts, Ross & Smith, 1994) and many others have discussed methods and arenas of practice (Chawla & Renesch, 1995).

**Practice, context and judgement**

To participate in this debate about how to improve practice, it seems to me that we must first understand the underlying philosophical assumptions that govern the espoused paradigms of learning. I refer to the writings of Alasdair MacIntyre who provided a moral philosophy that I believe holds relevance for contemporary workplaces. Aristotle in his original *Nicomachean Ethics*, believed that humans strive towards an end or *telos* by practising certain virtues or moral traits acquired by habit (Brookshire, 2001; Kopp, 2000). MacIntyre, as a follower of Aristotle’s virtue ethics, asserted that ‘a core conception of the virtues [must include an account of] a practice, a narrative order of a single human life and a moral tradition’ (Brookshire, 2001, p.3). MacIntyre (1984, p.187) further defined a practice as

> any coherent and complex form of socially established co-operative human activity through which goods internal to that form of activity are realized in the course of trying to achieve those standards of excellence which are appropriate to, and partially definitive of, that form of activity, with the result that human powers to achieve excellence, and human conceptions of the ends and goods involved, are systematically extended.

Thus a practice is identifiable with reference to a purpose and a community that shares common ways of performing activities within norms or standards understood by those in the community. For MacIntyre, throwing a ball with skill is not a practice but the game of football is. Playing chess is a practice, but a chess club (institution) is not. Nursing is a practice and an occupation, but a practice does not have to be an occupation. MacIntyre added texture to his concept of practice by distinguishing *internal goods* as ‘those goods … only [obtainable] through a particular practice … and realized through the exercise of the virtues’ from *external goods* as ‘those that can be obtained in other ways’ (Halliday & Hager, 2002, p.434). Thus external goods might be items such as wealth, power, status, prestige, ‘to gain reputation’, ‘to be regarded as philanthropic’, ‘to pass an examination’ that are not necessarily intrinsically definitive of that practice and only contingently attached to the practice. In MacIntyre’s illustration of original medieval portrait painting practice, an internal good was knowing to paint the face of saints as representative icons without attempting actual resemblance whereas external goods included wealth or political influence in the European courts attached to that practice. ‘External goods are therefore characteristically objects of competition in which there must be losers as well as winners’ (MacIntyre, 1984, p.190).
MacIntyre used the concepts of internal and external goods to elaborate on his definition of *virtue* as ‘an acquired human quality the possession and exercise of which tends to enable us to achieve those goods internal to practices and the lack of which prevents us from achieving any such goods’ (MacIntyre, 1984, p.190). Halliday and Hager (2002) have built upon this foundation and formulated a model of informal learning as context-sensitive judgements that are constantly being enacted in practice. Context provides the meaning and understanding framework for a particular activity, function or purpose. For example, the practice of knot-making has different meanings when considered in the context of sailing compared to rugmaking. The purpose of knot-making has different meanings when considered in the context of making rugs compared to as a basis for valuing the quality of rugs. The meaningfulness of context to learning has been well-examined in particular by Lave and Wenger (1991) on situated learning and further explored by Wenger (1998) in the subsequent development of communities of practice. Judgement is the process of discriminating among choices of action within and across practices and in a variety of different contexts. These choices might be shaped by parameters of risk, value, priorities and quality (as asserted by Eraut, 2004, p.265); one such priority might be ‘time available’ when making judgements in the heat of the moment, in the flux of practice (Beckett, 1996, p.148). These concepts of practice, internal goods, external goods, context and judgement are interwoven in a nested series of concepts that provide a rich basis to discuss informal learning (Halliday & Hager, 2002, p.439).

An example might be useful here. The activity of taking an experimental drug has different meanings in the context of existing AIDS sufferers compared to teenagers pushing authority limits against banned substances. In the latter context, the practice of taking drugs might be shaped more by the importance of being accepted by a peer group, the desire for social inclusion (external goods) than the desire to be an accomplished drug user (internal goods). Judgements whether to take an experimental drug in one particular instance could be shaped by activities immediately preceding it (i.e. dulling of senses due to consumption of alcohol), the learned experience of habitual drug-taking, or the anticipated potential that the new drug might offer in terms of generating a sought-after new experience. The ability to discriminate between good and bad reasons for taking this action is certainly an individual accountability but set within standards of reference that are socially constructed in demonstrable practice and social beliefs.

**Cases of workplace learning: education and sports contexts**

To what extent might these nested concepts be useful to current theories of productive workplace learning? I highlight two cases – one in an educational context and the other in a sports performance context. Authors in both these cases used MacIntyre’s external versus internal goods distinction in their analysis. Waters (2002) is the principal of a private American school teaching children pre-kindergarten through primary school ages. He was increasingly concerned about the emphasis that parents and their children placed on hyper-competitive behaviour intended to maximise entry into the best secondary schools and universities, rather than enjoying learning activities for their own sake. Behaviour such as parents coaching children to ‘ace’ their enrolment screening interviews, or participating in sports/art programs just to build well-rounded resumés appeared aimed at chasing finite, limited and therefore valued external goods (such as gaining admission entry to Harvard University). Waters believed that ‘this willingness to script young lives in a way that turns three year olds into pre-professionals is ultimately harmful’, yet if his teachers do not help in this effort, ‘are we ignoring the realities of modern day life [therefore] dooming our children to a life of limited options where they are unprepared to compete?’ (Waters, 2002, pp.1-2). It appears that the Darwinian characteristics of modern economic life may not be able to co-exist with MacIntyre’s virtuous world as defined, yet Waters made the point that ‘nowhere is it stated that a focus on internal goods *precludes* the possibility of achieving external goods’ (Waters, 2002, p.5, my italics). Waters’ glimpse of a path forward suggested positioning schools as a ‘safe place with high standards to enter the practice of learning’ by creating opportunities to show learning as a fulfilling engagement for its own sake (internal goods) and
assisting children to join conversations with their inheritance in addition to teaching them something particular (Waters, 2002, p.7; Oakeshott as cited by Fuller, 1997).

Reeves and Wright (2002) in their paper on commercialism in sport similarly questioned the validity of the internal/external goods distinction. They raised the intimate relationship between a practice and the institution: ‘a practice is ultimately dependent upon the institution for its survival’ and an institution ‘legitimises and underwrites practices ... thereby ... has the opportunity to corrupt them’. This has the danger that MacIntyre’s standards of excellence become trivialised (Reeves & Wright, 2002, Section 1: Introduction). Reeves and Wright agreed with Waters in that the possession of external goods by one individual necessarily denies it being possessed by another person, but noted that internal goods are not subject to such restraints and are available equally to all. So fame and fortune in sport (external goods) could also benefit those who participated in general; an example cited was Martina Navratilova’s public recognition and status as benefiting the participation of women in tennis (McNamee as cited by Reeves & Wright, 2002). Enjoyment of the game of tennis (internal goods) might be available to all but is at least partly contingent upon the required skill and capacities for playing the game of tennis. The notion of agency is not just exclusive to internal goods but implies motivation which is never fully publicly known. Hence the claim to exclusivity and polarisation of internal/external or pure/impure motivation is contested (Reeves & Wright, 2002, Section 2).

Reeves and Wright built upon McNamee’s critique to suggest that Hartman’s tripartite axiology (Davis, 1972; Hartman, 1967) might offer a more relevant framework than the apparent dualism suggested by MacIntyre. Hartman’s approach to resolving what is valued in practice was to create a structure or ordering logic for the concept of value (called scientific axiology) to distinguish it from fact. So as Weiman explained: ‘a seat, a back, legs to support a human in sitting position’ are features common to the class of objects called chairs (Weiman, 1972, p.x). These attributes serve to identify an object as a member of a class, are extensions of a concept and thus facts. However, whether a particular chair is a good chair or not (i.e. back may be broken, the legs shaky) depends on a judgement of fitness to belong to the class to which the concept applies – such judgements are intensions of a concept and are value statements, not facts. Hartman identified three dimensions of value: 1) systemic value – a synthetic concept whose intension is a finite set of defining attributes; 2) extrinsic value – an analytic concept used to compare to other entities; and 3) intrinsic value - a singular concept recognising its own unique characteristics. So in the context of commercialism in sport, a player’s monetary transfer value (what one club will pay another club) is an example of systemic value. Essentially the player is treated as a commodity to be bought and sold between clubs. The set of players in a club within a league can be analytically regarded in relation to each other (player-to-player, club-to-club) in terms of extrinsic value. However, as intrinsic value, an individual player has a self-concept, a uniqueness that provides a richness of worth beyond that player’s role as a team-mate, friend or mid-fielder. Reeves and Wright believed Hartman’s axiological framework provided dimensions that better recognise the ‘phenomenological character of value’ (Reeves & Wright, 2002, Sections 3 & 4). By sketching values that are dependent upon analysing the entity itself, they believed their contribution did not diminish the importance of MacIntyre’s thesis, but addressed the problem of rigid dualisms as applied to understanding commercialism in sport.

**The nature of the business workplace**

Both cases raise important points for understanding MacIntyre’s contributions. But what about the business workplace? Is this context quite distinct and different from those in education or sport? In contemporary western economies, the rise of social responsibility, community-based philanthropy and environmental sensitivity over the last decade has become evident and visible. But in accompaniment, we have also seen cases such as the fall of Enron and in Australia, the demise of HIH. Are these activities examples of applied moral philosophy and virtues in action? Can the exercise of virtues in the form of practice standards guide individuals and corporations towards
fulfilment as lifelong learners and learning organisations? Or is there a fundamental dilemma for practice and learning in the very nature of business? Dobson, in discussing virtue ethics as a foundation for business ethics, made the bold statement that ‘the very nature of competitive economic activity requires a primary focus on external goods in order to survive... virtues are incompatible with business [and essentially] business tends to drive out the virtues’ (Dobson, 1997, p.8). He went further to assert that ‘imb[u]ing] business with an ethical foundation ... would entail reject[ing] the market system as we know it’ (Dobson, 1997, p.10).

In challenging Dobson’s cynical view of the business world, it seems to me there are fundamental assumptions about the tension between individuals and the organisations in which they work, that are hinted at by Reeves and Wright (2002), Hager (2000) and Halliday and Hager (2002). According to Reeves and Wright’s perspective, performing a practice (for example, establishing a pricing schedule, assembling an automobile) is at least partly contingent upon the notion of an institution in which those actions and activities have meaning or purpose (to sell at competitive prices, to target customer needs, to generate revenue). However, institutions or organisations are a convenient yet important short-hand to characterise collective or communal action. As Aram reminded us, an organisation is just an abstraction, a constructed concept – so it is misleading to think about an organisation as having needs independent (my italics) of people who work in it or who have interests related to its purpose (Aram, 1976, pp.1,4). Yet an organisation’s reality is everyday reinforced by material artefacts (offices, facilities, paperwork, monies received) as well as observable activities (people coming to work, people talking with other people, people making decisions). It is not surprising that de Geus’ seminal book The Living Company struck such a chord with the business community when it was released – the biological metaphors of ecology, Darwinian evolution, and the corporate immune system are believable and authentic (Geus 1999). As a former management consultant tasked with facilitating many organisational change initiatives, I recall numerous interviewees bemoaning the existing culture of their companies as unchangeable. It was as if their company culture was out there somewhere in the stratosphere disconnected from themselves as employees (or alternatively totally embodied in the behaviour of their CEO, though they were often too fearful or too diplomatic to say so) and they were powerless to do anything to change ‘it’. Rather, dilemmas in business and the judgements needed to resolve them, often deal with the ‘interdependent character of individuals and the organized contexts in which they work’ (Aram, 1976, p.4). So an individual manager’s decision to build smokeless factories because ‘our company is environmentally-sensitive’, might be interpreted to mean adherence to a sanctioned collective practice of protecting the world’s limited natural resources or taking a personal risk in an improvised action where no such sanctioned collective practice already exists.

Valuing the rightness of such beliefs in MacIntyre’s virtuous world is tested by the ‘rationality of virtue itself’, according to Brookshire (2001, p.2). What this means is that individual judgements are not shaped just by senses of obligation or consequences but interpreted within a larger context of pursuing teleos. The individual and communal elements are intertwined and inter-dependent: ‘the good of the one is tied up in the good of the whole’ (Brookshire 2001, p.2). Jenkins (2004) reinforced this notion of intertwining and inter-dependency in discussing social identity. For Jenkins, social identity is not about something or someone that is. It is more about understanding how identity works or is worked interactionally and institutionally (Jenkins, 2004, p.5). This emphasis provided an active, constructed and practice-oriented approach to identity that allowed Jenkins to richly discuss the elements of, and distinctions between, similarity (belonging, common knowledge, routinised practices) and difference (selfhood, unique characteristics, individual actions). For Jenkins, speaking about internal-external distinctions as reified choices is problematic, caused by the limitations of language expression but useful metaphorically.

Halliday and Hager (2002), Athanasou offered a Perceptual-Judgemental-Reinforcement model of learning that recognised the importance of contextual perception as antecedents to judgement decisions. For example, individuals may be influenced by explicit factors known to all participants in the decision or implicit factors that are taken for granted and not publicly known. Reinforcement, in the form of external or internal goods (in his characterisation: extrinsic or intrinsic rewards) shape behaviour both in the execution of current performance as well as considerations for future decisions. Borrowing from image theory, Athanasou described judgements as a learning process shaped by adoption and progression decisions and moderated by decision screening tests (Athanasou, 2004, pp.66-67). Thus the practice of nursing is shaped by the perceptions and motivations of individual practitioners and the situational specifics of patient care situations. Whether a nurse chooses to follow the rules and norms of effective practice in a particularly complex and life-threatening patient care situation is tested under judgemental conditions and action-oriented choices. These judgements provide a rich and focused opportunity for subsequent learning and practice-based views about future anticipated actions.

The challenge of productive workplace learning

It is here that we can finally weave the strands of productive workplace learning for critique and debate. In theorising practice, Beckett and Hager have painted a rich topology of nested concepts which celebrates the performance of work and makes visible judgements within practices as an important, but often neglected source of learning (Beckett & Hager, 2002, p.91). The nature of practice is founded upon learning-by-doing (as previously articulated by Arygris et al. 1985; Boud, Cohen & Walker, 1993), the situatedness of a socially-constructed world (as previously articulated by Lave & Wenger, 1991; Wenger, 1998) but integrates actions with meaning-making context and capacities to make judgements. What MacIntyre’s internal/external goods articulation in practice provides is a useful framework for discussing intentionality, alignment and the relativism of individual and collective action. As the two case examples demonstrated, there is not a simplistic tradeoff between internal goods (as being always good) and external goods (as being always bad). Practices tend to have characteristics of both. Finding the balance and examining the factors that underlie judgements made under various contexts of practice can help to clarify the nature of intention-based actions and the learning that results.

Being mindful of the dangers of simplification and, as Erut would challenge (2004, p.25), the ‘dichotomies of lazy thinking’, I offer the ideas summarised in Table 1 below.

<table>
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<tr>
<th>Jenkins’ concept of social identity</th>
<th>MacIntyre’s concept of practice</th>
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<tr>
<td></td>
<td>Focus on INTERNAL GOODS</td>
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<tr>
<td>Actions that emphasise DIFFERENCE</td>
<td>DILEMMA If actions challenge existing social norms, result in Creative actions, or Actions that defend self</td>
</tr>
<tr>
<td></td>
<td>FIT If actions emphasise similarity, communal interests are reinforced</td>
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</tbody>
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Table 1

Source: Following concepts originally developed by MacIntyre (1984) and Jenkins (2004)
In any row or column in this table, it is not a choice between one cell or another (i.e. dualism); rather, it is how to manage the tension that is created when both co-exist (i.e. simultaneity). For example, if a practitioner is focused on pursuing internal goods, she will continue to improve her skills, knowledge and behaviour in pursuit of that practice’s standards of excellence as judged by fellow practitioners. While her actions fit within the norms of that practice, there is alignment, fit, reinforcement, participation and membership (she may indeed move from being a ‘novice’ towards becoming an ‘expert’ in Lave & Wenger’s terminology). However, if those actions start to emphasise difference (e.g. perhaps in judging whether to implement a radical new procedure challenging existing practice standards of neurosurgery), a dilemma or tension is created. This could result in either productive creative action (and learning) where the individual practitioner has the potential to change existing practice (individual transforming the collective) or protective self-interest measures designed to defend the uniqueness of that action and the individual practitioner. Alternatively, a practitioner focused predominantly on attaining external goods will continue to act in ways to reinforce self-interests that do not focus on improving practice. If those actions satisfy (perhaps unintended) communal interests, then these interests could also result in benevolent actions (collective changing individual) or additional aggressive measures to promote self.

Contemporary workplaces are ambiguous, dynamic and complex. They often exhibit dilemmas of competing interests, motivations, and actions. To understand how individuals and organisations can flourish under such tensions, frameworks such as MacIntyre’s conception of practice or Beckett, Hager and Halliday’s work on judgements can offer ways of understanding or problematising such complex phenomena. Dobson’s challenge that the very nature of business requires a dominant focus on external goods seems to over-simplify the human condition and the ongoing practices of humans interacting with each other in their life-worlds. Recently, the notion of organisational virtuousness and its amplifying and buffering effects on organisational performance has been a focus of empirical study (see Cameron, Bright & Caza 2004).

This view of productive learning as centred on judgements, contexts and practice is currently the focus of a research project led by Hager and Athanasou at the University of Technology, Sydney in collaboration with Halliday at the University of Strathclyde. I am a member of the research team. MacIntyre’s concept of practice is being used to frame the project’s research questions:

1) Is productive learning enhanced if judgements are contextualised within practices that feature both internal and external goods?

2) Is productive learning enhanced in practices where internal goods predominate? or its corollary: in contexts where internal goods are neglected, is learning significantly less productive?

3) To what extent is the internal-external distinction useful in gaining a richer understanding of workplace learning in general?

To this core list, I might add an additional subsidiary question:

4) To what extent is unpacking the tension of difference (individual actions) and similarity (collective actions) useful in building increased capacity to judge across diverse contexts?

These research questions and others that might arise, will be tested through qualitative case studies across a range of workplaces in Australia over the next year. In parallel, Halliday (2005) is currently researching European cases of practice and learning where the contexts illustrate primarily individual-based judgements. The current research builds upon and extends earlier fieldwork examined by Beckett and Hager (2000). The nature of individual and collective judgements, especially the influence of sociocultural factors in organised settings, will be explored in the Australian case studies. Both research efforts are intended to contribute to the body of research and epistemology of workplace learning and to the broader field of informal learning.
Conclusion

I return to the title of this paper in asking ‘is the distinction between internal and external goods useful for understanding productive workplace learning? This paper has unpacked this question with reference to MacIntyre’s historical moral philosophy and by utilising educational and psychological concepts of learning, practice, context, judgement in the workplace as dominantly discussed by Hager, Halliday, Beckett and Athanasou. I challenge the dualism inherent in the phrase ‘internal goods versus external goods’ and assert that the simultaneous perspective of internal and external goods within practice offers a more complex but rewarding framework to discuss workplace learning. Fieldwork currently underway should provide qualitative data and richness of participant experiences to better answer this question beyond the philosophical and review of literature orientation that this paper has taken, thus further engaging our minds productively in this debate.

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