

Nothing Is Quite So Practical as a Good Theory

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A central mission of scholars and educators in professional schools of management, health, education, and social work is to conduct research that contributes knowledge to a scientific discipline, on the one hand, and to apply that knowledge to the practice of management as a profession, on the other (Simon, 1967). To do this well, we need to design our research so that it provides an intimate understanding of the practical problems facing the profession. Equally important, we need to appreciate and strengthen our skills in developing good theory so that research conducted about these problems will advance the knowledge that is relevant to both the discipline and the profession. Lewin's (1945) statement that "nothing is so practical as a good theory" captures a theme that is as important today as it was in Lewin's time. Good theory is practical precisely because it advances knowledge in a scientific discipline, guides research toward crucial questions, and enlightens the profession of management. This special forum focuses on criteria and methods for building good theory. Its purpose is to suggest ways to strengthen our theory-development capabilities, and thereby link better theory with the disciplines and professions represented in the Academy.

Overview

This forum consists of six papers and an editor's commentary that address three related aspects of our theme: (a) the characteristics of good theory, (b) the process of building good theories,

and (c) the methods to improve our current theorizing.

1. *What are the characteristics of good theory?* For example, what is required to have a good theory of organizational learning, selection, or change? Although most of us can readily point to an example of a good theory, we are hard-pressed to systematically articulate *how* and *why* a theory is good or better than an alternative theory. The advancement of theory in the Academy requires that far more attention be given to communicating and illustrating the criteria or characteristics of good theories on a variety of organization and management topics.

In his capacity as Editor of *AMR*, David Whetten struggles every day with this challenge of communicating theory-building principles in simple and practical ways both with authors and reviewers. I am delighted that he accepted my invitation to write a reflective editorial on what constitutes a publishable theoretical contribution. Using the basic questions and practical style of a journalist, David Whetten suggests that the essential ingredients of a value-added theoretical contribution are explicit treatments of: Who? What? Where? When? Why? and How?—and the greatest of these is Why.

In a similar but in-depth vein, Samuel Bacharach sets forth the basic vocabulary and ground rules for defining and evaluating organizational theories. By discussing the falsifiability and utility criteria often used to evaluate constructs, variables, and relationships of theories, his paper sensitizes readers, one more time, to the ground assumptions that most social scien-

tists have taken for granted. Unfortunately, these ground assumptions are too often ignored or dismissed without adequate justification, resulting in theories built on "shifting sand."

2. *How might one build a good theory?* Few answers to this question have been offered that extend beyond those provided in standard methodology textbooks (e.g., Dubin, 1969; Kaplan, 1964; Kerlinger, 1973; Stinchcombe, 1968). Yet, many scholars report either that these standard theory-building guidelines do not apply to many topical areas in management, or that the guidelines are too standardized and formalized to accurately reflect their theory-building experiences. Advancements in the process of theory building are needed that not only address the gap between espoused and used methods but also provide valid and practical ways to build good theories.

This forum contains three papers that make such advancements. First, Karl Weick provides a refreshing alternative to orthodox theory construction, which he indicates many times results in trivial theories because of its emphasis on validation rather than usefulness to judge the plausibility of a theory. He proposes that theorizing can be substantially improved if we adopt principles of disciplined imagination and view it as an evolutionary process of artificial selection. In so doing, Weick enlarges the relatively narrow baseline criteria reviewed by Bacharach that generally are used to evaluate theory.

Whereas Weick emphasizes vicarious experiences and independent thought trials as major sources for theory-building ideas, Kathleen Eisenhardt provides a roadmap for building theory from case study research. By discussing concrete steps in conducting and analyzing case studies, Eisenhardt provides a useful inductive strategy for building theories that are novel, testable, and especially appropriate for new topic areas. She also suggests some guidelines for *how to evaluate* such efforts and *how to link* them into existing literature.

However, a nagging question remains: To

what extent can knowledge acquired through case studies and other intensive idiographic methods be regarded as valid? Haridimos Tsoukas argues that idiographic studies are very useful for producing valid knowledge when they are concerned with the generative mechanisms and the contingent factors that are responsible for observed patterns. Adopting a realist perspective, Tsoukas distinguishes between (a) the underlying generative mechanisms or laws that have the power to cause events to happen in the real world, (b) the particular circumstances or contingencies when these causal mechanisms operate, and (c) the empirical events that people experience and researchers observe. Valid knowledge is produced by inferring and explaining what causal mechanisms operate—in particular circumstances—to explain the empirical events that were observed to occur. Tsoukas importantly cautions that theoretical explanations are inadequate when they focus on the empirical domain only by examining associations between observed organizational characteristics (as often produced by correlational studies), or by surface-level "detective work" of conjunctions among an observed sequence of events. Good theory goes beyond establishing empirically observed patterns, that is, it tries to explain what caused them.

3. *How can we improve our current theories?* Although the papers introduced thus far provide useful criteria and methods for developing new theories, the fact remains that most of us are "stuck" with the concepts and theories in which we have been trained and socialized. Given the pluralistic nature of the Academy, we now have many theories competing with each other to explain a given phenomenon. Proponents for each theory engage in activities to make their theory better by increasing its internal consistency, often at the expense of limiting its scope. As a result, and as Pogge stated, a way of seeing is a way of not seeing. From an overall Academy perspective, such impeccable micro logic is creating macro nonsense!

How should we deal with the tensions, debates, and forced choices between overly narrow competing theories to address an issue? For example, in the area of organizational-environment relations, how can we reconcile the competing assumptions, analyses, and conclusions between population ecology and strategic choice theories? These questions call for scholars and practitioners to pay more attention to methods for diagnosing situations, to select and improve relevant theories, and to become facile in constructively using the tensions that exist between alternative theories to address those situations.

In particular, Scott Poole and I argue that the tensions, inconsistencies, and contradictions between theories provide important opportunities to develop better and more encompassing theories. Thus, instead of suppressing or dismissing these apparent paradoxes, either within or between theories, we propose four ways to consciously and tenaciously pursue them to improve our theories: (a) accept the paradox and learn to live with it constructively; (b) clarify levels of reference (e.g., part-whole, micro-macro, or individual-society) and the connections among them; (c) take time into account in exploring when contrary assumptions or processes each exert a separate influence; and (d) introduce new concepts which either correct flaws in logic or provide a more encompassing perspective that dissolves the paradox. These four methods expand on Weick's recommendation to adopt multiple independent thought trials to improve our theorizing.

The four ways to address inconsistencies within or between theories can broaden our theoretical concepts and extend their range of applications. But, as Chimezie Osigweh warns, this reconceptualization process can easily and unwittingly go awry as concepts are malformed and result in misinformation. Osigweh addresses the problem of maximizing the potential for *concept travelling* (fitting precisely a variety of applications), while simultaneously minimiz-

ing errors of *concept stretching* (broadening the meaning beyond reason). To deal with this problem, Osigweh proposes a negation approach for defining and moving concepts across levels of abstraction (i.e., from being situational concepts to being generalizable universals, and vice versa).

Conclusion

The papers in this forum represent the tip of an iceberg of interest and effort in theory building within the Academy. In addition to countless inquiries and expressions of interest, over 45 papers were submitted in response to *AMR's* Call for Papers. All papers were evaluated using the standard *AMR* review process. The subject matter of the papers also was screened, and papers that deal with topics beyond the scope of this theory-building forum were evaluated for publication in a regular issue of *AMR*. Finally, a few papers deemed appropriate for this forum could not be completed before the deadline, and they will appear in future issues of *AMR*. Thus, this forum is an interim, not final or complete, statement on theory building. It represents *AMR's* ongoing commitment to strengthening theory-development activity and its continuing search for papers that will contribute to this commitment. Only through a never-ending pursuit of this commitment will we appreciate that "nothing is quite so practical as a good theory."

Finally, I must recognize and applaud the dedication and thoroughness of *AMR's* editorial review board and the anonymous reviewers of these papers. As guest editor, I have had an opportunity to observe directly the inner workings of *AMR's* anonymous editorial review process. This experience has truly impressed upon me the high quality, penetrating insight, and constructive suggestions that anonymous reviewers provide authors of prospective *AMR* papers. As might be expected, the independent assessments of these heterogeneously selected reviewers often are in disagreement, and this results in the editor's having to make challeng-

ing judgment calls. However, such feedback provides authors with a rich array of independent interpretations about their papers that, as Weick suggests, should substantially improve

theory building. Thus, although no institution is ideal, I conclude that the anonymous paper review process is alive and well for stimulating good theory in *AMR*.

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