What do we know and how do we really know it? This is an ambitious question, isn’t it? Actually, I am going to presume on your forbearance by doing something a little different. It is traditional in Academy presidential addresses to speak about us as scholars, and how the Academy can better serve our needs. However, I want to break with that tradition today and take a step closer to presidential addresses in the other social sciences by addressing our ideas. I propose that at least some of what we know exists in separate domains, and I argue that many of us inhabit two parallel intellectual worlds.

One of those worlds is the world of scholarship. In this world we build on the intellectual work of others and conduct research in which we seek to carefully check claims against reality. Our scholarship may be more or less relevant to practice, or centered in the world of ideas, but in this scholarly world we are self-conscious about careful definitions and the intellectual history of our ideas, and we display a deliberate skepticism toward assertions and claims. We are all familiar with this world. However, I suggest that many of us also inhabit a second world. I call this one the world of folk wisdom about management and organizations. This second world is not as openly acknowledged, is not as well understood, and is underappreciated.

I see these as parallel worlds, which means, if I recall my geometry correctly, that they never touch one another. Actually, this is an exaggeration. They do touch and inform one another for most of us, and the degree of their mutual influence differs from person to person. Some, of course, live wholly in the world of scholarship, and some live wholly in the world of folk wisdom. And I am sure there are colleagues with extensive overlap between these worlds. So, with those caveats, and to be absolutely safe, I speak only about myself. My wish is to better understand our world of folk wisdom and to work toward greater mutual influence between both these worlds.

The extent to which I, at least, was operating in two nearly parallel worlds became clear to me this last year. I had the opportunity thrust on me to practice what I have been preaching these past twenty years. I have been working two managerial jobs—one you know about, as president of the Academy, but the other less well known: I have been serving as the interim dean of my management school. This latter job, for those who may not know, is a real managerial job. We are a 21 million dollar operation with about 240 employees, and less than 30 percent of our revenue comes from the state or endowments. That means we have to find 70 percent of our budget every year out in the student-tuition marketplace. We need to do all of this while coping with a bureaucracy—the University of California—that puts adjectives like Byzantine, red tape, bureaucratic, ossified, and Kafkaesque to shame. Putting together the Academy program two years ago and serving as president this year were certainly managerial learning experiences, but these responsibilities were like kicking pebbles compared to the Sisyphean task of running a fee-dependent, ambitious business school encased in a research-proud state university system. But I am not here to whine; really I am not.

Rather, I want to be a reflective observer who uses my time doing some real, serious organizational management to learn more about what we know as scholars and how we know it. So I asked myself: Was anything I learned studying, teaching, and thinking about management and
organizations all these years useful? Yes, sure, some of it was. Am I a better manager because of those years of study? Yes, I think so. Although I have made many mistakes, I probably would have made more had I been studying molecular biology instead.

But as I think about what was useful, and which mistakes I was able to avoid, I became aware that very little of this useful knowledge about my most important challenges came from our scholarly world. Rather, the really useful insights, the knowledge that helped with the tough problems, came from what I am calling our world of shared folk wisdom about management and organizations.

The more I thought about it, the more I came to believe that we do not sufficiently recognize that we are steeped in a rich wisdom that is often useful in addressing the really tough organizational problems individuals face. Unfortunately, I fear that very little of that wisdom is based on our claims to be social scientists. It comes from a different world—a world we have not examined as thoroughly as we have our scholarly world.

Let me give you an example. We all know—not the phrase, “We all know,” a signifier of folk wisdom, not scholarly knowledge—we all know that one mistake managers too often commit when addressing a problem is to blame the person and ignore the structures. That is, too often in practice we managers jump to the conclusion that the problem is a difficult or incompetent person, rather than take the time to search for the incentives, partial information, and socially based explanatory constructs that might account for the actions. With this insight as a guide, several times I was able to avoid the escalating resentments and revenge that can arise when people feel they have been attacked unfairly.

Yet how do I know this insight that we all know? It is always hard to identify the origins of ideas, but several important ones for this idea stem from what social psychologists term the fundamental attribution error (Burger, 1991) and Kerr’s (1975) “The Folly of Rewarding A While Hoping for B”; also, in graduate school I read about the effects of structures and incentives in a gypsum mine (Gouldner, 1954), in the Tennessee Valley Authority (Selznick, 1957), and in a French cigarette factory (Crozier, 1964), and found additional valuable material in these scholars’ many excellent successors. The psychologists found that individuals have a bias to see others’ actions as personally, rather than institutionally, caused, and the sociologists describe how the complex interplay of many organizational forces can produce perverse incentives, information sinks, and toxic subcultures that bedevil those who work in organizations.

On reflection, however, this normative insight—that is, diagnose the structures before blaming the person—seems to inhabit the world of our shared folk wisdom. This admonition has not been something that has been established through any process we would recognize as social science based. I am not aware of any systematic attempt to seek out opportunities to test this idea, nor of studies in which researchers have compared those managers who focused on the people-as-problems first to those managers who sought to understand the structures. Maybe I have just missed it, but I don’t think this useful insight has been subjected to the merciless standards of the scholarly world.

Rather, this insight, among many others, has become part of our collective folk wisdom. It is based on extrapolations from our reading, shared interpretations of others’ research, and the knowledge that comes from years of doing our daily work: discussing managers’ most important challenges with them.

So, how can we better understand our folk wisdom world? For a start, I think many of us have created these two nearly parallel worlds as a way of coping with the conflicting pressures of both conducting serious scholarship and needing to teach experienced managers who pay a lot of money to learn something useful. What has worked for me has been to separate those worlds as much as possible so that I can meet the demands of both.

Like me, many of you have to teach grownups. Most of our management students, particularly in the MBA programs, have some work experience, and our students in part-time Executive MBA and executive education have significant managerial experience. These older students especially come back to school in order to learn something that will be useful to them now, and many of us have jobs that depend on keeping them satisfied.

The students are happy to have useful, entertainingly presented folk wisdom. Very few know that it isn’t really from the scholarly world, and
even fewer would really care as long as they are getting the help they need. Anyway, that occasional well-trained social scientist who stumbles into an MBA program seems to expect very little in the way of scholarly rigor from a business school. Alas.

Many of us can focus on meeting practitioners’ needs for useful knowledge because classrooms exist virtually independently from our scholarship. After all, I haven’t been in any of your classrooms, and for all I know you all are teaching AMJ\(^1\) all the time; as I said, maybe this is just me. I can write papers for my scholarly colleagues that address the demands of scholarship that are utterly opaque to my students, because no one expects managers to read them. I can teach tried-and-true folk wisdom in class, because none of my colleagues ever set foot in one of my classrooms.

Because of this need to provide useful knowledge to classrooms full of experienced managers, over time it seems that I, at least, have generalized from the scholarly world, have learned from the experienced students, and so have developed knowledge that is useful to managers. I believe those individual insights that work, in turn, get passed on from professors to teaching assistants, who, in turn, become professors with TAs eager to be successful in the classroom. And, of course, here at our meetings I suspect that plenty of folk wisdom is passed on.

Further, this folk wisdom we have developed through reading and thinking, copying from the best, and trial and error in the classroom has more value than we have been willing to admit. In part, we don’t recognize it because we are, maybe, a little ashamed of it. This knowledge isn’t from the scholarly world so it has questionable legitimacy. Nevertheless, I contend that some of it, at least, is pretty good stuff. It isn’t based on just one practitioner’s experiences, because it has been distilled from so many thoughtful observers and has been tested time and again in the classroom. Speaking just for myself, if my folk knowledge had no value, there would have been no money to pay for me to travel to this meeting. And I suspect that I am not alone in this. Many of us teach experienced managers, and so we have learned how to give them value for their money, or else we would be sitting in some fluorescent-bright office doing real jobs for real bosses rather than sitting here.

All of which begs the question: What’s the problem? If I have found a way to balance the conflicting demands of scholarship and the teaching of seasoned practitioners by largely separating those worlds, so what? If I can produce decent research for the scholarly world and largely separate folk wisdom insights for the students, what’s the problem? So far, it has worked for me, and maybe it has worked for one or two of you. Well, I think there are three problems with this state of affairs.

First, I am not completely comfortable with what is a bit of dishonesty. In the classroom, I fear I rarely have been completely open and honest about what I am doing—recycling and recombining the experiences, hunches, and anecdotes of others. After all, a major basis for my credibility is that I claim to be a social scientist: I study management and am supposed to be sharing something more than old war stories. Of course, I use material from the scholarly world when I can, but if I had organized my classes around the table of contents of one of our journals, I wouldn’t have survived long enough to be denied tenure.

More often than I have wanted to admit, too much of the classroom social science has been illustrative, tossed in to enliven a point, to drive home a folk wisdom idea, or to wake up the back row. Much of the knowledge I really depend on in the classroom is that tried-and-true folk wisdom that I know addresses my students’ important organizational problems. I need to give these experienced students something they find useful, or at least amusing. I am afraid I, for one, have been more of a snake oil saleswoman than I would like to admit to myself. So, the first problem is my guilt.

The second problem with living in two nearly parallel intellectual worlds is that folk wisdom isn’t always accurate. After all, the scholarly world developed in order to address the inaccuracies of the folk wisdom world. Many, many people can be convinced they are right about something for many, many years, and yet be utterly wrong: the world is flat, absence makes the heart grow fonder, out of sight out of mind.

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\(^1\) This is the Academy of Management Journal, the premier empirical scholarly journal of the Academy of Management.
If I lived wholly in the folk wisdom world, I could smugly pat myself on the back in the glow of my high teaching ratings, confident that a large, adoring crowd at my feet is the only truth that matters. No, my comfort has been ruined by those years in graduate school. So, the second problem is that my training has made me distrustful of my folk wisdom.

The final problem with living in these nearly separate worlds is that I fear it impoverishes the scholarly world. Keeping them separate makes it easier to leave managers’ important challenges out of our scholarship. I am not saying that our research is not relevant—that old chestnut. No. I think most of it is quite relevant; certainly, there is a lot of good, relevant research being done. Rather, much of it is relevant for those less critical, more technical problems, rather than for the most important problems that those coping with large, complex organizations face. There is much really good, solid scholarship and research, but I can think of very little that was useful for my own most important and taxing challenges.

To give just one brief example, one of the most difficult challenges I face as dean is selecting people who have, as well as trying to find ways to encourage, what we practicing managers call “good judgment.” Some people display good judgment time and time again when new, difficult, and unexpected problems arise. Others, time after time, seem to get it wrong. They unnecessarily inflame others and create messes that could have been avoided had they exercised better judgment.

We have excellent scholarly knowledge on topics that touch on this colloquial concept of good judgment, but none of it is directly useful to me. We have good research on selecting and measuring (so we can reward) conscientiousness. But this isn’t quite right, because one of my employees with the worst judgment is a woman of extraordinary conscientiousness. There is outstanding work on naturalistic decision making and expert systems, but this work addresses improving judgment quality on problems that are largely known in advance, whereas I need someone who can manage the unexpected. Good judgment is not exactly intelligence—something with many decades of excellent scholarship behind it—but I do suspect that being smart helps.

Good judgment is a quality this practicing manager thinks is difficult to find and to train, and as a manager I seek it as best I can, by learning from my own experiences and by desperately asking others for advice. Yes, good judgment is messy to study, but so are many of the subjects, like intelligence, about which we have amassed a great deal of scholarly knowledge.

Which brings me to my conclusion. For these reasons, the present state of small overlap between my own scholarly and folk wisdom worlds is unsatisfactory. Of course, the easy way out would be to leave the scholarly world and embrace folk wisdom; many of us do that. Or I could retreat to the scholarly world, scorning practitioners and their polluting effects. I’ve seen that done as well. But I don’t want to do that. Both have real value, but both are less than they could be when kept separated.

I believe that both worlds would be enriched if the overlap were just a little bit bigger. More folk wisdom could be subjected to careful analysis and the more systematic reality checks that could improve its veracity. And the powerful tools of scholarship could be harnessed for truly important organizational problems. The first step in this direction is to create more awareness of how we really know what we know about organizations and management. I have made a step in that direction today. But additional steps are necessary.

One additional step might be to turn to our folk wisdom for guidance in our scholarship. So, to take action, I, and perhaps some of you out there, can sit down and list our “best bits” from our classrooms—those insights or recommendations that always seem to work with experienced students. We then would need to be scrupulously honest with ourselves about whether each bit really is folk wisdom or is based on careful, self-consciously deliberate scholarship. We then would need to be scrupulously honest with ourselves about whether each bit really is folk wisdom or is based on careful, self-consciously deliberate scholarship. And we must be very honest at this point—just because someone with a Ph.D. asserted it doesn’t make it careful scholarship! This is the deliberate skepticism the scholarly world requires. Then I, and perhaps anyone else who is interested, could construct a program of research to carefully check some of our folk wisdom against reality.

If anyone out there does conduct such studies, please do send me your draft manuscript. I certainly need useful, carefully tested insights to help me with my management challenges in the next year. What is more important, a year from
now when I return to the classroom, I would love

to do so selling a little less snake oil. Thank you.

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