INTERPRETIVE THEORY AND CRITICAL THEORY: A CASE STUDY APPROACH

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ABSTRACT

This article presents a vignette focusing on the link between interpretive theory and critical theory using case study research. The paper discusses how different research approaches provide fundamentally different ways of looking at a case. It demonstrates how theory can provide useful yet markedly different interpretations of organizational events. Critical theory and interpretive theory operate from within what can be termed the transitive epistemological dimension, and tends to emphasize the importance of ontological issues. Each has important things to say about the situation and improves our understanding overall. The paper argues that, for the particular case under examination, critical realism provides the most useful tool from the employee point of view

Keywords: critical theory, interpretive theory, case vignette

INTRODUCTION

Critical theory has some similarities with postmodernism. Critical theory focuses upon the inherent connection between politics, values and knowledge and, thereby, provokes a deeper consideration of the politics and values which underpin and legitimize the authority of `scientific' knowledge (Alvesson and Willmott, 1988). In this paper the authors focus on two potential categories of readers. The first are fellow academics who will judge its worth by the usual academic criteria. The second are professional practitioners, possibly in Marketing or in other fields. Clearly in order to academically successful, the authors need to satisfy the first group. However, the second group may gain the greatest value. From the authors' writings, the authors hope to affect a focussed adult pedagogical source of information and communication that will allow others to improve their practices. By writing and detailing the authors experiences and what was learned, the authors can present a picture that enables a transfer insights into your own field and utilise the knowledge to solve similar problems. In this sense, this article is an educational narrative. It is also an interpretive approach, where reality is only given meaning by understanding social interactions and the social construction of reality (Luckman, 1969). Hence, understanding may not depend upon the revelation of some hitherto unknown scientific truth but rather on human behaviour, the situational context, leading to appropriate generalisations. As Crotty (1998, p. 9) put it “meaning is not discovered but constructed”.

Interpretive social science theory describes and interprets how many people conduct their daily lives. It contains concepts and limited generalisations, but does not dramatically depart from the experience and inner reality of the people being studied (Neuman, 2000). The term for the study of interpretation is called Hermeneutics after the Greek God Hermes who was the messenger for the Greek Gods. Socrates (in common with most Greek thinking at the time) regarded words as a vehicle for ambiguity and possibly dishonesty and trickery (Couzen-Hoy, 1981). Given Marketing's poor reputation for sophistry it may be that he is the rightful true patron Saint (or God) of the art and craft.

Hence, this paper describes a case vignette focusing on the link between interpretive theory and critical theory with case study research. It then examines how research may be developed from a critical, and interpretivist perspective.

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Orlikowski and Baroudi (1991) classify case study research traditions as basically following three major philosophical approaches – positivist, interpretive and critical, the interpretive and the critical responding to shortcomings in the positivist. In its neglect of contemporary realist approaches such a division reflects a commonly held view equating realism with positivism. This article calls for a recognition that modern realist approaches can also address many of the criticisms of positivism.

The Case Vignette

When the author (Phd candidate) joined the planning group in the mid 2000's, the organization DHL had recently completed the first draft of the new Global Marketing Business Plan (GMB Plan). The plan formulated along the same lines as the other internal business plans (covering money, assets, and people, respectively), formed a part of a detailed planning process that involved planning across corporate, business, and branch levels across the globe.

At the time, the organization could be characterized as a traditional engineering-focused organization with little time for global marketing strategic department, as the supply chain was seen as a cost centre with a primarily non-core role. The development of the first Global Marketing Business Plan was a major coup for the supply chain department, in that it placed the importance of marketing at the same level as the other organizational businesses, that of money, assets, and people. This enthusiasm was however, short-lived, as soon after the completion of the Global Marketing Business Plan the organization began to move toward the outsourcing of deemed non-core activities.

Prior to the decision to outsource, the organization saw the supply chain department as providing a service function:

> *The organisation in those days saw supply chain as a domain department. They were focused on one of two things, logistic or financial considerations and the supply chain was something they had to have, but they didn't really want to spend any money on it and all the money they had spent, was considered too much - 'where was the return on the investment?' - that was the continual question.(Interview - Marketing Planning Manager post outsourcing).*

The development of the first Global Marketing Business Plan was a major achievement in an engineering focused organization, yet there was a degree of opposition to this idea as an employee later pointed out:

> *The prevailing view of executives at the time was that it was completely inappropriate to describe the information thing as a business. That caused quite a bit of grief and controversy - it is merely a process. No way is it a core business, it is just a support process or function.*

In order to properly complete the Global Marketing Business Plan (GMB Plan) there was an initial need to examine the information requirements of the various business processes - the marketing manager led this modeling exercise. Over the period 2000-2003 the marketing manager developed the Global Marketing Business Plan and continued work on process modeling and investigations into outsourcing of non-core processes:

> *On the practical side of delivering a service we were starting to shine, we were winning TQM awards, the quality of our service was very good, and we were getting accolades in the press, the cost of our service was benchmarked internationally in the top six in the world. So things were going very, very well. (Marketing Manager).*

This observation was confirmed in later interview with the then Managing Director. He indicated that the Supply Chain Department benchmarked very well as being one of the leaders internationally within the industry sector as well as being towards the top in other similar industries.

The Marketing Manager originally felt that the investigation into outsourcing was simply an exercise with no real plan to move ahead with outsourcing:

> *In fact I went to a board meeting where the question was raised "Why the hell are we*

> *looking at outsourcing supply chain, when we've just had supply chain successfully benchmarked internationally; we know we run efficiently, effectively - we've just given these guys the first TQM award in the organisation because they're working so well. So why the hell do we even bother looking at it?" And what came back was it's a governing directive that we look at it. So we really told the staff don't worry, it's an exercise that the governing powers wants to go through and that we know that the results and figures will show there's no way people can come and run it any cheaper than we do. And that wasn't true, the exercise was "this gets outsourced, whether it was economic or not". It took a while for me - I believed, and my director believed that this was a paper exercise and we were looking at outsourcing of many areas. It was an agenda simply to force supply chain out whether it was economic or not. (Marketing Manager)*

Supply Chain department came to be considered as non-core and was one of the first areas to be targeted for outsourcing. In the mid-1990s the outsourcing project was initially termed a *Global Marketing Business Plan* (GMB Plan) project. Staff initially accepted this GMB Plan tag but over time they came to reject the term, as they felt that it did not reflect what was actually happening—they felt that the study was basically an investigation into the feasibility of *outsourcing*, not GMB Plan. This dissatisfaction emanated from the planning manager and other staff and prompted a change in the title of the project to *corporate repositioning* and then again, at a later date, to *outsourcing*. According to the supply chain Manager at the time, the term GMB annoyed staff:

> *Well, the staff simply refused to call it that "Let's call a spade a spade—Bugger this, we won't call it GMB Plan any more," they said—"It's a false term. Let's not pretend." After a while it became obvious what the agenda was and some of the directors who pushed GMB Plan objected themselves to hiding outsourcing under the term GMB Plan.*

THE RESEARCH QUESTION

Critical Theory

Critical theory has lofty aims in that the purpose of critical theory is seen as enabling members of a society to alter their lives for the better by fostering in them important self-knowledge and understanding of the social conditions under which they operate, such knowledge then providing a basis for emancipatory change.

Alvesson and Willmott (1992) argue that "central to critical theory is the emancipatory potential of reason to reflect critically on how the reality of the social world, including the construction of the self, is socially produced and, therefore, is open to transformation. The task of critical theory is to combine philosophy with social science to facilitate the development of change in an emancipatory direction." Flood and Jackson (1991, p. 49) see emancipation as an interest in freeing "individuals from constraints imposed by power relations and in learning, through a process of genuine participatory democracy, involving discursive will-formation, to control their own destiny." The individual's power to reason and consequent self-emancipation plays a major role in critical theory.

Habermas (1984) highlights the important role that language and communication play within critical theory when he suggests that people can follow two fundamental postures in a social situation—achieving success or communication. Actions directed toward achieving success (purposive rational) can be either instrumental or strategic. Instrumental action treats participants as inanimate constraints who can be manipulated to serve the self-interests of the main actor. In contrast, strategic action treats participants as intelligent, involved players with their own self-interests and aims—thus requiring a strategic approach to achieve properly, the main actor's self-interest.

The second fundamental posture that actors may represent is that of communication - the primary desire is to achieve a consensus and understanding. Hirschheim and Klein (1994) argue that a communicative orientation is directed toward sense making - an emergent process that involves mutual understanding and shared appreciation of situations based on common shared background assumptions and beliefs. Where such a common base does not exist, discursive action may ensue. Discursive action may result when participants have some doubts as to the clarity, truthfulness, correctness, or appropriateness of any communicated message. Instrumental and strategic action fundamentally emphasizes control, whereas communicative and discursive action emphasizes sense making and argumentation.

For the case example critical theory could emphasize the role that language plays in social situations. The name change from GMB Plan to *outsourcing* could be presented as an example of the important role that language plays in social situations and how language can implicitly construct a particular reality. Critical theory emphasizes the importance of identifying inequitable structures – such identification providing the opportunity for understanding and consequent self-emancipation. This emphasis on understanding and description suggests the research would be directed towards an examination of the role that language plays in the corporate change process and the possible emancipatory opportunity provided by changing the name of the change process. There would not be a single research question on which to base the research but an emphasis on identification and understanding.

Interpretive Theory

Orlikowski and Baroudi (1991 p. 13) present interpretivism as emphasizing the social nature of reality:

> *Interpretivism asserts that reality, as well as our knowledge thereof, is social products and hence incapable of being understood independent of the social actors (including the researchers) that construct and make sense of that reality.*

Klein and Myers (1999, p. 69) describe interpretive research from a practical, methods based focus:

> *Case study research can be classified as interpretive if it is assumed that our knowledge of reality is gained only through social constructions such a language, consciousness, shared meanings, documents, tools, and other artefacts.*

They suggest a number of principles for good interpretive practice and specifically argue that a major problem with many interpretive projects is their failure to clearly define the emergent nature of research - "we are [often] given little understanding of how the researcher's analysis developed over the course of the project. As it stands, we are presented with a finished piece of interpretive research with few indications of its emergent nature" (p. 84).

Walsham (1993, p. 4) suggests that interpretive methods of research focus on understanding the context in which the information system is placed and how the information system influences and is influenced by that context. He states:

> *Interpretive methods of research start from the position that our knowledge of reality, including the domain of human action, is a social construction by human actors and this applies equally to researchers. Thus there is no objective reality which can be discovered by researchers and replicated by others... Interpretivism is thus an epistemological position, concerned with approaches to the understanding of reality and asserting that all that knowledge is necessarily a social construction and thus subjective (p. 5)*

Subtle differences between the three definitions of interpretivism emphasize the divergent nature of research approaches within this paradigm. Walsham/ Klein and Meyers present a weaker constructivist argument than Orlikowski and Baroudi who suggest that reality itself is socially constructed. Walsham, Klein, and Meyers present a somewhat weaker constructivist position, when they suggest that interpretivism presents our knowledge of reality as socially constructed rather than the reality itself.

Orlikowski and Baroudi (1991, p.18) summarize the weaknesses of the purely interpretive approach (based on Fay 1987):

> *First, the interpretive perspective does not examine the conditions, often external, which give rise to certain meanings and experiences. Second, research in this perspective omits to explain the unintended consequences of action, which by definition cannot be explained by reference to the intentions of the humans concerned…Third, the interpretive perspective does not address structural conflicts within society and organisations and ignores contradictions which may be endemic in social systems…Finally, the interpretive perspective neglects to explain historical change; that is, how a particular social order came to be what it is, and how it is likely to vary over time.*

Klein and Meyers incorporate critical aspects within their underlying principles and perhaps suggest a critical interpretive approach in their demand for suspicion and contextualization. The principles they suggest help to address the shortcomings identified within Orlikowski and Baroudi's article.

For the case example, an interpretive approach would attempt to critically describe and understand the happenings from the perceptive of the organizational players. Such examination may well reflect on the low level of morale over the time of outsourcing examination and the anger of the lower level management as they come to realize the dishonesty of naming the change process a GMB Plan process. Perhaps the researcher may have an important role in initiating this process through their questioning of the reasons behind the GMB plan tag.

The research question may well be vague at the outset of the project in that the research is largely emergent from interaction and subsequent reflection. Multiple perspectives need to be appreciated and included – such variance helping to negate the criticism that interpretivism tends to ignore external structures and their effects. Often the more junior levels of management may not have sufficient knowledge to be able to fully describe impacting influences. The neglect of senior management levels is not however, an immediate failure for the interpretive researcher in that the target is to appreciate the situation from the perspective of those interviewed – as long as the limitations of the knowledge derived are made clear such description can still be valid. Similarly, the concept of the hermeneutic circle can help to obviate this neglect of external influences (or macro-level impositions) through reflection based around the continual movement from the whole to the parts and back again.

Clearly for the interpretive researcher there are two major stories – that for the researcher and that for the researched – each story needs to be told. Reflective examination of the extent to which each are affected by the other also needs to be included and continually examined.

CONCLUSION

Clearly this article is realist in focus. It suggest that critical theory, interpretive theory and interpretive approaches can provide useful insights into a research situation but the conclusions generated are largely dependent on the particular approach selected.

The authors aim to interpret to gain insights that can be used to build up a framework from which theory can evolve. Hermeneutics originally was concerned with ancient religious texts and hence designed to give meaning to the unfamiliar and alien (Moustakas, 1990). Whilst the reader may not consider marketing especially "alien", post modernism does not seem to take adequately into account the shifting structures of capitalism (Morgan, 2003). Indeed some writers regard post modernism to be but the cultural arm of multinational capitalism (Stephanson, 1989). The popular protests in Wall Street and London in 2012 following a deep global recession perhaps reflect not so much alien as alienation.

However, the key point that the author wish to make about interpretation is that it grounded in something that we have in advance "Vorhabe" (Heidegger, 1962), our own understanding of the context colours the picture that we are seeing. Interpretation is not something that one *does* it is something that one is directly *involved in* (Gallagher, 1992). Praxis (Schwandt, 2002) is the name given to the engagement embedded in communally shared understandings and values and depends on their everyday linguistic usage (Dunne, 1993). Hence, the two categories of reader of this article will necessarily both receive slightly different interpretations of what the authors are saying because their “vohabe” and experiences are also different. This may or may not be desirable, but it is most certainly unavoidable.

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