Relaxing the reality principle:

A framework for research on how virtual worlds enable a radical break with an undesirable present

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Introduction

In this paper, our interest is to explore why and how large declining organizations ought to participate in designing and building virtual worlds, as well as organizations with undesirable inertia ought to do the same. The staring point of our analysis is that popular words in management literature include "agility", "innovation" and "renewal" (e.g. Youngblood 2000).[1] Managerial war stories including diligent use of these words are ones of series of interventions in otherwise natural patterns of progression and regression in phases of birth, growth, and decline. The stories reify how processes of decline that occur in late stages of organizational evolution have in all cases -- where there has been a will and an intent --- arrested, suspended and catapulted into almost their opposite direction. In these success stories that abound, the overall process of organizational evolution has been re-routed from a pathway of decline or stagnation to a pathway of further development and growth.

In the shadow of these success stories, stories that go untold are ones where the organization in absolute terms realistically cannot grow much beyond a size it has once reached. In the worst of these kinds of circumstances is to escape reality rather than to take managerial control of it. Such circumstances where all hope ought to be rationally and most feasibly lost -- by any calculation informed by any tangent of reason that can be reasonably imagined -- can be found, for example, in public sector organizations which have high exit barriers and explicitly stated organizational missions. Consider an agency for battling tuberculosis in a country where that disease has been beaten; consider an agency to battle illiteracy among adults where there is no illiteracy among healthy adults; consider a university that faces lessening number of applicants, a brand that has no longer has any value whatsoever, and buildings that are falling down; etc. More subtle examples may be health care organizations in developed countries, which face decline both in the number of patients and potential employees; or national military organizations in countries that are no longer independent nor are meant to be. Or, consider the Finnish forest industry, home to the head offices of two out of three of world-market leaders in production of wood, pulp and paper products. While the Finnish forest industry corporations are world-leaders, and thus well positioned in the classic environment-conduct paradigm that drove

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[1] These themes revolve around hero managers, consultant gurus, and fashionable managerial techniques turning the organization from a point of certain demise to a pathway that was new, desirable, and a source of new vitality (Huczynski 1993).

corporate strategies of most world's most respected companies in the 1980s and 1990s, the unfortunate fact that these corporations are the kinds of a very low hill. The boundaries of the forest industry are disappearing with digitalization, on the one hand, and with rising costs of production in Northern Europe. The once so proud Finnish forest industry is closing day, with announcements of plant closures being made almost daily. .

In this paper, we try to systematically depict how to make a radical break with an on-going but undesirable present. We build on science fiction, where the goal has for decades been to show how the "entire worldview is false" (Dick 1991). The managerial or other leadership goal in the above kinds of desperate situations ought to be to defeat the reader's expectations that it is possible to discover what the situation "really" is (Hayles 1999).

In this paper, we explore the extent that an undesirable set of a situation and expectations is cause for management to make organizational members aware of the limitations of the present. On one hand, we build here on recent work by deCock (2009) whereby newly found vitality cannot be based on visions of a brighter future because the organization is path-dependently evolving towards its demise. "Any imaginable future," in order to be believable, "must be fashioned out of the tainted materials of the present" (DeCock 2009). When these materials are too tainted in their contemporary condition for purposes of providing comfort or directions for feasible action, we argue that management is wise to go back to an earlier present; that is, to the past. The point of this exercise is to "think the break... by offering a more traditional picture of what things would be like after the break" (Jameson 2005) Visions of happy worlds will in this view be those that correspond with the pastorally romantic, rather than with utopian images of the future.

On the other hand, to put it in words of Deleuze, we argue for the wisdom of "virtuality"; that is, being real without being actual. What matters is the appearance of reality to the people and the hopes it awakens, not the temporal dimension of empirically observable history. In this spirit of virtual, we build on "Counter Clock World", the science fiction novel by Philip K. Dick (1967). This book paints a future scenario in which time moves backward. We translate the benefit of such a world for managers of declining and stagnating organizations, exploring the extent that Dick's novel ideas outlines a seminal managerial understanding a) how going backwards is a sometimes fully rational premise, b) how the process of going backwards in

organizational activities should be managed and c) how the move backward can sometimes be leveraged as a move forward.

The main propositions emerging from our processes of pragmatic conceptualizing, mapping a few real-world phenomena of organization decline, and normative theorizing, are twofold. First, we make the proposition that evolution in virtual worlds, like history, has the property that it tends never to unfold in exactly the same way no matter how many times imprinting conditions are repeated. Second, we propose that precisely because of this reason of imperfect reversibility, de-evolution or regression in virtual worlds offers a novel design option for managers facing circumstances of organizational decline. At the end of our paper, we provide the reader with guidance on how we believe these propositions can best be studied, as well as the extent they may be studied in declining or stagnating organizations that are SMEs rather than large organizations, or in other stages of their evolution than stagnation or decline.

Thus, we bring into and operationalize in turnaround literature[2] an interest in science fiction; "jumpstarting the future"; a logic involving to "relax the reality principle"; and designing and building virtual worlds. We argue that seeing virtual worlds either work out or fall apart will be illuminating in terms of (a) representing our "real world", (b) understanding both the virtual and the real world, and (c) making productive changes in one or the other. [3]

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[2] While the overall story remains the same, in this literature more than one sub-theme can be identified, however. The following sub-themes appear to be the most popular: (1) organizational decline research focusing on the antecedents and processes related to failures or, to put it differently, what are triggers for managerial intervention; and (2) renewal literature that focuses on how to ensure the generation of one or several alternative activity streams that serve to sustainably revitalize the organization where an intervention has been made; and (3) re-engineering how organizational processes may be parceled and re-combined in ways that maximize short-term efficiency and lead to accumulation of slack resources and innovation; and (4) turnaround literature on specific management techniques on how, then, to revitalize the otherwise failing organization (usually a firm). Each of these approaches share in developing and institutionalizing understanding that processes of organizational turnarounds are, given the right kind of managerial interventions, rather manageable. There are always at least some prospects of a new strategic direction. All hope is never lost; reading the right kind of a book, hiring the right kind of consultants, saying and doing the right things – all these are more than last straws, offering real options.

[3] Strategically, an organization that grows or has the potential to expand due to growth in its resources has quite many alternatives. Strategically, one that does grown has little potential. Again, let us look at the health care sector in almost any mature economy. This sector has not only grown in terms of volume. Instead, health care now also involves health services that are more diverse and fine-grained they were still couple of decades ago while costs are going down. In other words, public and private organizations in healthcare on average have had to widen their service offerings and these service offerings have, in

We take it that one logical direction in which to inquire is to manage health care, the Finnish forest industry, or any declining sector, for that maters, towards more sustainable future is to regress towards a system that existed prior to the time when the turn towards the worse took off -- that is, to go back to the time, as much as possible, that was before there was a process of decline; to go back in history, and to be born a-new.

We acknowledge that we tangentially touching upon here on ground much covered by those intent in taking part in the evolution vs. creationism debates. However, rather than to be buried in that debate, we do not even try to take sides but use this debates purely pragmatically, as a source of creative tension, dialectically complementary models of passionate commitment, and imagination (of both what is possible but also what appears not feasible) for one's purposes.

Although logical, regression backwards is a process of de-evolution , we believe it is not done easily and, most of all, it is not easily manageable. The idea in this article is to sketch a process model of how a regression backwards can and ought to be managed and why it is justifiable from the perspective of evolutionary theory, as well as – most pragmatically – from the perspective of those who refuse to believe in such a theory.

Philip Dick's 'Counter clock world'

- reading of CCW

- lessons draw in bullet format

- history never the same – regression eventually means development

- learning does not stop

- having some direction enhances consistency

- regression backwards helps to reduce complexity

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conjunction, become more complex. Not surprising, the costs of health care have risen dramatically when ever new value-adding and cost-raising layers of health-related services have been added.

The Finnish forest industry is almost in a worse situation. While it shares in the jeopardy of health care, it also suffers from the fact that, given a choice, most people will invest in staying alive, given a choice, while they will have less of a primordial instinct to buy forest industry products. Nonetheless, we believe that these two phenomena are two sides of the same coin; that is,... [tähän olisi kiva saada jotakin tekstiä...]

The goal of this article's goal is to address a problem that has not been solved to our knowledge. That is, how an organization should maintain its vitality and functionality when it faces constant and imminent decline in its resources?

A Process Model of Backward Regression

- theoretical treatment of CCW learning

- construction of the process model

Managerial Implications

- how to manage constantly declining organizations / regression backwards

Conclusions

References