1 Background

This Element is written as an invitation for readers who want to become familiar with approaches to organizational paradox theory as a significant aspect of current management and organization studies. The Element introduces readers to the basic understanding of paradoxes, how they are experienced differently and how they are studied. The Element targets doctoral students within management and organization studies in general and faculty at early stages of exploration of paradox theory. For those readers interested in continuing their exploration, there are texts that are more specialized in specific areas of paradox theory, such as Smith and colleagues’ (2017c) handbook, two volumes of the Research in the Sociology of Organizations series (Bednarek et al., 2021a; Bednarek et al., 2021b) and Berti and colleagues’ (2021) introduction. Our goal in this short Element is to whet our readers’ appetite for thinking about paradox and to offer a general overview of its theory for an audience new to the topic. The Element offers a foundational understanding of key terms in the theory as a way of studying organizational life and outlining areas of future research.

Paradox serves as a lens, one among many, that can be applied to organizational life. It sees this life in realist terms, as contradictory and tension-filled. As a lens, paradox provides a way of seeing evident contradictions in organizational life in areas such as leadership, design, innovation and employment relations. It serves to analyse the nature and implication of tensions at individual, group, organizational and inter-organizational levels. As a perspective, it offers a distinct approach compared to the classical management approaches based on ‘one best way of doing things’ and the contingency approach based on ‘if-then’.

Paradox theory in our hands is a lens, yielded sociologically, attuned to the complexity and plurality of interests that organization combines, one theoretical consequence of which is to see contradictions as an unavoidable aspect of doing organization and being organized. Paradox scholars argue from both a theoretical stance and research findings that contradictions seemingly solved rarely are resolved; hence, they are less concerned with solving contradictions. Instead, they are interested in exploring how organizations might embrace, navigate or live with paradox, to use well-known formulations. As a lens, paradox may be combined with other imaginative approaches to explore organizations as contradictions. Using a paradox lens, contradictions are not signs of organizations that are not well managed but rather are seen as a normal condition of organizing.

We have structured this Element as follows: we start by conceptually delimiting paradox, drawing its boundaries and distinguishing it from adjacent
concepts. We next move from theory to experience in order to render the abstract more concrete and to discuss the role of responses in the construction of paradox. We subsequently highlight central topics normally associated with the study of paradox we believe need further exploration. We conclude by discussing implications for teaching and for management.

2 Introduction

It is becoming accepted that, in an increasingly complex and fast-paced organizational world, competing demands on leaders, managers, employees and their organizations are heightened. They must innovate while preserving tradition, manage the present and be prescient about the future. They should deliver progressive policies with regards to issues such as diversity or ecology while also meeting performance targets and managing exploration of new ideas while efficiently exploiting old ones, to name but a few tensions (Putnam et al., 2016: 47; Smith et al., 2016). As many authors have noted, firms in a market-based economy need to be innovative, agile and entrepreneurial in exploring the potential of their futures while simultaneously delivering reliability, predictability and robust processes in the present. Organizations, in other words, are confronted with dual expectations: they need to be competent in doing one thing as well as in doing its opposite (Farjoun, 2010), such that leadership becomes an exercise in paradox management in the face of the ambiguities and contradictions of organizational life (Cunha et al., 2021; March, 2010).

Choices that are binary are hard enough to manage. Choice is not always between two courses of action, however. If three rather than two options are considered, as happens when organizations are invited to embrace economic, social and environmental goals, the complexity of choosing increases. These challenges confront managers as they are pressured to manage tensions around sustainability (Preuss et al., 2021), tensions between being a global and a local organization (Geppert and Williams, 2006), being agile and robust or fast and slow (Prange, 2021), or managing for the long term and the short term (Slawinski and Bansal, 2015). Many of these tensions display the characteristics of paradoxes. Paradox refers to persisting interdependent oppositions (Schad et al., 2016). Despite the sense of absurdity that manifestations of paradox evoke because of the seeming tensions between their irreconcilable choices, paradoxes are now viewed as an inevitable consequence of organizational complexity rather than a fault or a flaw in organizational design (Lewis, 2000).

It should not be surprising to social scientists (and others) that contradictions are a persistent characteristic of social organization. After all, it was a fairly
famous German writer, Karl Marx, influenced by another famous German, G. F. W. Hegel, who taught the many readers of his three-volume opus, *Das Kapital*, that contradictions marked the essence of the new capitalism about which he wrote. All societies and all organizations for whom success in the market is the measure by which they are judged have capitalist institutions at their core. Contradictions are an immutable aspect of capitalism, according to Marx (1976). The logic of pure capitalism, as Marx (1976) analysed, was one of exploitation in pursuit of profit, the appropriation of value as ‘surplus value’. When Marx was writing, this could involve people labouring in appalling conditions with scant regard for health and safety, from the age of six years old. Because of changing social attitudes, reformist politicians, union pressures and the efforts of various advocacy groups, pure exploitation with no caveats attached is no longer the logic of capitalism. With the broadening of the mandate that businesses must observe, there have come into existence several competing demands contingent on the increasing need for contemporary organizations to comply with multiple demands (e.g., being financially successful, pursuing social goals, minimizing environmental impacts, navigating political tensions, etc.). While contemporary capitalism is still marked by the fundamental contradictions that concerned Marx (O’Byrne, 2020), it is also characterized by additional contradictions than those between capital and labour. Managers, the ‘new class’ increasingly mediating between employers and employees, face contradictions almost as a matter of course: they have to manage what are sometimes diametrically opposite goals simultaneously (Gaim, 2017; Putnam et al., 2016; Smith et al., 2016).

Engaging paradoxes successfully has been linked not only to being sustainable and thus surviving in the competitive world, but also to being innovative (Miron-Spektor et al., 2018; Smith and Lewis, 2011), being agile and reliable (Tsoukas, 2018), maintaining a balance between fluid and cemented routines (Rossi et al., 2020) and so forth. Mismanaging paradoxes has various consequences: it can result in small defeats, such as losing face (Gaim et al., 2021), or major problems with sometimes disastrous consequences. The interpretive indeterminacy that characterized NASA’s simultaneous engagement with safety and schedules (Dunbar and Garud, 2009) is a case in point. Paradoxes can be especially difficult to manage when power dynamics come into play (Berti and Simpson, 2021). The challenges that managing paradoxes produces are contingent on the intensification of organizational pressures framing everyday managerial and executive consciousness to pursue seemingly simultaneous but conflicting objectives. These tensions and contradictions are unavoidable implications of organizing (Lewis, 2000; Smith and Lewis, 2011), as well as being challenges to tackle. Moreover, through the realization of their essential nature,
a novel paradigm is afforded with which to study organizations (Lewis and Smith, 2014).

The ways in which actors’ consciousness experiences and frames paradoxes are assumed to be linked (Beech et al., 2004; Gaim and Wåhlin, 2016). In general, how we make sense of social realities depends on our consciousness, how that has been formed, the metaphors and language embedded in our ‘natural attitude’ (Schutz, 1967). The stress on consciousness is a fundamental aspect of critical phenomenological approaches (Berger and Pullberg, 1966), which have been incorporated into management and organization studies (MOS) as an emphasis on sense-making (Weick, 1995). Berger and Pullberg (1966) stress the role that objectification and reification can play in the constitution of consciousness. For managers to be aware of contradictions, first these have to become objectified and visibilized (Tuckermann, 2019); where these contradictions are constituted as immutable oppositions between the choices that must be made, then objectification becomes reification. Reification refers to the stabilization of processes as ‘things’ assumed to have an objective material existence. Being objectified creates a dualism in which choice appears to be the appropriate action: for instance, in tension caused by a conflict between two objective situations, the option is usually posited as either fight or flight. Conventionally, the tendency has been to choose between seemingly paradoxical options by framing the choice between them as an ‘either/or’ decision (Putnam et al., 2016). Either-or approaches presume a reified state of consciousness, in which the predominant choices are seen to be between phenomena regarded as absolute, determinate and objective. Organizational actors tend to be oriented towards consistency in and of outcomes (Martin, 2007), notwithstanding the complexity and variability of contexts and contingent factors. It is organizational actors’ cognitive dispositions that conventionally induce them to seek certainty or to simplify a complex reality (Bartunek, 1988).

Less conventionally, organizational actors are seen to seek simultaneously to engage with both demands, based on the ‘both-and’ approach (Gaim and Wåhlin, 2016; Miron-Spektor et al., 2011a). The both-and approach is more attuned to the positive social construction of reality in regarding consciousness not as confronting reified objectification but as a process of constructing, deconstructing and reconstructing meaning, engaging with the flow of events and being in a world whose fundamental unknowability is always open to surprise. More processual and positive approaches to paradox are premised on being in the flow of consciousness and constructions, rather than being subject to the choice of one objectified dualism over another, risking reifying one horn of the dilemma while neglecting the other.
Engaging with such competing demands and managing them successfully has been linked with innovation, survival and sustainability (Miron-Spektor et al., 2018; Smith and Lewis, 2011), while mismanagement can create vicious circles (Tsoukas and Cunha, 2017), loss of face (Gaim et al., 2021), missed synergistic opportunities (Smith et al., 2016) and even paralysis and confusion (Ashforth, 1991), especially when power dynamics that impose loss of agency come into play (Berti and Simpson, 2021). That organizations are ‘rife with paradox’ is an expression that describes the omnipresence of contradictions in organizations, not as aberrant facts but as inherent facets (see Box 1).

The compresence of multiple demands makes it impossible to pursue optimization strategies oriented to a single objective; multiple objectives must be satisfied simultaneously. Devising a one-best-way arrangement of production factors to maximize one objective, profit maximization, is no longer viable. Organizations have become hybrids that need simultaneously to navigate a plurality of contrasting requirements and objectives (Besharov and Smith, 2014; Gümüşay et al., 2020; Smith and Besharov, 2019) embedded in multiple

**Box 1 Why are paradoxes absurd sometimes?**

In everyday language, paradox is often interpreted as something absurd, lacking sense. In such a perspective, logical arguments in isolation, when joined together, produce some absurd results (Lewis, 2000). Why does this happen? One explanation lies in the fact that organizations, being complex, end up producing contradictions. For example, these can be expressed as contradictory rules. Sometimes these rules need to be disobeyed to be obeyed (‘Be autonomous!’ ‘Don’t follow the rules’), expressing what Watzlawick and colleagues (1967) called pragmatic paradoxes. These pragmatic paradoxes, when faced by individuals in positions with limited agency, can be paralyzing. Such individuals are confronted with situations of the ‘damned if you do, damned if you don’t’ type. It is these situations that individuals may find paradoxically perplexing. Cunha and colleagues (2019a) discussed an illustration of this when they explored the application of a ‘speak up’ policy in a pharmaceutical company. In some cases, the policy and the leader’s behaviours were aligned, but in others they were not. While members of the organization were encouraged to speak up, they were liable to receive hard criticism if they did so in ways that some managers regarded as inappropriate. In these cases, although individuals were expected to speak up, their speaking up was not necessarily welcome, producing a context that, for some, was more confusing than liberating.
logics. Profit must be achieved, but so must health, safety, well-being, diversity, inclusivity, equity and sustainability objectives, for example (Pradies et al., 2021). These competing demands have unavoidable implications for organizing (Lewis, 2000; Smith and Lewis, 2011) by complicating the challenges organizations must address and resolve. They are not either-or choices; investors and social expectations assume that both inclusivity, diversity, equity and profitability and all the other logics that businesses must attend to, as well as profitability, will be managed.

Realization of choices that cannot be optimized by either-or strategies but in which consideration both of one option and the other affords a novel paradigm with which to study organizations (Lewis and Smith, 2014). Paradoxes can be managed not just as either-or choices (in which it is easy to make the wrong bet by concentrating resources on one ‘horn’ of a dilemma), but as something that can be handled by both-and strategies that seek to embrace seemingly dichotomous choices in an overall strategy that paradox theorists refer to as ‘both-anding’. It is important to note, however, that managing tensions and hybridizing organizations is complex and dynamic, which means the art of managing paradox is a work in progress, never fully achieved, rather than a state that can be obtained on a permanent basis.

In this Element, we explore organizational paradox theory. We present paradox as a meta-theoretical perspective (Lewis and Smith, 2014) for theorizing and as a lens to analyse the nature and implication of tensions in organizations. As a meta-theoretical perspective, paradox (compared with the contingency perspective) can be deployed as a primary or a secondary theoretical lens in MOS, helping to make sense of managing and organizing as an exercise of articulating contradictions at multiple levels of analyses. From a paradoxical perspective, paradoxes exist at the level of individuals, such as in sustainability-related identities (Kiefhaber et al., 2020) or creative individual approaches to work (Miron-Spektor et al., 2011b); in dyads, namely leadership duos (Raffaelli et al. 2021); in teams (Silva et al., 2013); in the logics underpinning organization (Ashforth and Reingen, 2014) and in inter-organizational systems such as value chains (Brix-Asala et al., 2018; Schrage and Rasche, 2021). Paradox can be used to complement other approaches (e.g., contingency approach) of organization featuring the potential presence of synergy but also trade-off (Li, 2016).

With such goals in mind, the Element is structured into four main sections. Section 3 introduces the reader to the notion of paradox in theory and practice. We explore what paradox is and what it is not. We distinguish paradox and other close conceptualizations such as trade-off, dilemma, dialectics and ambiguity.
To give the reader a foundation, we discuss the main ontological and epistemological assumptions in paradox theorizing. We cover paradoxical roots and traditions from the East, the West and beyond. Section 4 covers how organizational members experience the tensions in terms of how paradoxes are approached and the available repertoire of responses. We also show how paradoxes are experienced differently and the conditions within which paradoxes are framed and managed. Section 5 focusses on how paradoxes have been studied and the potential areas to consider. We outline a range of possible topics and themes that we believe could further develop paradox theory. In addition, we cover key methodological challenges and possibilities in, for and of studying paradox. Section 6 focusses on teaching and applying paradox. We cover the different pedagogical possibilities and how paradoxes can be applied in practice.

3 Understanding Paradox

Competing demands, such as exploration and exploitation (March, 1991), can be framed in several ways, often with overlapping features, introducing a degree of analytical ambiguity, a problem that risks generating a ‘conceptual malaise’ in MOS (Putnam et al., 2016: 132). To address this problem, we combine earlier (e.g., Achtenhagen and Melin, 2003; Cameron and Quinn, 1988) and more recent efforts (Fairhurst and Putnam, 2019; Gaim et al., 2018 and 2016; Putnam et al., 2016; Schad et al., 2016) to clarify the terminology used to describe oppositions emerging in organizations. As noted previously, paradox incorporates three core elements (Schad et al., 2016), as depicted in Table 1: opposition, interdependence and persistence.

Graphically, these elements have been depicted in various ways, often with reference to the yin-yang symbol (see Box 2).

A requirement for engaging with paradox theory is clarifying the conceptual boundaries between paradoxes and concepts that are seen to be constitutive of them, such as contradiction, dialectics, dilemmas, tensions and trade-offs (see Table 2). These concepts, although distinct, may be more entangled than our definitions suggest. This occurs for different reasons:

- Processes are dynamic, evolving, always on the move, meaning that tensions that are framed as paradoxical can produce dialectical syntheses. These processes occur over long periods of time (see Farjoun (2019), and Hargrave and Van de Ven (2017) to explore the topic further), and the transformation may be difficult to articulate. In other words, in processes that unfold over long periods of time, such as achieving sustainability (Bansal et al., 2018), change may be difficult to follow.
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<th>Element</th>
<th>Explanation</th>
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<td>Opposition</td>
<td>Denotes the presence of elements that seem mutually opposed – such as planning and improvisation or stability and change.</td>
<td>The most salient feature of paradox is opposition, which characterizes the presence of elements whose simple existence is challenging because they give a different prescription for action (Gaim et al., 2018). Their presence is also challenging, given the human propensity to ‘solve’ dissonance because we find dissonance discomforting (Festinger, 1957).</td>
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<td>Interdependence</td>
<td>Expresses the fact that the elements that exist in opposition are also mutually dependent: we understand one element because of our understanding of the other.</td>
<td>The paradoxical view establishes that oppositions are not always mutually exclusive. In the case of paradox, contradiction comes together with interdependence, suggesting that the elements in tension imply one another – they are two sides of the same coin.</td>
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<td>Persistence</td>
<td>Denotes the fact that interdependent elements cannot be solved by choice of one or another. For example, the tension between exploring and exploiting cannot be solved by picking one side.</td>
<td>Paradox cannot be solved: it must be navigated or managed. Navigating paradox means organizations need to find dynamic ways of articulating and engaging oppositions.</td>
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