

Common Understanding for Organizational Change: from Individual to Shared Cognition

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1. Introduction

We presented a knowledge processes of common understanding that emerges in international IT projects accelerated by phronesis in the ICKM 2015 conference and other research (Nishinaka, 2015; Nishinaka, Umemoto and Kohda, 2015). Nishinaka (2015) also presented individual cognition occurred in the first phase of processes of common understanding in an offshoring project between Japan and China (Nishinaka, 2015). This work in progress poster shows the current and further research interests for common understanding, which enables an organizational change with a shared cognition to generate a sense of unity.

2. Background

2.1. Current Research and Interests

In a paper for ICKM 2015 conference and the research in 2015 (Nishinaka, 2015; Nishinaka, Umemoto and Kohda, 2015), we have continuously examined common understanding for individuals, groups and organizations in cross cultural projects because we believed that it promoted a project success. In the previous research, we found phronesis accelerated common understanding. Phronesis is practical wisdom that synthesis subjective and objective knowledge to create value (Nonaka, Toyama, and Hirata, 2011). The extraction from the ICKM 2015 proceedings is listed below regarding phronesis:

“Nonaka, Toyama, and Hirata (2011) defined phronesis as “high level tacit knowledge and capability of finding the best behavior to decide and act for common good in a specific situation.” Phronesis is knowledge of how to judge what is good and whether to implement the good or not. “Good” is subjective, not objective. However, the common good is a necessary generality that is recognized by many people. Therefore, to realize the common good, phronesis synthesizes universal objective knowledge and specific subjective knowledge. (Nonaka et al., 2011; Nonaka, 2006)”

Nishinaka showed individual cognition occurred in the first phase of processes of common understanding in an offshoring project between Japan and China (Nishinaka, 2015). In the processes of emergence of common understanding, knowledge have been changed from induction to deduction. From the meaning of common understanding and the processes we examined, we think the common understanding might effective for an organizational change. However, prerequisites and/or assumptions are not consistent in different cultures, so it is sometimes hard to build common understanding in a project implemented by two different organizations, or in a merger of two organizations. Our current interest is the processes of common understanding when non-identical factors compose one collective existence, such as the global project whose members are joined from the different cultures. We also have an interest in an individual cognition in the processes of common understanding which might be a source of innovation.

2.2. Definition of Common Understanding

Originally, common understanding comes from a concept of “common knowledge” that is a knowledge that everyone knows. We define common understanding is “a common organizational belief or philosophy that every member understands.” Common understanding is an objective belief consisting

individual subjective belief or philosophy. Individual belief can be subjective but each individual must understand the essentiality of the meaning of common understanding. Common understanding is a situation of synthesizing subjective and objective value in individual and all. Common understanding is not always written explicitly, but it is recognized as tacit knowledge.

One of the examples of common understanding is an “ism” which is a corporate philosophy such as Matsushita-ism or Honda-ism, but not limited to a corporate principle, doctrine, or ism. *Ba* of common understanding can include any group or organization, such as a local community. Interpretation of Honda-ism is different depending on individual thinking, but every individual understands Honda Sohichiro’s mind even though it is not written. The Sohichiro’s mind is a shared cognition among Honda employees and they are bond tightly with the corporate philosophy. It is common understanding. From the situations of the examples, common understanding is based on common good or common sense that every member agrees. So it is understood and pervasive among people. This situation is also supported by the definition of *phronesis*.

2.3. *Meta Cognition of Individual, Intuition and Organizational Change*

We assume the real change in organizational behavior might not happen without common understanding. In addition, real organizational change will be led by individual change. Because the definition of common understanding is that “an objective belief consisting individual subjective belief or philosophy.” It means common understanding includes individual belief. Therefore, without the change of individual to achieve the belief, common understanding will not be generated. To achieve the individual change, individual has to see insight to cognize the self. It is meta-cognition of ourselves. Such an individual who has a capability of self-cognition, can cognize the symptoms outside that the other people cannot notice. The cognition sometimes overlaps with “intuition” which is a source of innovation. In the series of the processes which starts from a subjective individual cognition to an objective organizational understanding, that is knowledge, a synthesis of subjective and objective knowledge is occurred in both an individual and an organization.

Currently, we are collecting data of the processes of common understanding which might causes organizational change that starts from individual cognition and individual change.

2.4. *Application Areas*

The application areas of this research includes “change management” in projects, mergers or joint work of organizations and/or companies which need the shared cognition or philosophy. This research might also be effective for creation of innovation by the self-cognition, because knowledge creation is an essential nature of innovation (Nonaka and Katsumi, 2004).

References

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