

Communities of Practice Re-examined: From Isolated Innovation Islands to the Business Mainland

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ABSTRACT

In the literature, there are numerous examples of ways of preserving skills and connoisseurship by tradition. A community of practice, in particular, is frequently seen as a site of the social learning process. Such an approach derives from the viewpoint that learning is not a single isolated activity, but rather an aspect of all social activity. Furthermore, a community of practice is often seen as a natural context for the existence and creation of knowledge due to the interpretative connection created by its own cultural history. For example, it binds the social processes with the institutional contexts such as business organisation.

Depending on the viewpoint, there are several ways to define a community of practice. In general, it is maintained that mutual practices create a bond between the practitioners and the particular nature of the bond varies. The community of practice, for example, may set relations among persons according to repetitive, common conventions of social action including tools and language. Nevertheless, the term community does not necessarily imply physical co-presence. On the contrary, the existence of virtual communities connected by means of the Internet, for example, is becoming an increasingly interesting topic both in the literature and in practice.

Although the concept of community of practice is theoretically well known, and various applications have been proposed in the literature, it can by no means be considered as an empirically straightforward issue. Purposeful organising of such communities in business context, in particular, may lead to a situation where organised communities are seen as an additional sphere of activities, detached from mainstream organisational functions. As a result, these communities may lack social connections to other professional activities and fail to create the intended intensifying approach to knowledge processes underlying business success. In other words, knowledge management has failed to be integrated with other management approaches and is weakly linked to overall business strategy and organisational performance.

In his doctoral dissertation, the present author has studied the concept of community of practice in the context of product development organisation and conducted several case studies in the field of software application development. The present paper sets out to provide useful ideas on knowledge management in practice. The concept of community of practice is re-examined and approached in terms of professional practice. Such a community is used in reference to a dynamic concept which links both the individual and social history of professional practitioners with practice in the business context. According to the adopted approach, this community is not seen as an isolated group of people in a certain situational context. Instead, it is proposed to have a particular life cycle in relation to other business activities. Furthermore, it is maintained that this dynamic relationship should be actively managed as a part of overall business management.

1. COMMUNITY OF PRACTICE

To a certain extent, the concept of community of practice is well-known. It has been discussed frequently in the literature and several practical applications have been proposed. However, it is fair to say that it can by no means be considered as an empirically straightforward concept to apply in business practice. Examples presented in the literature, for example, may include descriptions of communities of practice functioning in a business context. Furthermore, such cases are often presented in relation to overall business success. However, demarcation of the path from various activities within the particular communities in question to business success is often left ambiguous. Also, such a way to success may be difficult to repeat in practice.

The present paper sets out to provide insight on knowledge management in practice. This is done by recalling the theoretical background of the communities. In addition, the concept of community of practice is enlarged by focusing on professional practice in particular. In the next section, a motivation for the discussion is given.

1.1 Fallacy of Isolated Knowledge Creation

It seems reasonable to assume that the importance of knowledge creation is well understood in numerous business organisations today. It may be questioned, however, whether knowledge creation is always understood as an integrated part of organisational functions or whether it is still regarded as a separate issue.

For some reason, a community of practice is often approached from the latter viewpoint only. It is often seen as a separate social grouping for the purpose of knowledge creation and sharing. As such, it is typically detached from mainstream organisational functions in the form of a "special interest group", "peer group" or a new setting for discussion, for example. Such forms, however, represent only a marginal manifestation of all types of communities of practice. Furthermore, instead of improving the performance of overall organisational activities, these kind of organised communities mainly provide an additional sphere of activities.

Nevertheless, the implementation of such communities may provide concrete benefits. Also, such an approach may lead to further utilisation of the social processes underlying organisational knowledge creation and thus, improve the systematic integration of knowledge creation and the mainstream organisational activities. However, this limited approach has also risks. If the role of communities is unclear, for example, it may be difficult to support the right activities based on the business strategy. As a result, it may be that good ideas never make it to the realisation phase or wrong ideas will get promoted. Furthermore, it may be that the strategy selected misses links between the vision and reality due to the lack of systematic knowledge sharing. Or, it may be that a particular community of practice seems to be working nicely, but does not contribute to any measurable business result.

The present paper sets out to re-open the view to the possibilities that the concept of communities of practice can provide to business organisations. First, a brief discussion on the theoretical background is presented.

1.2 Mutual Participation and Learning

Schön (1987) maintains that a community of practitioners is a group of individuals who share common conventions of action. According to Schön, the practices create a bond between the practitioners and are formed by mutual units of activities. These activities represent repetitive occurrences of particular kinds of social situations and take place within a specific institutional context, such as a business organisation. In other words, the concept of community of practitioners binds the social processes with the institutional contexts.

Lave and Wenger (1993) approach a community of practice as a site of a learning process. According to them, learners always participate in communities of practitioners. Furthermore, to make the learning process possible, newcomers have to move towards full participation in the sociocultural practices of a community. This process, by which newcomers become part of a community of practice, is called Legitimised Peripheral Participation (LPP) (Lave & Wenger 1993). It is interesting to note that Lave and Wenger regard learning not as single isolated activity, but as an aspect of all social activity:

“In our view, participation at multiple levels is entailed in membership in a community of practice. Nor does the term community imply necessarily co-presence, a well-defined, identifiable group, or socially visible boundaries. It does imply participation in an activity system about which participants share understandings concerning what they are doing and what that means in their lives and for their communities...A community of practice is a set of relations among persons, activity, and world, over time and in relation with other tangential and overlapping communities of practice” (1993, p. 98).

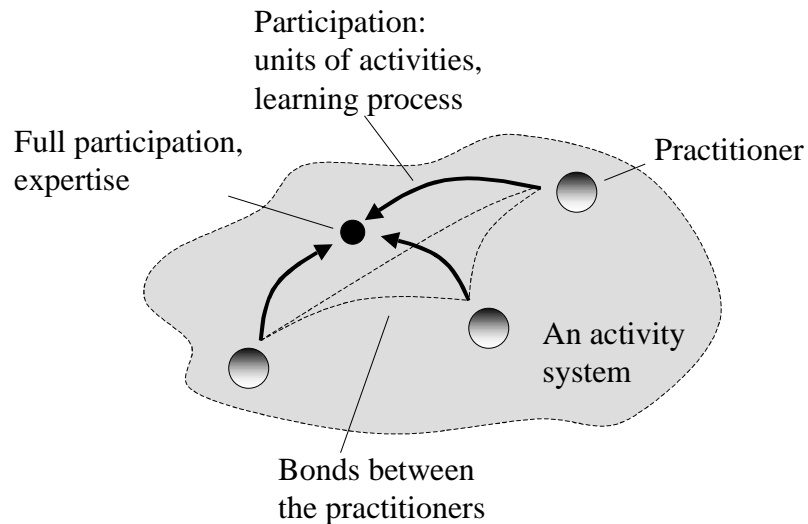


Figure 1. A simplified illustration of a community of practice.

Several authors emphasise the informal nature of a community of practice. Botkin (1999), for example, regards communities of practice only as informal groups that are formed and shaped by circumstances, and refers to purposely formed communities as “knowledge communities”. Similarly, Wenger and Snyder (2000) state that communities of practice are “groups of people informally bound together by shared expertise and passion for a joint enterprise” (2000, p.139).

However, the earlier concept by Lave and Wenger (1993) as well as the concept of practice by Schön (1987), for example, may also be considered to support the applicability of the concept of community to intended organisations. The present author approaches the subject from the latter viewpoint. This viewpoint is further discussed in the next chapter.

2. COMMUNITY OF PRACTICE IN RELATION TO ORGANISATIONAL STRUCTURES

It is important to note that Legitimised Peripheral Participation (LPP) as defined by Lave and Wenger (1993) is not a structure for learning. Instead, it describes active participation, a way of acting in the changing world:

“...learning is a way of being in the social world, not a way of coming to know about it.” (Lave & Wenger 1993, p.24)

Therefore, the question remains how to facilitate this active participation in a business organisation.

2.1 Learning in Organisations

According to Argyris and Schön (e.g. 1996), an organisation is a co-operative system governed by a set of rules and roles. Moreover, individuals of such an organisation are agents acting for the organisation. From a learning viewpoint, it follows that action in a co-operative framework creates situational and contextual knowledge.

The role of knowledge and learning in organisations has aroused interest in organisational arrangements and management approaches. It is not surprising to note that the discussion in the literature is often focussed on finding ways to detect the most learning-intensive or the most knowledge-intensive areas and processes of the business in question. Furthermore, the discussion is typically continued either by focusing on the knowledge and learning-intensive areas only or by attempting to provide an overall framework for approaching the whole organisation. A recent example is the work of Saurama (2001). In his work, Saurama creates a model for mapping the knowledge intensity of a business based on the number of product transactions and the degree of change in such transactions. Although Saurama utilises the model in relation to Information and Communication Technology (ICT) investments, somewhat similar approaches have been used in describing and guiding organisational processes in general. For example, Stähle and Grönroos (1999) provide an overview to knowledge management and combine results presented earlier in the literature into a three-level approach to organisations. These three levels define the mechanical, dynamical and organic perspectives on organisational activities.

Without continuing the list of examples, it is straightforward to see the common, important issue approached with a varying terminology in different works; dynamics of learning in relation to business organisations. Such dynamics may be veiled into the form of evolution or chaos, for example, but the importance lies in the emphasis on the dynamics of various organisational phenomena. In the present paper, such dynamics are approached from the learning viewpoint. Moreover, the concept of community of practice is employed in order to be able to approach learning as a situated activity and at the same time, an aspect of all social activity.

2.2 Community of Professional Practice

Tuomi(1999) provides excellent arguments for extending the discussion from the project team level to include the concept of community of practice. His main points against the traditional team approach are (Tuomi 1999):

- informal communication networks behind teams are invisible and thus not managed
- there is no graded membership in a team, all members are fully bound to the common goal during the existence of the team
- teams are "closed" entities, but the generated knowledge has relevance only in wider social context. Therefore, they often have to communicate and implement their results as a separate activity
- teams do not provide a basis for organisational design, that is, "*an organisation is not a team of teams*" (Tuomi, 1999 p.399)

As a solution to these problems, Tuomi (1999) presents an interesting approach to communities of practice: a team based community, or an organisational community, as Tuomi refers to them. Such an approach is based on the assumption that the actual knowledge production and re-production takes place in communities of practice. Therefore, an organisation is merely a subset of such communities, a description based on legal and institutional concepts.

In his recent work, the present author (Happonen 2001) maintains that Tuomi's (1999) concept of a team based community and organisational design based on communities of practice should be further developed in order to provide tools for practical applications. In particular, it is proposed that a product development project, for example, is not as closed an entity as the concept of a project team defined in Tuomi's work. In other words, while Tuomi's definitions hold true for the ideal bounded definitions of teams, it is not always so in practice. The real-life situation may already contain a better starting point than assumed in Tuomi's work.

The graded membership, for example, is often a fact in the practical realisation of product development project teams. Instead of fully closed, parallel project teams, it is likely that there will be at least a consulting relationship between several development projects at the same time. Furthermore, a team member may well attend only a limited time or have a limited responsibility in the team. Team members are not, therefore, necessarily fully bound to the common goal during the existence of the team. Instead, they may share only a limited responsibility for the common goal. Assuming that such consulting activities exist as a part of a daily

routine, the team results will already have been partly implemented and communicated during the knowledge generating activity, not only as a separate activity.

Nevertheless, it is obvious that if purposeful attempts are made to organise teams as fully closed entities, the problems pointed out by Tuomi (1999) are likely to become real. The more closed the team approach is, the more it isolates teams from other activities in the organisation. Moreover, the same applies for any activity in an organisation; in effect, it sets a boundary for the learning as an aspect of all social activity.

As a result, the present author concurs with several other authors that an organisation can be approached as a subset of communities of practice. However, the known risks of the team approach, for example, should be taken into account without abandoning the requirements of business practice. Therefore, the present author proposes that to provide more practical value the general concept of a community of practice should be narrowed down to focus on professional practice. It is acknowledged that the knowledge created within communities of practice has relevance only in a wider social context. By focusing on the professional practice, however, a purposeful compromise is made in order to emphasise the relevance of the created knowledge from the business point of view. Figure 2 presents a community of professional practice in comparison with a general community of practice.

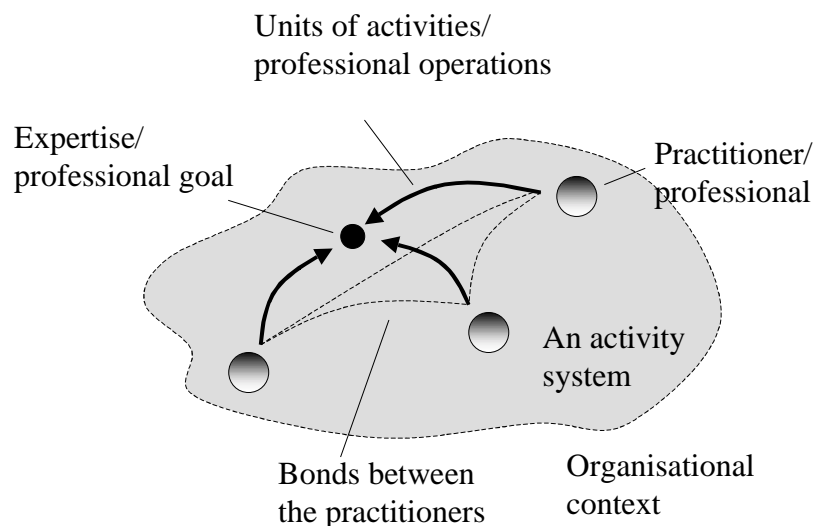


Figure 2. A community of professional practice

A community of professional practice is used in reference to a dynamic concept which links both the individual and social history of professional practitioners with the practice in the business context. Such a community overlaps with other communities of practice and should not be seen as an isolated group of people in a certain situational context. Furthermore, this community also has a particular life cycle in relation to other business activities that take place in the organisation. As a result, it is a dynamic, evolving entity that is a part of both wider social phenomena and business activities inside a defined organisation.

On the one hand, organisational arrangements and priorities have an effect on the observed evolution of a community of professional practice. On the other hand, it is apparent that various social activities and overlapping communities of practice underlie the entire scope of operations and activities observed in the business context. From the individual's viewpoint, in particular, overlapping and tangential communities are likely to form a complex network of activities, some of which are more related to business operations than others (Figure 3). As a result, the definition of individual goals and motives, for example, is seldom a straightforward process from an organisational viewpoint.

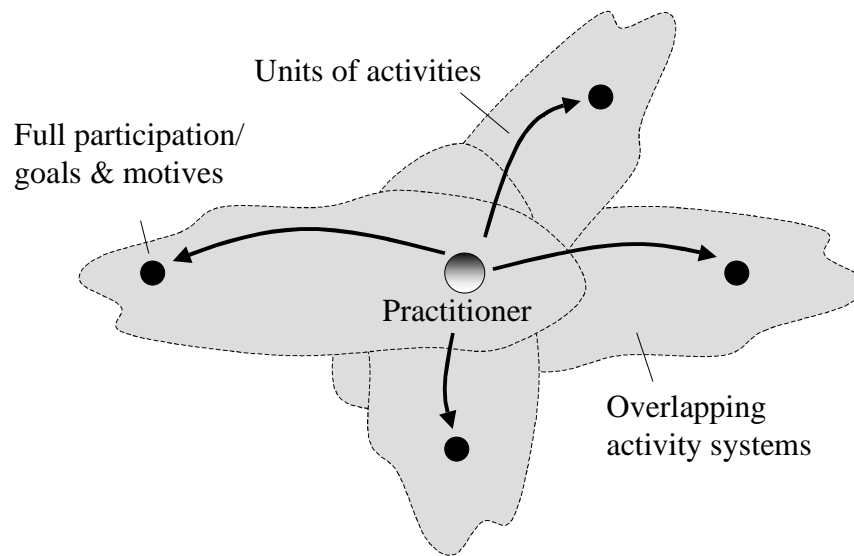


Figure 3. An individual's viewpoint on communities of practice

From the management viewpoint, such communities are not entirely "controllable". Nevertheless, they can and should be guided according to the business needs. Because this may require changes to the adopted management principles and organisational structures, the role of communities in organisational dynamics is discussed in the next chapter.

3. COMMUNITY DYNAMICS

As discussed above, the community of professional practice is a dynamic entity. Traditionally a community of practice has been approached as a social group with a long-term social bond. A typical example of such a bond is the case of apprenticeship (e.g. Lave & Wenger, 1993). Later, several authors have also incorporated the concept of community with short-term social groupings such as organisational communities (Tuomi, 1999) or cross-functional informal groupings connected with a shared interest (e.g. Wenger & Snyder, 2000).

In the literature the main focus is often on spatial location of the social activity, and the resulting effects on temporal issues are taken as a result. The focus may, for example, be on communities sharing a physical location versus virtual communities in the Internet. Little attention has been paid to life cycles or dynamics of the various communities (c.f. Lave & Wenger 1993). To be able to include the concept of community of practice in organisational design or business management, however, the awareness of the dynamics of such a community is a fundamental requirement.

In the present paper, a potential community of professional practice is seen where an organisational activity creates a bond between several individuals. This bond may or may not be organisationally managed. The main point is that this activity requires purposeful participation in an activity system. The context as well as temporal and situational settings are attributes of the particular activity, but they do not limit the concept of community.

As a result, community dynamics can relate to several issues. The environment of the community may change, for example, or individual members of a particular community may change or the type of their membership may change. A community of professional practice may, therefore, have a different kind of life cycle depending on the context. Furthermore, this life cycle has relations to other business activities. In the next sections, several examples of community dynamics are presented.

3.1 Community Viewpoint

The community dynamics can be approached either from the inside or from the outside of a community. In the present paper, it is proposed that in a business context both of these should be combined. First, the community viewpoint is discussed with the help of two simplified examples.

According to the adopted definition by Lave & Wenger (1993), Legitimised Peripheral Participation describes the process by which newcomers become part of a community of professional practice. However, it is important to notice that the anticipated target of this process, full participation in the sociocultural practices of a community, is not a stationary one. Instead, it moves and while it does so, the practice also changes. As a simplified example, if the professional practice in question is a particular type of graphical designing work, the tools employed may change. As such, a transfer from 2-dimensional CAD (Computer Aided Design) tools to tools supporting 3-dimensional design, for example, may sound like a minor change. However, such a change may promote a different kind of expertise than before. An individual person mastering the skills of 2-D design process, for example, may have difficulties mastering the 3-D design process. As a result, the professional practice changes, also causing changes to the relation between newcomers and experts. The upper part of Figure 4 presents such a situation.

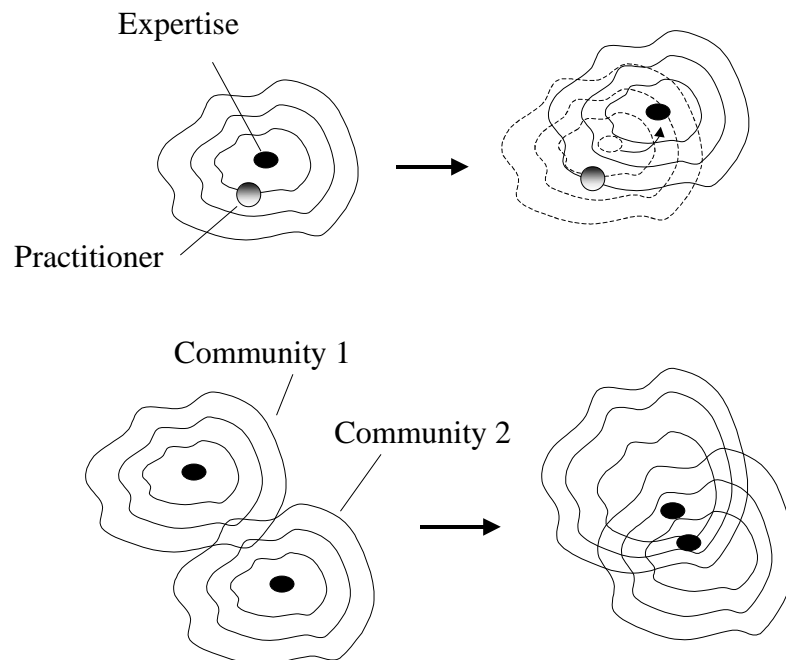


Figure 4. Example of changes from the community viewpoint.

The process leading to full participation in the sociocultural practices of a community is not dependent only on the practices. Instead, it is also dependent on the environment. As a continuation of the previous example, the practice of graphical design work may change due to changes in the business environment. The increasing requirements on the design process transparency and development of design tools, for example, may lead to a situation where the role of a traditional customer increases. The customer may do part of the work by herself, or at least be more active on the design process. As a result, the sociocultural practice associated with the particular community may change radically and, for example, shape the degree and the type of membership of different practitioners. The new customer-supplier interface may result in a new community of professional practice which overlaps several earlier communities. The lower part of Figure 4 shows an example of such a change process.

3.2 Organisation Viewpoint

The example above already presents the idea of several interrelated communities. As a result, it is not enough to approach the community dynamics from inside a single community only. Approached as a subset of

communities of practice, an organisation includes numerous overlapping and tangential communities. A substantial number of these communities are linked together by organisational arrangements. Furthermore, the dynamics of such communities are in relation to the dynamics of the organisation.

As discussed above, the underlying assumption is that community dynamics are in relation to the learning process. Moreover, such a process describes an active participation, a way of being in the social world. Dynamics of a community of professional practice are, therefore, not only in relation to the changing business context but also in relation to the underlying social learning processes. As a result, an activity of purposeful organising of communities is likely to meet certain limitations on community life-cycles.

The present author has explored the dynamics of overlapping communities of professional practice in the product development context in particular (Happonen 2001). A product development project, for example, can be seen as a chain of overlapping and tangential communities of professional practice. Figure 5 presents an example of a software application development project in the field of automation systems (c.f. Happonen & Höyssä 2001). The project connects existing communities of professional practice by offering overlapping goals for participation.

In addition to the expertise in user interface design, for example, the development project creates a new social context for the designers. In this context, the level of expertise and participation is not only in relation to the practice of a user interface design. A new element of unfamiliarity is introduced in the form of a new product scope. The practitioners of the new overlapping community of professional practice participate in an activity system about which they share understanding concerning what they are doing and what that means for their communities. Through participation, the practitioners learn both in the context of their own special area of expertise and in the context of the particular new product development.

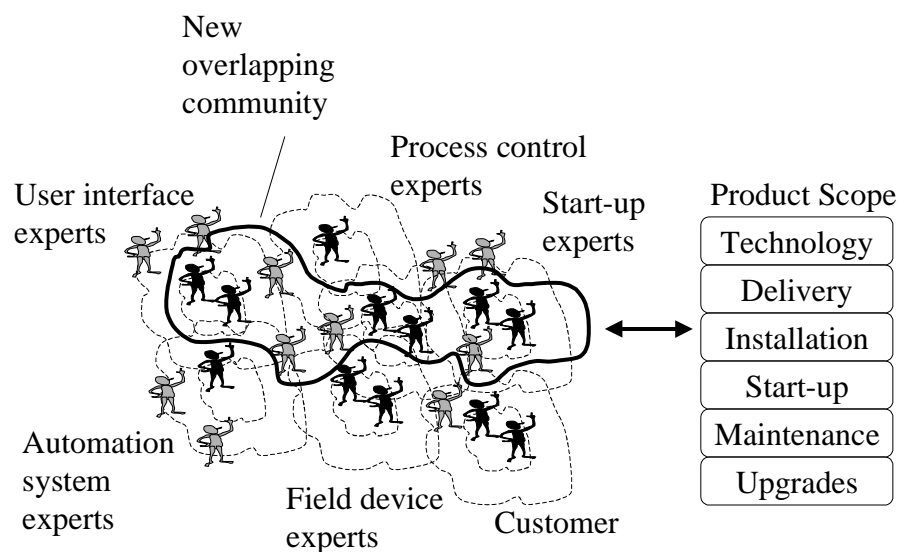


Figure 5. A product development project as a chain of overlapping and parallel communities of professional practice (adapted from Happonen & Höyssä 2001).

To enlarge the scope of interest from a single product development project to multiple projects and in the end, to the whole organisation is, to a certain extent, to study the dynamics of organisational phenomena in relation to social participation in the underlying activity systems. As discussed above, the results of this pursuit are likely to point out certain challenges in the purposeful organising of the communities of professional practice. Such issues as finding the most learning-intensive areas and processes of the business in question and finding acceptable compromises between the short-term business goals and the long-term business potential are likely to come up in any organisation.

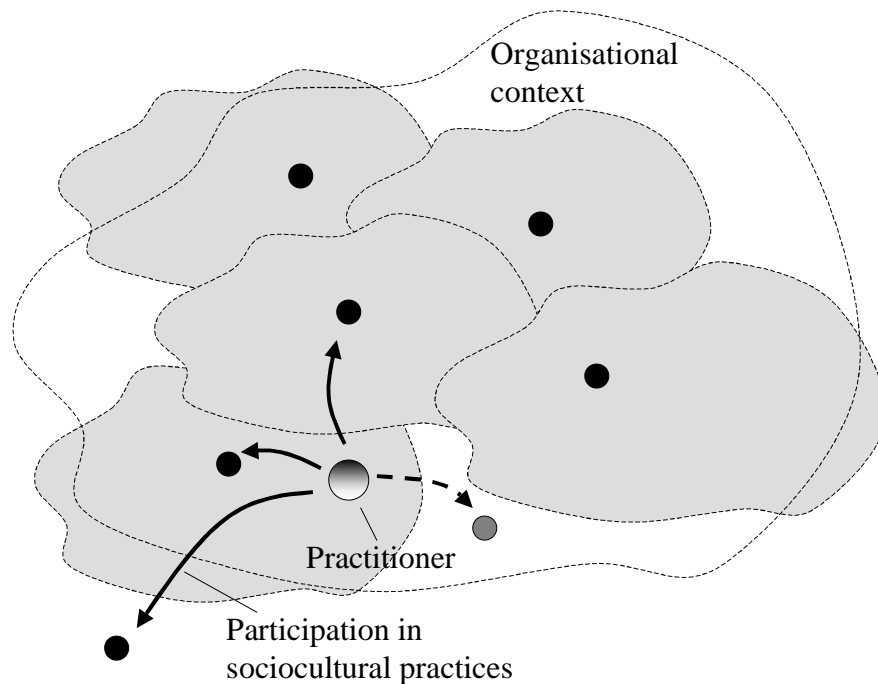


Figure 6. Communities of professional practice in an organisation.

Furthermore, as "an organisation is not a team of teams" (Tuomi, 1999 p.399), neither is it a straightforward community of communities (Figure 6.). The level of overlapping between different communities, for example, depends on the practices involved. From the individual viewpoint, certain organisational activities create a context for participation and are likely to lead to a bond between the practitioners while other activities invariably fail to do so. Moreover, the strength of the bond is likely to vary. Thought, for example, does not require the same kind of commitment as practice.

Again, all these viewpoints lead back to the initial assumption of the present paper, that is, the dynamics of learning in relation to business organisation is a vital parameter to consider in relation to business development. In the next chapter, some ideas on future communities are presented based on the discussion.

4. TOMORROW'S COMMUNITIES

The concept of communities of practice in relation to purposeful organising of business activities is deeply context-specific. Such an approach is likely to depend on business needs, organisational culture and values, for example. As a result, no ready-made toolkit is provided in the present paper. Instead, the ideas discussed above are summarised and topical ideas on utilising communities of practice as an integrated part of everyday business are given.

4.1 Lessons Learned

Based on the discussion above, any business approach utilising the concept of communities of practice should take into consideration the following items:

- participation in a community of practice does not presume any particular type of structure or organisation for learning. Instead, it describes active participation in certain sociocultural practices. Any purposefully organised structure or model for social participation is likely to represent only a limited part of the total sum of the units of activity in relation to the particular sociocultural practises.
- from the business organisation viewpoint, an organisation can be approached as a subset of the underlying communities of practice. Furthermore, the general concept of a community of practice can be narrowed down to focus on professional practice only. However, it should be remembered that such an approach is

only a generalisation of the relevant sociocultural practices. The actual knowledge created within these communities of professional practice has full relevance only in a wider social context.

- organisational operations can be modelled as a network of activities by utilising the concept of overlapping and tangential communities of professional practice. However, finding the relevant professional practices that really create a significant bond between the practitioners in real life, and not only in job descriptions, requires both effort and a broadminded approach.
- from the business viewpoint, it is not enough to be able to detect the distinct professional practices. Such a level of progress may help in creating "innovation islands" but do not provide a consistent basis for the business. One of the real challenges is to facilitate the creation of interrelated communities of professional practice. In such communities, active participation should lead practitioners towards full participation in the sociocultural practices of several of the related communities. Naturally, not all the communities are equal from the practitioners' viewpoint. A new product development project, for example, provides numerous possibilities for utilising interrelated communities (c.f. Happonen 2001).
- to be able to facilitate the creation and existence of the interrelated communities, dynamics of organisational phenomena in relation to social participation in the underlying activity systems should be considered. Again, considering the product development example above, the temporal aspect of the various communities is likely to be very different. It should be taken into account that both the individual commitment to a particular practice and social bonds between the practitioners depend on this aspect.

An intelligent utilisation of interorganisational communities may be one of the characteristics of a successful large-scale business in the near future. However, successful creation and facilitation of interorganisational communities increases the degree of difficulty compared to activities focused inside one company. In the next section, this topic is discussed in greater detail.

4.2 Interorganisational Communities

The role of outsourcing and the use of subcontractors have changed remarkably over the last few years. From the outsourcing of specified components, for example, a business may have moved to a level where a substantial number of its traditional employees are temporary workers hired from a company specialised for such a business (Drucker 2002). Furthermore, modern customer-supplier relationships have evolved from traditional delivery agreements towards active partnership. A well-known example of such a partnership approach is the Future Care concept of the Metso Corporation (Williamson 2001).

As a result, it is reasonable to assume that in the near future, the distribution of work will continue to expand based both on specialised knowledge and labour costs. Furthermore, such arrangements will require enhanced methods of setting the business goals. Dynamics of the business, in particular, may have several new layers compared to existing operating models.

In the world described above, the role of business integration will be crucial. A business chain consisting of several suppliers and customers, for example, may be divided into numerous interrelated parts. As a result, there will be both an increasing number of sub-goals and, at the same time, need for wider understanding of the common goals for the whole business chain. In an optimum case, the most suitable knowledge is utilised and created in well-thought communities and the individual commitment is maximised through motivated participation in the practices. The result is more than could be achieved by summing up separate individual contributions. It is likely that such an approach also includes co-operation between business organisations that are fierce competitors, but who can understand the benefits created by well targeted co-operation (e.g. Nonaka & Nishigucgi 2001). In practice, it follows that organisations do not define relationships based on strict categorising as groups such as competitors or partners. Instead, each form of co-operation is evaluated based on real business benefits. In the long run, the approach leads to mutual learning and development of the interorganisational communities. Figure 7 presents a simplified example of such communities.

There is, however, also a pessimistic view of the development. According to this viewpoint, every part of the business chain focuses solely to its own internal organisational competencies at the expense of the total optimum. Furthermore, some of the participants may act based on short-term goals, while the other participants aim toward long-term goals. As a result, the learning processes are likely to be out of focus, potentially still

improving the performance at a steady-state business situation, but at the same, decreasing the flexibility and profitability in the long-rung. As a result, this approach leads to partial optimisation instead of total optimisation of the whole business chain.

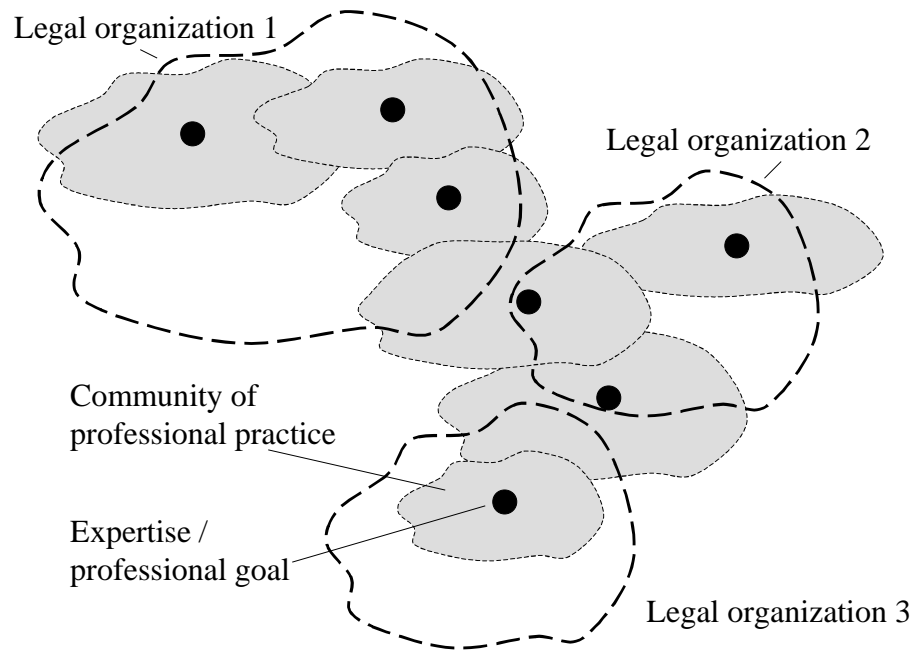


Figure 7. Interorganisational communities of professional practice in a business chain

As a conclusion, a global organisation or an organisation composed of several parts and organisations, in particular, should carefully study the possibilities of assisting management of business integration by incorporating the concept of organised communities.

4.3 Role of Management

Wide-scale utilisation of the concept of communities of professional practice is a major challenge for business management throughout the organisation. Although the communities develop and exist due to individuals' active participation in the sociocultural practices, it does not mean that such participation should be unguided.

A freely-evolving community is guided by the related social learning processes. In the business context, however, the goal is seldom reached by maximising the learning processes. Instead, a typical challenge is to find out how to turn sparkling innovations into commercially successful products (e.g. Happonen & Høyssä 2001). As such, this challenge requires numerous compromises. The efficiency of the current business, for example, should be high, but at the same time, the ability to re-create the operations based on the market opportunities should also be fast. As a result, an unavoidable task for the management is to facilitate informal and spontaneous activities with a high natural motivation level, as well as to secure the level of methodicalness required for the desired business outcome.

This twofold challenge leads to several implications for the business management. The requirement for flexibility, for example, means that in practice not only should the most suitable expertise available be utilised but also the particular individuals should be the ones most willing to perform the tasks. If both these requirements are satisfied in a community of professional practice, learning itself becomes part of the "job description" through active participation in the practices. As a result, the community approach provides a way to better take into account the relevant business dynamics. Moreover, a great number of the employees today already demand or at least are willing to include the aspect of continuous change into their responsibilities. Therefore, there is likely to be potential in several organisations to match individual desires for participation in meaningful practices with the tasks required for the targeted business outcome.

Utilisation of the community approach requires consideration of both business and learning dynamics. There are always different needs for learning in different parts of a business (e.g. Saurama 2001). Creation of a new product, for example, is typically a very learning-intensive process and thus requires different organisational settings than production of existing products. Successful facilitation of communities is possible only by recognising the true nature of the relating professional practices. Some of these practices relate to the steady-state performance of the business and are relatively easy to point out. In fact, already today business organisations are typically based on such dynamics. However, some practices include less routine or may be outside the formal organisational processes. Such practices are often related to the real ability of the organisation to change and, as such, are also important.

In the long run, another challenge for business management is created by organisational strategy and decision-making processes. For example, even though an individual practitioner may represent a certain community, such representation gives only one view to the sociocultural knowledge incorporated into the community. As a result, the traditional model of managers being representatives of larger groups of employees is seldom optimal from the knowledge creation viewpoint and thus may not always be optimal from the business viewpoint either. It is likely that more emphasis is required in the area of intentional overlapping of communities of professional practice to be able to fully utilise the benefits of the community approach. In particular, this is an important aspect in the strategy process. Nevertheless, the management still has a key role in detecting change and working as "knowledge brokers". In this role, they have to facilitate intended evolution of the communities. As a result, instead of decreasing the need for middle level management, for example, the community approach is likely to place more emphasis on this area (c.f. Nonaka & Takeuchi 1995).

5. CONCLUSIONS

To be able to fully utilise the concept of community of practice in the business context, it is proposed that the concept should be narrowed down to focus on professional practice. Furthermore, instead of focusing on locational aspects of a community, it is important to emphasise the situational nature of the community approach. In the present paper, a community of practice is approached as a legitimised part of a business organisation, and it is considered to be an essential part of purposeful organising of business activities. Such a community is referred to as a community of professional practice. A particular type of professional practice provides different settings for the community and creates different kind of bonds between the practitioners.

To be able to provide practical value with the community approach, consideration of both business and learning dynamics is needed in order to understand the dynamics of organisational phenomena in relation to social participation in the underlying activity systems. It must be understood and accepted that different overlapping communities have different life-cycles. Furthermore, some communities have longer evolution paths while some fade away together with the relevant practices of the community.

As a result, the present paper maintains that in order to reach feasible organisational learning dynamics, a viable approach to both intraorganisational and interorganisational business integration is based on overlapping communities of practice. Such an approach is likely to emphasise project and practice oriented viewpoints instead of traditional product line approaches, for example. Furthermore, the role of management in such an organisation requires more communication and information transfer activities than in a traditional organisation.

As a conclusion, the present author proposes that to be able to extend organisational knowledge management from the facilitation of "innovation islands" to the level of systematic business approach, it requires fundamental changes in the organisational settings. One of the key challenges is to devote more attention to the dynamics of organisational learning processes. The present paper maintains that a consistent approach to organisational design is to purposefully facilitate the creation and manage the existence of interrelated communities of professional practice.

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