

Ethical Issues in Agency Evaluation from the Viewpoint of Activity Theory

A Basis for Interorganizational Learning?

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ABSTRACT: This article focuses on ethical issues faced in evaluation practice from the viewpoint of third generation of activity theory, which gives a constructive perspective on how contradictions can be a driving force behind interorganizational learning and development in multiactor networks. The problem field is firstly addressed through an illustration of the problematic position of evaluators in situations where cooperational relationships and professional networks are close. This perspective is then extended by an analysis of a reflection model designed to initiate discussion about the principles of evaluation. From an activity theoretical perspective, the ethical issues reflect contradictions, which can be a starting point for development, whether the actors can get oriented collectively in the analysis of a contradictory situation, and modelling, implementing and examination of a new solution. The analysed model for ethical reflection can be used, despite its limitations, as a heuristic framework for this kind of collaborative ethical reflection in a multivoiced network of people involved in the evaluation process.

KEYWORDS: *activity theory; ethics; evaluation; organizational learning*

Evaluation plays an important role in the choice of the public policy instruments by which governmental authorities wield their power attempting to ensure support and to effect social change (e.g., Bemelmans-Videc & Vedung, 1998). However, in the governmental evaluation markets, the evaluators are acting in a complex operational environment where they have to take on various roles, including those of consultant/administrator, data collector/researcher, reporter, member of the evaluation profession, member of the same professional network as the evaluand, and member of society. The complexity of assuming these multiple roles and meeting their demands frequently creates conflicts for the evaluator and results in ethical dilemmas—situations involving

choices between equally unsatisfactory alternatives. The practical morality of evaluators has to do with making choices among conflicting values and principles. (e.g., Newman & Brown, 1996; Valovirta, 2002; Virtanen, 2004). As Laitinen (2008) depicts, the evaluator's action presupposes a readiness to meet conflicting or different preconceived notions about the roles.

In this article, this problem field is addressed from the viewpoint of third generation of activity theory (Engeström, 2001, 2005, 2007), which gives a *constructive perspective on how contradictions can be a driving force behind interorganizational learning and development in multiactor networks*. Firstly, the main results of a case study of an agency evaluation are used to

illustrate the contradictory position of evaluators in situations where cooperational relationships and professional networks are close. This perspective is then extended by an analysis of a reflection model originally designed to initiate discussion about the principles of evaluation (Laitinen, 2001a, 2001b, 2002; 2008; Virtanen & Laitinen, 2004).

From Contradictions to Solutions

From the viewpoint of activity theory, an evaluation process can be depicted as a network of activity systems that transforms gradually through the solutions of contradictions. The theory permits human activity to be defined as a system (see Figure 1) where the main elements are subjects, instruments, objects (and outcomes), community, rules and division of labour (Engeström, 1987, 1995, 2001, 2007; Huotari, 2008).

The *subjects* refer to individuals or subgroups whose point of view is used to analyze the activity. The *objects* refer to the problem space or “raw material” at which the activity is directed and which is moulded or transformed into *outcomes* by means of external and instrumental *tools* (mediating instruments and signs). The *community* comprises multiple individuals and/or subgroups who share the same general objects. The *division of labour* refers to both the community and the vertical division of power and status. *Rules* refer to the explicit and implicit regulations, norms, and conventions that constrain actions and interactions within the activity systems (Engeström, 1987, 1995; Engeström, 2001, 2007; Huotari, 2008).

From the viewpoint of the third generation of activity theory, the focus should be on multiple perspectives, networks, and dialogue between two or more interacting activity systems (Engeström, 2001, 2005).¹ For example, the external evaluation process of the National Research and Development Centre for Welfare and Health (STAKES)² studied in the case (Huotari, 2005) can be depicted as a network of the interacting activity systems of the orderer of the evaluation, the evaluator, and the evaluand (see Figure 2).

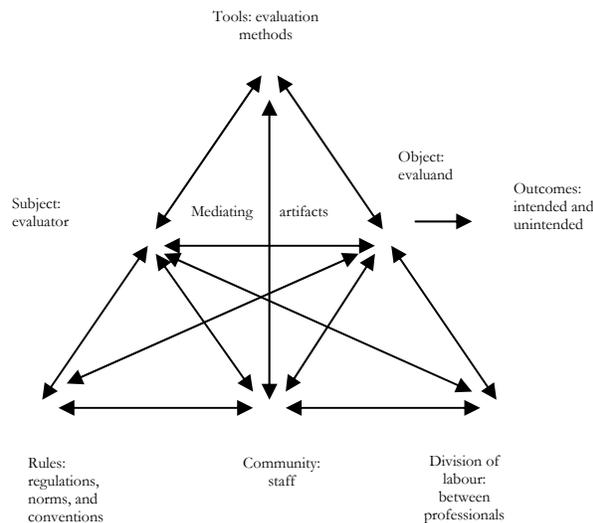


Figure 1. The Work Activity of an Evaluator

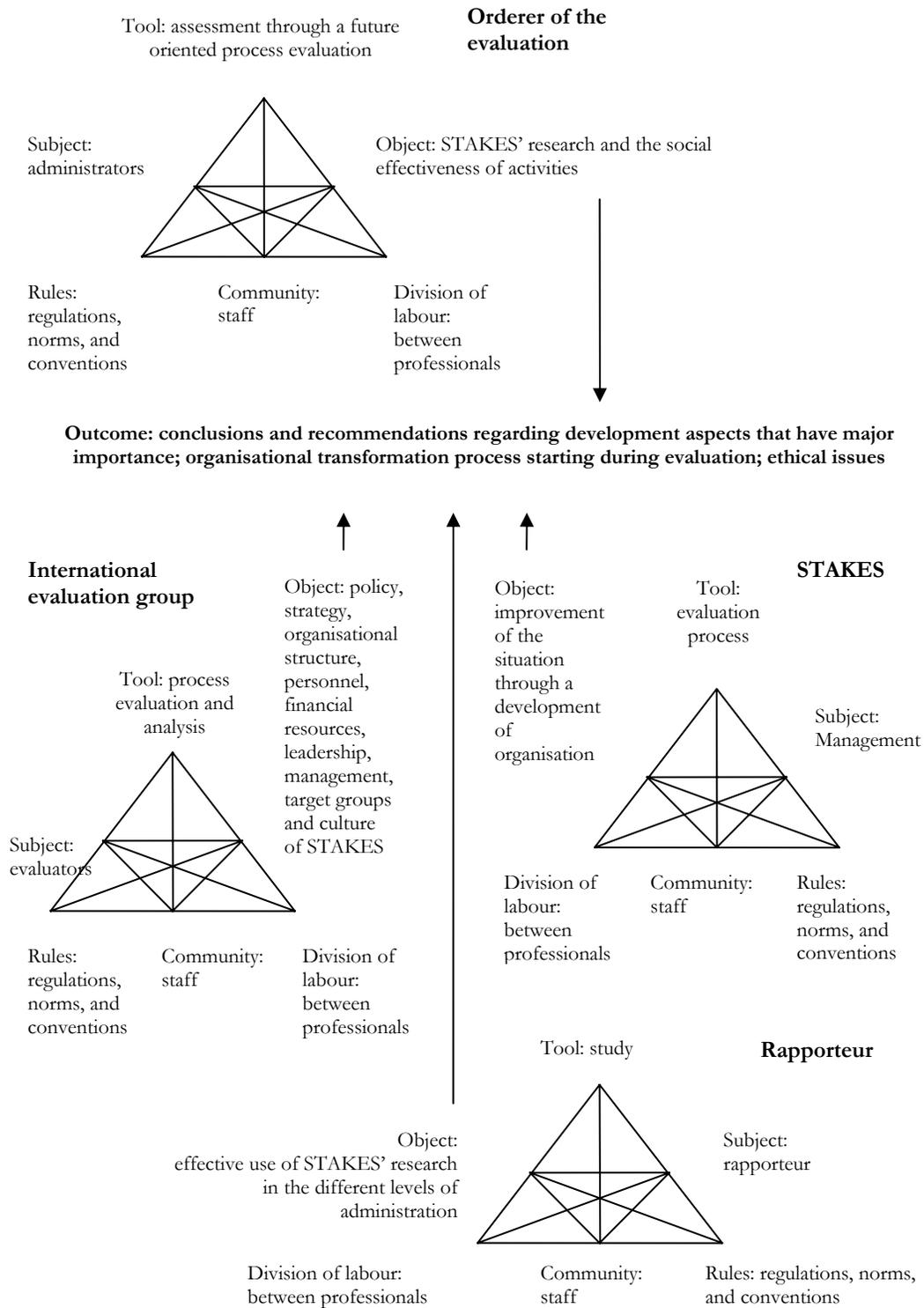


Figure 2. The Network of Activity Systems in the Evaluation Process of STAKES

In Figure 2, the outcome of the evaluation process also contains *the unintended outcome—the ethical issues that reflect structural tensions between different intentions of evaluation*. According to the interviewed persons involved in the production of evaluation information,³ there were three main ethical issues in the evaluation process (Huotari, 2005):

1. *The dilemma between the autonomy of data acquisition/production and expertise in the choice of evaluators*. The selection of the evaluators was seen problematic, because it was not possible to find completely external experts who knew the field well enough to be evaluators. Finland is a small country. There are no external evaluators. There are no similar organisations elsewhere, and the evaluator must be Finnish. The choice of evaluator has an effect on the outcome of the evaluation. What happened was OK (Participant A). The director of the evaluation group was the director of a similar type of institution; did this lead to comparison with the model of his own organisation? But who else can lead the evaluation group, if not a totally external international evaluator? (Participant B).

One of the interviewees (Participant C) captured this dilemma from the perspective of Lundquist's (1991, see Author, 2003, pp. 131-132) model: The evaluator faces a complex situation of selection where he or she must search for a balance between the ethical ideals attached to his or her role as (a) an external evaluator (professional ethics), (b) a representative of his or her own organisation competing for the same resources (administrative ethics), and (c) a partner in the same network as the evaluand (personal ethics).

2. *The surface nature of the data acquisition*. The approach was superficial: At first the unit's own report, then the discussions, after

which came far-reaching conclusions. There should have been more time for evaluation (Participant B).

3. *The use of evaluation as a reform agent to legitimate and to expedite changes that had already been accepted as necessary*. The evaluation was realized in a manner that justified the basis for the development of the institution and supported the directions of change that were considered necessary. One did not want to drift along, but to take up matters actively so that the things would not go according to the worst scheme (Participant D). The results have been used to a small extent. It isn't clear which aspects of the change were consequences of the evaluation process and which arose from other things: The organisational transformation had started; it was run over by the BSC [Balanced Score Card] process. It didn't bring out anything that wasn't already known. It gave us the tools to bring things forward. The evaluation could have been utilized (Participant E).

From the viewpoint of the activity theory, the ethical issues of the evaluation process reflect contradictions, which are the driving force of development to new solutions. The human activity system develops by resolving internal contradictions and external contradictions between the system and the environment. *Contradictions* are not the same as problems or conflicts; they are historically accumulating *structural tensions within and between activity systems*. On the one hand, contradictions in the work process appear in the work as disturbances, breaks, and dilemmas, and, on the other hand, as *innovations*—attempts to resolve the contradictions of human activity individually or together in a new way (see Figure 3) (Engeström, 1987, 1995, 2005; Huotari, 2008).

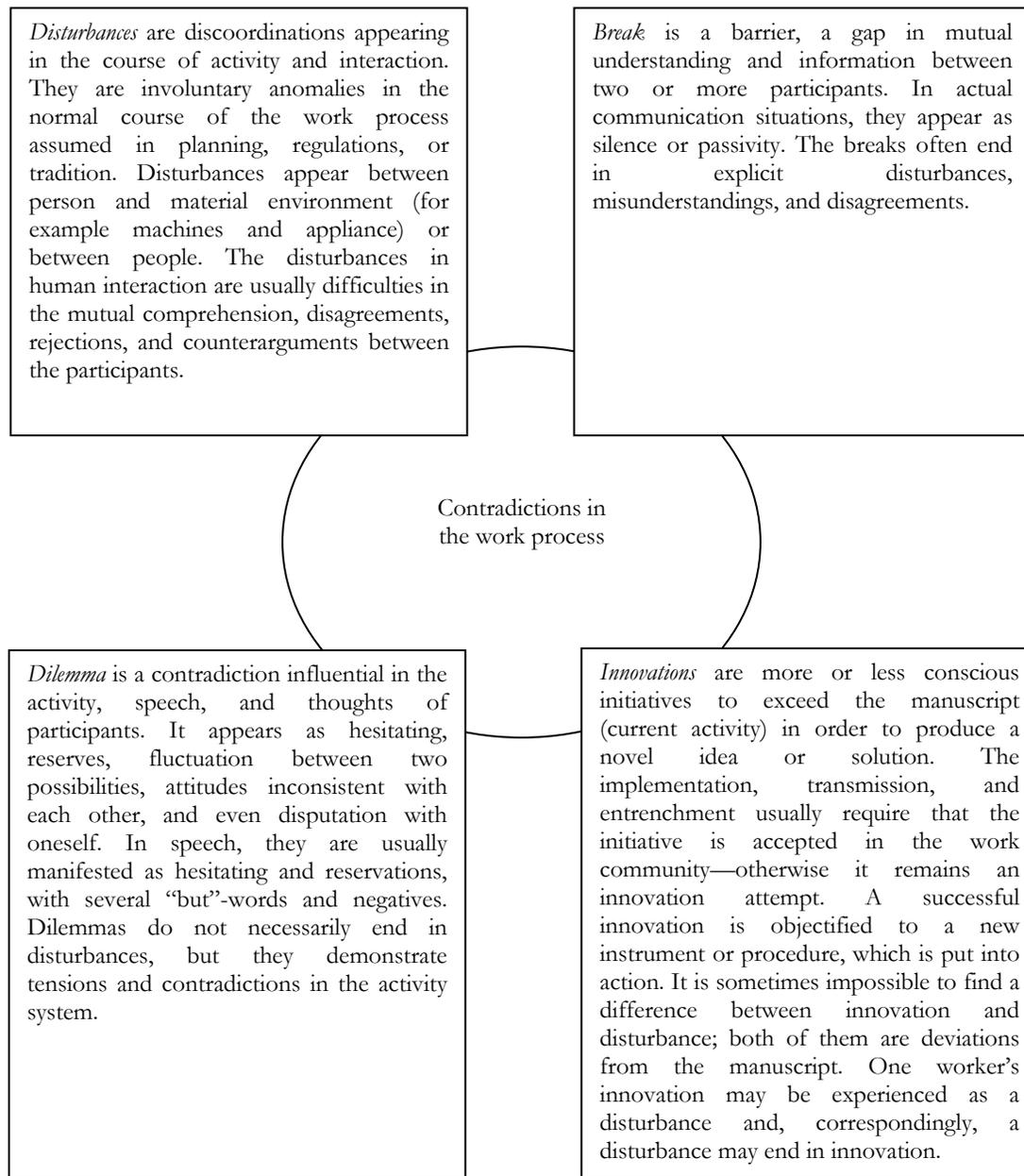


Figure 3. Contradictions in the Work Process

From the activity theoretical perspective, the proper resolving of contradictions, however, is a relatively long process of expansive learning where the actors should get oriented collectively in (1) the profound analysis of the contradictory situation, (2) the modelling of the new solution to the contradictions and implementation the new mode, and (3) the examination of the new

solution (see Figure 4). In an actual empirical analysis, the contradictions are identified, and ideation and argumentation are used in order to discover a first idea, a "springboard," which makes new solutions possible. In order to understand more profoundly the problems and potentials of activity systems, the analysis of history of the activity and its objects and the

history of the theoretical ideas and tools that have shaped the activity is also needed. After enough profound analyses it is possible for the actors to model a new solution to the contradictions of the contemporary phase. At this phase, they also develop and examine the new strategic tools, as well as the new forms of division of labour and collaboration (Engeström, 1995, 2001, 2005; Huotari, 2008).

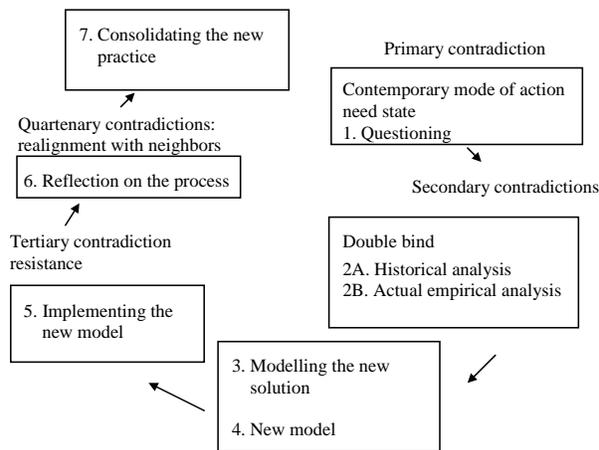


Figure 4. A Cycle of Expansive Learning

After this, the new mode of activity can be implemented in everyday work gradually. At this phase, there may arise so-called tertiary contradictions between the former and new mode of action, resistance to change. The solution of these contradictions in practice ends in the change of the new model of activity. Compromises and retreat, as well as new insights and practical solutions, can be done. With the help of assertion and evaluation of the new mode of activity, the collective moves to a phase, where the new practices are followed systematically (Engeström, 1995; Huotari, 2008).

When searching for solution to ethical issues in the evaluation process, it must be

noticed that *the network of interacting activity systems in the evaluation process is always multivoiced*: It is a community of multiple points of view, traditions, and interests.

The division of labor in an activity creates different positions for the participants, the participants carry their own diverse histories, and the activity system itself carries multiple layers and strands of history engraved in its artifacts, rules and conventions. The multivoicedness is multiplied in networks of interacting activity systems. It is a source of trouble and a source of innovation, demanding actions of translation and negotiation (Engeström, 2001, p. 136).

In order to get solutions to ethical issues to take into account this multivoicedness, the people involved in the evaluation process should create some kind of collaborative forum where different essential perspectives can be taken into consideration.

Collaborative Ethical Reflection

In this kind of process of collaborative ethical reflection, the ideal is that in a network of interacting activity systems (see Figure 5) the object moves from an initial state of unreflected, situationally given raw material (Object 1: the ethical issues in the agency evaluation) to a collectively meaningful object constructed by the activity system (Object 2: an outlook on the essential principles of evaluation) and to a potentially shared or jointly constructed object (Object 3: a collaboratively constructed understanding about the central principles of the evaluation process) (Engeström, 2001, 2005; Huotari, 2008).

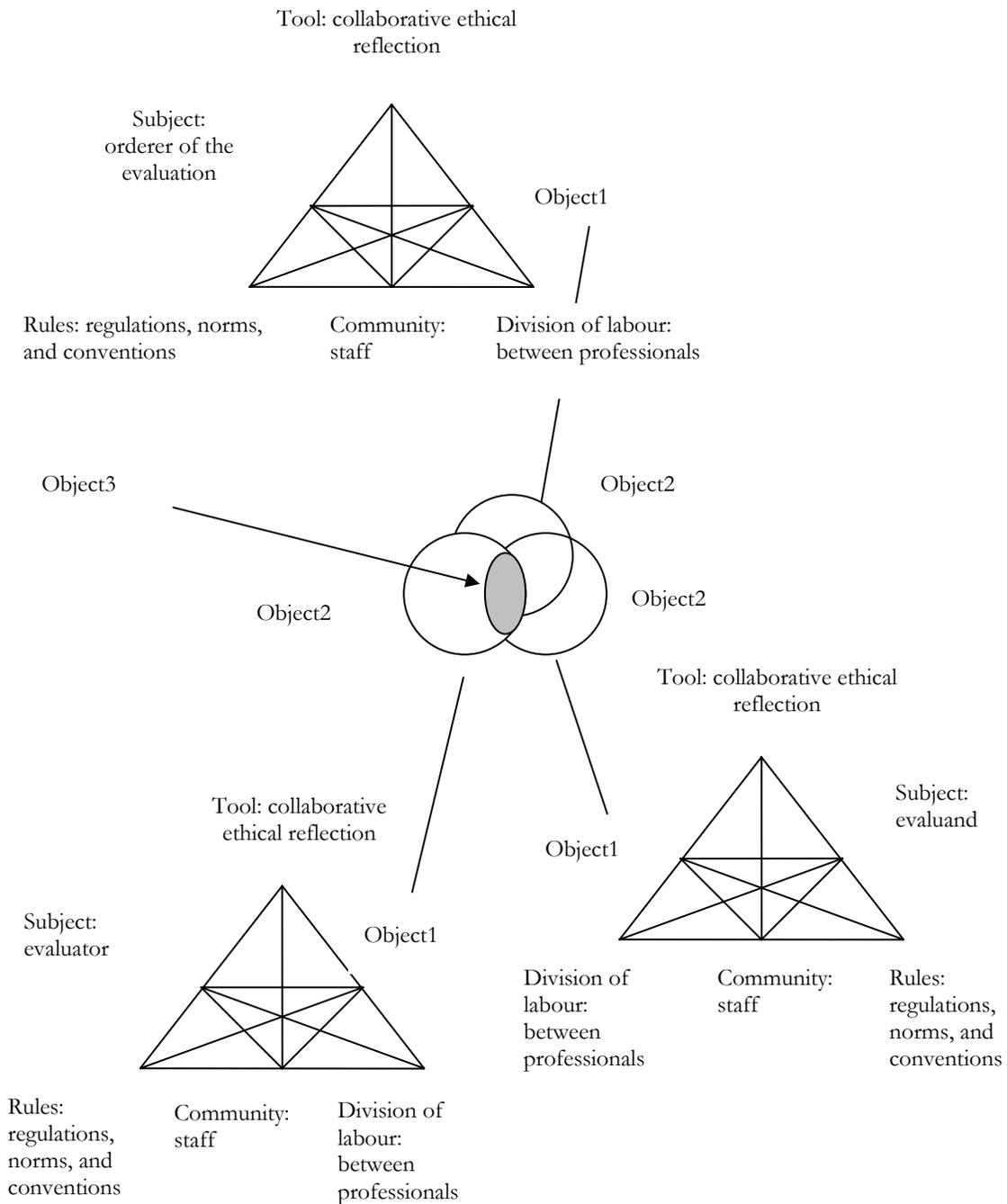


Figure 5. Interacting Activity Systems in Collaborative Ethical Reflection

In the process it is important that people involved in the evaluation process can find a shared construction of the essential value dimensions in the evaluation process. Here it is possible to apply a certain model designed to

initiate discussion about the principles of evaluation (Laitinen, 2001a, 2001b, 2002, 2008; Virtanen & Laitinen, 2004; Huotari, 2003). This model (see Figure 6) facilitates the consideration of operational principles in the light of ideal

values. Using this framework, the positive values on which evaluation activities are based can be categorized under four headings: values that are good for the *evaluator*, values that are good for the *object of evaluation*, values that are

good for the *evaluation process*, and values that are good for the *community* in both the short- and long-term perspectives (Virtanen & Laitinen, 2004).

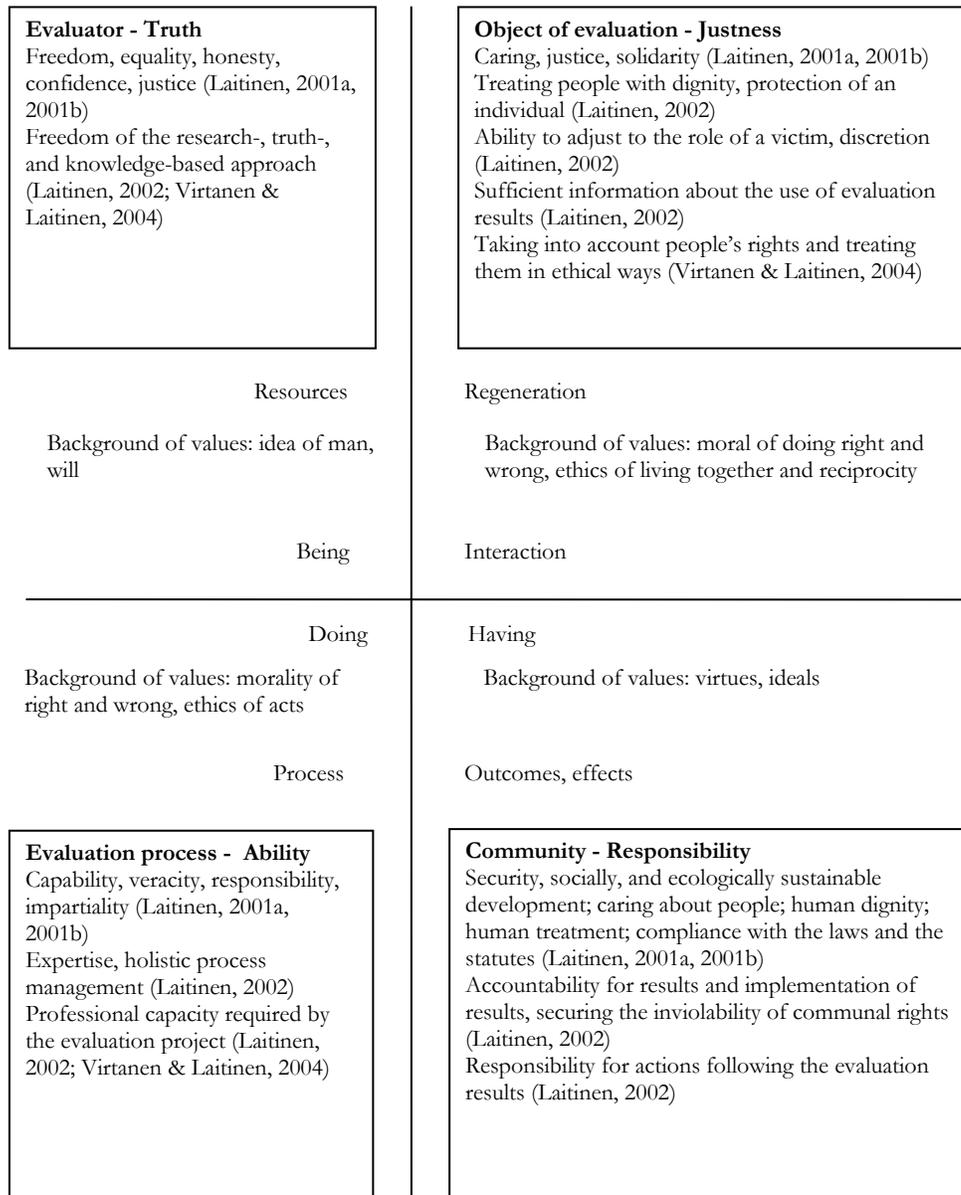


Figure 6. A Framework for Ethical Reflection

In the model, the essential value fields are derived from four ontological categories based on Allardt's (1972, 1973, 1976) application of Maslow's (1943) need classification: being,

having, interaction, and doing. Being is attached to the resources of the Balanced Score Card's systemic circle, having to outcomes and effects, interaction to regeneration, and doing to

processes (Laitinen, 2001a, 2001b, 2002; Huotari, 2003).

Evaluator—Truth. The value field of being is attached to the ethics of will and to the idea of man. The main theoretical questions in this value field include the question of individual consciousness and its nature, of the freedom and the choices of the individual, and of his/her motives and aims. The model subsumes, as value dimensions pertaining to its idea of man, the conceptions of *freedom, equality, honesty, good faith, and justice*. (Laitinen, 2001a, 2001b, 2002; Huotari, 2003) From this perspective, good evaluation practice refers not only to value-based evaluation practices, but also to the way of perceiving the evaluator's rights and responsibilities. The evaluator must have free access to information and the freedom to seek the truth. Truth is therefore the ultimate arbiter of his/her actions (Virtanen & Laitinen, 2004).

Object of Evaluation—Justness. The value field of interaction is attached to the morals of right and wrong action in terms of the ethics of coexistence and reciprocity. The ethics of the social space, coexistence, are concerned with the reciprocal and sincere meeting of the subjects. The values of these ethics are *caring, justice, and solidarity*. In this connection, reciprocity means *the ability to put oneself in the situation of less advantaged people* (Laitinen, 2001a, 2001b, 2002; Huotari, 2003). Thus, the fair treatment of evaluation participants means taking into consideration their rights and treating them in a righteous manner (Virtanen & Laitinen, 2004).

Evaluation Process—Ability. The value field of doing is attached to the morals of right and wrong and to the ethics of action. The essential value principles in this field are *capability* (including the mastery of processes and methods), *responsibility, veracity, and impartiality* (Laitinen, 2001a, 2001b, 2002; Huotari, 2003). The evaluator is expected to rely on *valid evaluation methods and procedures*, this being the core of an evaluator's professional ability. Evaluation is also always a product of

cooperation and is thus attached to the surrounding community, at least indirectly. The premise here is that *integrity and fairness are realised* in the evaluation process and that the process provides *socially relevant information* (Virtanen & Laitinen, 2004).

Community—Responsibility. The value field of having is attached to virtues and ideals that are to be sought because of their validity, community benefit, or intrinsic value. When acting in society, as part of the natural environment and the world of participation of people, no one is protected from questions concerning oneself and the future. The essential value dimensions emerging in this field are *security, socially and ecologically sustainable development, caring for people, human dignity, human treatment, and compliance with the laws and statutes* (Laitinen, 2001a, 2001b, 2002; Huotari, 2003). In this, the main theme is the responsibility for the results and entitlement of the actions. The evaluator, the evaluation object, and the commissioner of an evaluation are always part of their surrounding community, and thus are neither independent nor self-sufficient (Virtanen & Laitinen, 2004).

It needs to be noted, however, that the values themselves may conflict with each other (e.g., research freedom versus securing the inviolability of communal rights). Thus, the value dimensions must be emphasized differently. It is also worth pointing out that, in practice, the situations and circumstances that arise will create different emphases in matters pertaining to values. Therefore, it may be impossible to draw up regulations to be followed in specific situations (Huotari, 2003). Despite these limitations, the model can be applied as a heuristic framework for collaborative ethical reflection in the multivoiced network of the people involved in the evaluation process in order to outline a shared construction of what are the essential operational principles and their balance in the evaluation. Using this framework, it is possible to outline the ethical perspectives of which an

evaluator is morally responsible. The activity of the evaluator can be examined balancing the value dimensions; the ideal is that the activity of the evaluator can be approved in terms of (a) scientific veracity, (b) methodological mastery and competence, (c) the integrity of the object of evaluation, and (d) social responsibility and usefulness of evaluation (Laitinen, 2008).

Conclusions

The complexity of the position of evaluators in the government evaluation market challenges us to search for ethical guidelines. In this article, we depicted the complex situation of the evaluators from the perspective of interorganizational learning in multiactor networks using the third generation of activity theory as a framework. From this viewpoint, the ethical issues reflect structural tensions within and between activity systems; contradictions, which are moving force behind the change; and development of the activity system. The development, however, requires that the actors should get oriented collectively in the history of the activity and its objects, in the resolution of contradictions, and in the modelling, implementing and examination of a new solution. In this endeavour, the multivoicedness of the network of interacting activity systems in the evaluation process needs to be taken into consideration. For example, the people involved in the evaluation process could create a collaborative forum, where different essential perspectives can be taken into account in order to solve ethical problems. In this kind of process, it is possible to apply the analysed model for ethical reflection in order to get a shared construction of the essential operational principles and their balance in the evaluation process.

It must be noticed, however, that the cooperational construction of the value dimension cannot ensure a clear view of the situation. Although the model gives a heuristic framework to outline a shared construction of

the essential principles and their balance in the evaluation process, the emphasis is still on the evaluator's personal commitment. How the moral responsibility is carried at the end is always an evaluator's individual choice. In the search for ethical guidelines, the evaluator may need many frameworks for ethical reflection—theories, standards, principles, the cooperational construction of value dimensions—as well as collegial and professional support in identifying, analysing, and solving ethical problems and dilemmas. Support of evaluators in their ethical reflection is still a considerable challenge.

Author Notes

1. The cultural-historical activity theory has evolved through three generations of research. In *the first generation* of the activity theory, the cultural mediation of action was commonly expressed by the triad of subject, object, and mediating artefacts. The limitation of the first generation was that the unit of analyses remained individually focused. That was overcome by *the second generation*, with emphasis on collective activity systems. The concept of activity took the paradigm a step forward in that it turned the focus on complex interrelations between the individual subject and his/her community. The idea of internal contradictions as the driving force of change and development in activity system began to gain its status as a guiding principle of empirical research. When the activity theory became international, questions of diversity and dialogue among different traditions or perspectives became increasingly serious challenges. In order to meet these challenges, *the third generation* of the activity theory needed to develop conceptual tools for understanding dialogue, multiple perspectives, and networks of interacting activity systems. Therefore the third generation of activity theory takes two interacting activity systems as its minimal

unit of analysis; inviting research efforts to focus on the challenges and possibilities of interorganizational learning (Engeström, 2001).

2. National Research and Development Centre for Welfare and Health (STAKES) is an expert agency in the field of social welfare and health care in Finland. It produces information and expertise for policymakers and other stakeholders. The purpose of the evaluation ordered by the Ministry of Social Affairs and Health in Finland (MSAH) was to bring about an assessment of STAKES' research and the social effectiveness of its activities for organizational improvement. The primary goal was to receive a future-oriented evaluation analysing the future priorities of STAKES' activities. The MSAH instructions emphasized the process evaluation of STAKES. In addition to the process evaluation, International Evaluation Group (IEG) also thoroughly analysed the policy, strategy, organizational structure, and personnel, as well as the financial resources of STAKES. On the basis of the available information and the evaluators' own observations, the leadership, management, target groups, and culture of STAKES were also analysed. Furthermore, a follow-up evaluation was organised two years after the original one in order to assess both the managerial and operational changes at STAKES as a result of the evaluation process, as well as the validity of the evaluation process itself. Additionally, after the original evaluation, the MSAH appointed a rapporteur to study how STAKES research could be more effectively used in the different levels of administration. The final report of the IEG contained forty-four general conclusions and recommendations regarding the Centre as a whole and sixty-seven specific recommendations targeted on its units. The report of the rapporteur was, in principle, in alignment with the recommendations of the

IEG, making a number of concrete proposals for the amplification of the actions expected of STAKES (Rantanen et al., 1999, 2001; Haverinen, Konttinen, Lehtelä, & Staff, 2001a, 2001b; Huttunen 2001).

3. Twenty-one people who were involved in the production of evaluation information were interviewed after the evaluation process. The snowball sampling method was used in order to ensure that different viewpoints were heard—those of representatives of (a) the orderer of evaluation, (b) evaluators, (c) heads of units during the evaluation, and (d) members of the STAKES management group. The main themes in the interviews were (1) the main ethical problems and dilemmas in the external evaluation of STAKES and (2) evaluation as an instrument of management (Huotari, 2005).

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