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PRAGMATISM AND CRITICAL REALISM
IN MANAGEMENT RESEARCH

The paper explores the development of pragmatic-critical realism in management research. It is to transcend positivism thesis of a foundational-absolute stance and postmodernist antithesis of chaotic relativism. Knowledge is more than what can be measured or observed through human senses. Therefore, central to pragmatic-critical realist position is the existence of transcendental reality beyond our discursive efforts as humans lack necessary cognitive and linguistic means of apprehending truth. Pragmatic-critical realism attempts to establish that for a scientific investigation to take place, the object of that investigation must have real, controllable, internal mechanisms that can be actualized to produce particular outcomes. The implication of this is that science should be understood as an ongoing process which necessitates the persistent improvement of its concepts, methods and mechanisms to provide the best way to solve problems.

Keywords: pragmatic; critical realism; management research.

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ПРАГМАТИЗМ ТА КРИТИЧНИЙ РЕАЛІЗМ
В УПРАВЛІННІ ЯК НАУЦІ

У статті досліджено розвиток прагматичного критичного реалізму у дослідженнях з управління. Даний різновид реалізму одночасно виходить за межі абсолютизму, притаманного позитивізму, та постмодерністського хаотичного релятивізму. Знання – це щось більше за те, що можна виміряти та спостерігати за допомогою людських відчуттів. Центральною ідеєю прагматичного критичного реалізму є існування трансцендентальної реальності за межами наших дискурсивних зусиль, відповідно, у людей ніколи не буде достатньо когнітивних та лінгвістичних засобів для розуміння суті. Згідно прагматичного критичного реалізму, для наукового дослідження об'єкт має бути реальним та контрольованим, а внутрішні механізми дослідження мають бути заздалегідь налаштовані на певні результати. При цьому наука розуміється як процес постійного покращання концепцій, методів та механізмів для вирішення різного роду задач.

Ключові слова: прагматичний критичний реалізм; наука управління.

Рис. 1. Літ. 18.

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ПРАГМАТИЗМ И КРИТИЧЕСКИЙ РЕАЛИЗМ
В УПРАВЛЕНИИ КАК НАУКЕ

В статье исследовано развитие прагматического критического реализма в исследованиях по управлению. Данная разновидность реализма одновременно выходит за пределы абсолютизма, характерного позитивизму, и постмодернистского хаотического релятивизма. Знание – это нечто большее, чем то, что можно измерять и наблюдать при помощи человеческих чувств. Центральной идеей прагматического критического реализма является существование трансцендентальной реальности за границами наших дискурсивных усилий, соответственно, у людей никогда не будет достаточно когнитивных и лингвистических средств для понимания сути. Согласно прагматическому

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критическому реализму, для научного исследования объект должен быть реальным и контролируемым, а внутренние механизмы исследования должны быть заранее настроены на определенные результаты. При этом наука понимается как процесс постоянного улучшения концепций, методов и механизмов для решения разного рода задач.

Ключевые слова: прагматический критический реализм; наука управления.

Introduction. Pragmatism-critical realism is regarded as combining pragmatism and critical realism. This epistemology is a synthesis emerging from positivist thesis of foundational-absolute stance and postmodernist antithesis of chaotic relativism. In order to understand pragmatism-critical realism, the individual terms should be analyzed separately.

Realism is defined as the rejection of subjectivist ontologies where the world is created by the minds of human observers. According to Trigg (1980), the key characteristic of realism is the notion of objectivity that things being the case whether it is being recognized or not. This notion is embraced by both positivism and conventionalism. For this, what is real is only that which may be observed and measured through direct sensory experience. Realism adopts an objectivist epistemological stance with realist ontology. Therefore, this brings forward the notion that all knowledge is the outcome of social construction which not necessarily holds a purely subjectivist ontology. On this position knowledge entails both social construction and the transactions of human knowers with an independent reality where it is possible to discern a very different understanding of realism. To understand this debate, critical realism is the starting point.

Critical realism. Critical realist rejects "empirical realism" and believes that truth must be more than outputs of a language game yet it cannot be absolute. Roy Bhaskar, the most prominent critical realist, explains that critical realism adheres to both anti-positivism and anti-relativism at the same time. Margolis (1986) provides an explanation for understanding of epistemology and ontology for critical realism which states that there is a connection between ontological realism (that the structures of the world do not depend upon cognitive structures of human investigators) and epistemological realism (the view that such structures are cognitively accessible) to the investigators. Which means that the critical realism orientation is a metaphysical commitment to unobservable entities, i.e. things that cannot be measured or observed through senses that may still be very real (Margolis, 1986; Trigg, 1980). This poses a question of how can this knowledge to be real if things cannot be observed?

According to Bhaskar, products of science are always transitive, but they are also intransitive objects. From here Bhaskar develops the synthesis whereby the differentiation of meaning of a theory from the objects to which the theory refers to is shown on Figure 1.

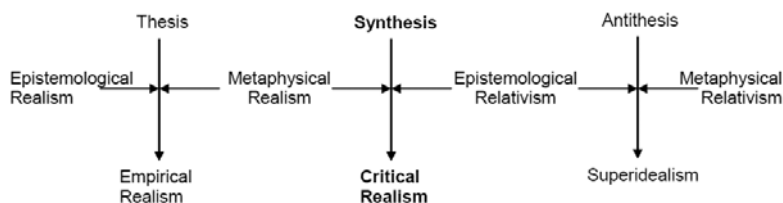


Figure 1. Bhaskar's synthesis

Bhaskar accepts that knowledge is always socially constructed and there is no basis to prefer one knowledge claim over another. Despite the differences between two competing theories, it is still possible to make a rational choice between them through the common referent which the theory is able to explain under their competing descriptions.

Bhaskar acknowledges the role of discourse in influencing how we comprehend reality and how we think and behave. Therefore, for critical realism, a researcher plays the active interaction role with an independent external reality. Bhaskar's key aspects of critical realism are summarized as follows:

- 1) Emphasis on metaphysical ontology – social and natural realities consist of intransitive entities which exist independently of human knowledge;
- 2) Entities may not be observable or may be apprehended differently according to varying pragmatic, metaphorical or discursive conventions;
- 3) Reject the possibility of a theory neutral observational language and correspondence of truth;
- 4) Science is construed as being about something other the science itself;
- 5) Scientists often explain themselves and their activities to each other;
- 6) Critical realism entails an epistemological defense of causal explanation.

Therefore, for critical realists, causation is not merely about regular empirical appearance of a constant conjunction, instead causation is identifiable by exploring the underlying generative mechanisms which produce events which are called "retroduction" by Bhaskar. Thus, critical realism objective is metaphorically to examine deeply so as to identify the real "intransitive" which lies behind conceptually mediated empirical patterns.

Nevertheless, critical realism must address two problems which concern the veracity of knowledge claims and explain the mediating effects of social science. In order to address these concerns, critical realists have developed subject-object transactions for exploring causality thus leading to the development of pragmatism.

Pragmatism. Pragmatism adopts the non-functional means of understanding and establishing socially mediated transactions between human agents and an ontologically prior intransitive reality. Pragmatism, same with critical realism, supports the view of rejecting correspondent of truth theory and believes that knowledge exists and is independent of human activity (Sayer, 1981). Pragmatism is expressed through its skeptical anti-authoritarian stance towards all claims for knowledge. There is no fixed definition for pragmatism as it takes on a variety of different epistemological positions.

Some of the notable pragmatists include William James (1909), John Dewey (1929) and Richard Rorty (1979). Their views on pragmatism are shown in Table 1.

From Table 1, there are some similarities between pragmatism and critical realism. According to Bhaskar, there is a physical world that human can learn about, understand and that this world eventually manipulates them, but it is not possible to create new relationships with the physical world. On the other hand, social world is the outcome of human actions and therefore there is always a potential to change the existing relationships through human actions. This epistemology forms the basis for pragmatic-critical realism.

Therefore, central to the pragmatic-critical realist position is the notion that language plays an important role in understanding the world, but it is reality that inter-

feres and puts limits on the viability of descriptions and explanations. The veracity of knowledge and theories is through their practical success or failure. The pragmatic-critical-realist position allows for adjudication through corrective feedback that derives from tolerance of that mind-independent spatio-temporal reality.

Table 1. Notable Pragmatists' Views

No.	Year	Pragmatist	Key Views on Pragmatism	Implications
1	1909	William James	<ol style="list-style-type: none"> 1) Advocates that when the doctrine of objective certitude is given up, it does not imply that the quest of truth is given up as well. 2) Truth is beyond empirical verifiability, rather an assertion of truth. 	Foundation to Dewey's proposition
2	1929	John Dewey	<ol style="list-style-type: none"> 1) Believes in the mid-way between positivism's theory neutral observational language and idealism or relativism. 2) Proposes a subject-object transaction which argues that having knowledge is the ability to anticipate the consequences of manipulating things in the world. 3) Knowledge could be absolutely true, whether it was substantiated by empirical or religious claims. 4) People are active agents whose critical reflective is crucial, and not passive receivers of sensory data 5) Truth is defined as the process of change that helps humans to solve practical problems or deal with the world. 	Forms the basic epistemological commitment of critical realism and pragmatism
3	1979	Richard Rorty	<ol style="list-style-type: none"> 1) Advocates the anti-authoritarian Deweyan pragmatism and bourgeois liberalism. 2) Knowledge arises out of the language games of a community of people, it is incommensurable with that of other communities and cannot be judged by the standards of another community. 3) Truth is a changeable artifact according to the variable culturally prescribed language games of different communities 	Leads to the problem of judgmental relativism.

Pragmatic-critical realism states that there is a transcendental reality ahead of human discursive efforts simply because humans are short of necessary cognitive and linguistic means for its comprehension. To summarize, science is a social activity in which people intervene and manipulate an intransitive reality which in return is further confronted and changed on the basis of socially constructed transitive theory through practice.

Implications for management research and pragmatic interventions. According to Bhaskar, pragmatic-critical realism advocates that in both natural and social sciences, their real structures exist and operate independently. Causal claims are based on the best observations and are made using experiments in a closed system not reflective of the actual world. This is an important point, particularly for social sciences because human behaviors are very much based upon human interpretative faculties. To this end, the epistemological commitment in social science is the identification of the structures which generate behavioral tendencies through social phenomena. Therefore, the explanation of organizational behavior includes providing a

hermeneutic understanding that is important to identifying the unacknowledged yet causal structural conditions.

In fact, according to Bhaskar, causal powers cannot be observed directly and these should only be theoretically inferred through examination of the relational effects in human agency. These post a problem of legitimacy claims over such inferences as these will always be subject to a fallibility argument. In addition, generative mechanism may only manifest itself through practice and remain dormant otherwise. Nonetheless, pragmatic-critical realism opens avenues for practicing a variety of methodological techniques combining both inductive-deductive and qualitative-quantitative methods that are assessed or reassessed through the lens of practical adequacy. Pragmatic-critical realists, in subjectivist epistemology, argue there is no single methodology which can be construed as superior to another.

Sayer (1992) demonstrates this concept clearly by showing that not all research can be adequately analyzed by using mathematical representations. For instance, the covariances indicated by statistical techniques do not adequately reveal the relationships of causation. The underlying causal relationship cannot be identified solely by statistical techniques. This is the key epistemological commitment of pragmatic-critical realism. The use of qualitative analysis is required to interpret and make sense of the analysis.

Fallibilism is an important stance for pragmatic-critical realism as there is always lack of symmetry between theoretical explanations and predictive attainment through practice. Here, it is evident that research results may have a variety of different descriptions and explanations of reality produced from specific socio-historical standpoints. This creates the situation whereby veracity might only be judged from within a specific context, requiring the need to stimulate debate. Therefore, management research is regarded as a social artifact with application of various resources by active human agents in pursuit of perceived interests in a fallible manner. Weber (1968) developed the notion of elective affinity which articulates the considerations of social conditions to legitimize knowledge claims.

Pragmatic-critical realism also rejects the theory of a neutral observational language. Researchers are always biased in their research processes through which they construct personal versions of the reality, as truth is only attainable through personal interest-laden practices. This gives rise to researchers practicing critical reflective thinking upon their own intellectual assumptions thereby invariably playing an active and personal role in the research.

Conclusions. The pragmatic-critical realistic epistemological commitment is the recognition of the active and projective role of the subject whose engagements are bounded by the tolerance of reality. Any knowledge is evaluated on the basis of how it can contribute to solving a practical problem in an open environment. Research and discourse embracing such a position must entail epistemic reflexivity on the part of participants. As such they must develop a political debate that avoids epistemic privilege and examines the justifications for the researcher's gazes, the relevance of their approaches to different audiences, and the sources and forms of support they receive (Lawson, 1994; Yearley, 1988).

Pragmatic-critical realist ontological and epistemological positions demand a consideration of how such a research critique might be translated into practical action. The philosophical movement is to ensure that any knowledge or proposition

claim is only true if it works, and works satisfactorily. In other words, the meaning of a proposition is to be found in the practical consequences of accepting it, and that unpractical ideas are to be rejected.

In summary, the epistemological and ontological stances of pragmatic-critical realism are:

1) The correspondence theory of truth is ultimately unattainable because of the projective role of the epistemic subject;

2) All human behavior and knowledge occurs within and simultaneously reconstructs culturally derived meanings;

3) The purpose of social scientific inquiry into management is to produce causal explanations which can guide human interventions into our social worlds;

4) Pragmatic-critical realism demands a reflexive political praxis. Adjudication would focus upon evaluating the ways in which knowledge serves to guide and shape human activities, its practical and political consequences;

5) The role of philosophy becomes that of "underlaborer", illuminating the epistemological and ontological conditions for human inquiry rather than certifying particular theoretical claim.

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