> *Worlds in which interpretation and desires are contradictory
> and causality is unfathomable can be disturbing. They are represented
> in fairy tales by the forest (dark, forbidding, and dangerous) and
> in stories of adventure by the sea (dark, powerful, and uncontrollable).
> Ambiguous worlds are disturbing, but they are also magical.
> Beauty and ugliness are compounded; reality and fantasy are intertwined;
> history is created; intelligence is expanded.*
> 　　　(March, Primer on decision making: How decisions happen, 1994: 179)

1 Introduction

The purpose of this Element is to focus on the concept of ambiguity and explain what it means as an inherent part of organization theory. Ambiguity can be broadly defined as a lack of clarity regarding a phenomenon or situation (Feldman, 1991; Weick, 1995) or the presence of multiple, even conflicting, interpretations of the same phenomenon (Daft & Weick, 1984; Feldman, 1989). In this Element, we argue that ambiguity is a key feature of organizational and social phenomena and that it deserves special attention because it helps us understand fundamental aspects of the social construction of the reality around us. Focusing on ambiguity offers a fruitful perspective for understanding the multiplicity of goals, interests, values, perspectives, and voices that characterize contemporary organizations – and how they may or may not coexist. By so doing, it helps us to move from the conventional views of organizations as monolithic entities with clear features and objectives to an understanding that highlights the fuzziness, unpredictability, and irrationality of organizational decision-making and organizational life more generally.

It is no wonder that ambiguity has played a role in organization theory for a long time – almost from the start. This is especially the case with the seminal work of James March (Cohen, March, & Olsen, 1972; Cyert & March, 1963; March, 2010), which has highlighted the key role of ambiguity in organizational decision-making. For quite some time, scholars have also been interested in how organizations cope with various circumstances of environmental ambiguity or uncertainty (Tushman & Nadler, 1978; Tushman & O'Reilly, 1996). A specific stream of research has developed around causal ambiguity (Konlechner & Ambrosini, 2019), highlighting the difficulties inherent in understanding the antecedents or consequences of organizational decisions or actions. More recently, we have seen an important shift from a more limited focus on decision-making to a view of ambiguity as a key part of the social construction of reality. In particular, rooted in communication studies (Eisenberg, 1984), we have seen an increasing interest in strategic ambiguity and how it may be deliberately used by organizational actors. One can also see

connections with discursive, poststructuralist, and postmodern analysis of the multiple realities in and around organizations (Phillips & Oswick, 2012).

What is important for our purposes is the significant broadening that has occurred in our understanding of ambiguity. Although it is widely established that ambiguity can create major problems in organizations (Alvesson & Sveningsson, 2003; Denis, Langley, & Cazale, 1996), the more recent studies have shown how it can also help mobilize people for common causes (Sillince, Jarzabkowski, & Shaw, 2012) and provide strategic advantages in a variety of contexts (Cappellaro, Compagni, & Vaara, 2021; Eisenberg, 1984). It is this more recently "discovered" strategic perspective on ambiguity that deserves special attention and is a particular reason for this Element.

Over time, the concept of ambiguity has been progressively disentangled from related terms such as uncertainty (Townsend et al., 2018), paradox (Fairhurst et al., 2016), multivocality (Padgett & Ansell, 1993), and polyphony (Belova, King, & Sliwa, 2008). However, despite long-standing interest in ambiguity in organization theory, we lack integrative and systematic analyses of the various types, dimensions, and uses of *ambiguity in and around organizations*. This has hampered fruitful exchange between scholars from different traditions and impeded the overall theoretical development of this crucial aspect of organization theory. We believe that conceptually integrated research and critical reflection on organizational ambiguity are particularly relevant for theoretical discussion of strategic decisions in organizations in the fluid and often unpredictable context that characterizes our current social reality.

In this Element, we offer such a framework. We will start with a discussion of adjacent and partly overlapping research on related concepts. This will lead us to a review of what we label intrinsic and early perspectives on ambiguity in organization studies as they relate to goals, causes, context, information, and categories and focus on organizational decision-making processes. We will then proceed to an overview of more recent perspectives focusing on strategic ambiguity. This will lead us to present a path forward in research on ambiguity in organization theory and an agenda for future research. In all this, we attempt to take a broad and comprehensive perspective; we seek to situate ideas about ambiguity in their intellectual context and then explain what they mean for here and now in our integrative approach. While this means some key linkages to research in other areas – such as political science or communication studies – we will focus on organizational ambiguity and primarily deal with how it shapes decisions and actions in and around organizations.

2 Ambiguity versus Other Concepts

Over time, a number of constructs and terms have been associated or used interchangeably with ambiguity – especially uncertainty, paradox, equivocality, or polyphony – making sometimes difficult a clear definition of this construct. What do these different streams of work imply for ambiguity? One alternative is to see them as separate but overlapping trajectories of work and seek to define ambiguity as something distinctively different. The other alternative is to acknowledge and build on the overlaps to offer a more comprehensive – and thus holistic – view of ambiguity as a central organizational concept and multifaceted phenomenon. This is the approach we take in this Element. We view ambiguity as a fundamental concept and phenomenon that can also help clarify certain aspects of other constructs. Specifically, we see uncertainty as a precursor of ambiguity, equivocality as a key type of ambiguity, paradox as constitutive of contradictory viewpoints and therefore of ambiguity, and finally polyphony as a manifestation of ambiguity in discourses or narratives. In this section we briefly review each of these constructs and elaborate on the relationship with ambiguity.

2.1 Uncertainty

Uncertainty is a term that has been used more frequently than ambiguity in various disciplines and streams of research. In fact, uncertainty is a key component in studies of decision-making because it denotes a typical condition in organizational reality: unknowingness. More specifically, scholars in cognitive psychology, decision sciences, and – most importantly for us – organization studies have focused on how to deal with uncertainty and its implications (Cyert & March, 1963; March & Simon, 1958; Tversky & Kahneman, 1974; Williamson, 1979). During the 1960s, Burns and Stalker (1961) studied how different organizational forms were able to innovate based on their ability to cope with environmental uncertainty. Later, scholars have looked at how and whether organizations could cope with the need for organizational change in order to respond to pressures from uncertain or ambiguous environments (e.g., Tushman & Nadler, 1978; Tushman & O'Reilly, 1996).

Such uncertainty has usually been seen as the inability to foresee the consequences of specific decision or action alternatives. Thus, the focus in this body of work has been forward-looking, that is, it has dealt with the uncertainty of specific choices regarding future outcomes. Oftentimes this body of work has included a normative undertone in that uncertainty has been seen as a problem or challenge for individuals and organizations. Moreover, much of the research has aimed at offering models for dealing with uncertainty and essentially making more informed or otherwise better decisions.

Despite the fact that uncertainty and ambiguity have been often paired in the literature, distinctions have been made. Attempts to disentangle uncertainty from ambiguity have come, for instance, from research on entrepreneurship that has often focused on the uncertainty faced by new entrepreneurs and ventures (Packard, Clark, & Klein, 2017; Townsend et al., 2018). For instance, Townsend et al. (2018) have called for a distinction between uncertainty as a special kind of knowledge problem involving probabilistic reasoning about the consequences of specific actions and other types of knowledge problems such as ambiguity complexity, and equivocality. An important distinction between uncertainty and ambiguity is also made by March (1994) and Weick (1995). They explain, in somewhat different ways, how uncertainty is closely connected to a lack of information and, as such, can be partially overcome by collecting more facts. Ambiguity, instead, is associated with lack of clarity in meaning or with a confusing plurality of meaning, and, as such, can be partially solved only by acquiring or creating interpretative frames or "explanatory knowledge" (Zack, 2000). In this way, uncertainty can be seen as a precursor of ambiguity.

2.2 Equivocality

Equivocality is a term used especially in sensemaking research (Weick, 1995) to denote a situation of confusion, in which multiple, conflicting interpretations seem all plausible. In this sense, equivocality can be considered a key type of ambiguity, and it is not surprising, therefore, that the two terms have been frequently used interchangeably in the literature (Daft & Macintosh, 1981). As Weick suggests, in an equivocal situation, "people are not sure what questions to ask, nor do they expect clear answers even if they do know the right questions" (1995: 9). In sensemaking studies, equivocality plays a key role (Maitlis & Christianson, 2014; Navis & Glynn, 2011). First, equivocality appears to permeate organizational reality. This is because "events occur in a continuously emerging context that changes the meaning of earlier events, and partly because events occur in an open-ended retrospective context in which all kinds of prior personal and societal history can be invoked to explain what is happening" (Weick, 1995: 10). Second, interpreting events and giving it a meaning in the absence of "fixed unequivocal observables" can only lead, according to Weick, to a "network of interdependent and continuously modifiable interpretations" (Weick, 1995: 10). This may in turn engender confusion in and around organizations that needs to be made sense of. In other words, as Weick (1979) suggests, the only viable response to equivocality is equivocality itself. Sensemaking is, indeed, the attempt to come to some sort of temporary consensus around how to interpret events and what to make of them. Under conditions of equivocality, "efforts are made to construct a plausible sense

of what is happening, and this sense of plausibility normalizes the breach, restores the expectation, and enables projects to continue" (Weick, Sutcliffe, & Obstfeld, 2005: 414–415).

In many classic studies of sensemaking, equivocality has most often been regarded as a problem for sensemaking. The multiple interpretations and especially misinterpretations originating in equivocal situations have been seen as the causes of accidents, crises, or disasters (Cornelissen, Mantere, & Vaara, 2014; Weick, 1993; Weick & Sutcliffe, 2001; Weick, Sutcliffe, & Obstfeld, 2005). In some of these instances, equivocality is linked with collapse in sensemaking (Weick, 1993, 1995). For example, Weick's classic study of the Mann Gulch disaster illustrates how people may experience a "cosmology" episode void of meaning, implying a lack of understanding of what is important, what to focus on, why, and how. These special situations involve more than equivocality – in fact all kinds of ambiguity. Nevertheless, it may be equivocality – and the different interpretations made of the disaster – that has specific implications for the outcomes of decisions and actions.

Overall, we believe that in organization studies equivocality is the construct closest to ambiguity – as defined in the introduction to this Element – and we propose to consider it as a type or instance of ambiguity linked specifically to possibility of interpreting situations or cues in multiple ways.

2.3 Paradox

In treating ambiguity, it is important to pay special attention to the construct of paradox – especially as there has recently been a surge of research employing this concept (Putnam, Fairhurst, & Banghart, 2016; Schad et al., 2016; Smith & Lewis, 2011). Studies on paradox have mainly explored situations characterized by tensions, contradictions, dualisms, and dialectics in and around organizations. This has essentially meant broadening the traditional view in philosophy that construes paradox as a logically untenable or incomprehensible situation created by two or more opposite or contradictory facts or characteristics (Sorensen, 2003). This research has increasingly placed paradox and related phenomena in discourses, social interaction processes, practices, and ongoing organizational activities rather than in cognition (Luscher, Lewis, & Ingram, 2006; Putnam, Fairhurst, & Banghart, 2016).

In one of the first reviews on paradox (Lewis, 2000) in organization theory, Lewis defines paradox as a situation denoting "contradictory yet interrelated elements – elements that seem logical in isolation but absurd and irrational when appearing simultaneously" (2000: 760). Later on, Putnam, Fairhurst, and Banghart (2016) extend this definition and elaborate how tension (stress, anxiety, discomfort,

tightness in making choices or moving forward in organizational situations), dualisms (opposite poles, dichotomies, binary relationships), dualities (interdependence of opposites in a relationship that is not mutually exclusive or antagonistic), contradictions (bipolar opposites that are mutually exclusive and interdependent so that opposites define and potentially negate each other), and dialectics (interdependent opposites aligned with forces that exert push-pull on each other in ongoing dynamic interplay) represent all paradoxical situations in organizations (Farjoun, 2016).

Ambiguity has been often associated with paradox (Cappellaro, Compagni, & Vaara, 2021; Hatch & Erhlich, 1993; Luscher, Lewis, & Ingram, 2006), although their relationship has been rarely discussed in an explicit way. For instance, Putnam (1986) indicates how contradictory messages might engender ambiguity in organizational actors as in lack of clarity about what action to take. Others have talked about a sense of confusion and paralysis (Luscher, Lewis, & Ingram, 2006) in response to a paradoxical situation. Hatch and Erhlich (1993) draw a further connection between paradox and ambiguity. In their paper, they describe how using a decision-making frame to face a paradoxical issue might indeed bring actors to perceive ambiguity:

> This ambiguity may result from the use of a rational decision-making frame of reference for handling a situation characterized by incongruity, contradiction and incoherence. In rational decision-making processes, problems are assumed to have solutions and the two categories (problem and solution) are assumed distinguishable. In the case at hand, problems and solutions are not clear-cut categories because the underlying paradox of control keeps creating unintended consequences for the choices made. These unintended consequences transform solutions into problems. Thus, we suggest that the continued application of a rational decision-making frame to a paradoxical issue may produce ambiguity for decision-makers. (1993: 519–520)

In most of these instances, the construct of paradox appears to be distinguishable from ambiguity and to work as one of its antecedent.

2.4 Polyphony

Polyphony is another construct related to ambiguity. In the literature, polyphony is also referred to as polyvocality, plurivocality, multivocality, or even heteroglossia. Although it refers to a multiplicity of voices, in essence the voices do not have to be contradictory as in paradox; they can instead be complementary or simply representations of different realities, identities, or perspectives (Letiche, 2010). The roots of polyphony can be found in Bakhtin's work on literary theory (Bakhtin, 1982), and it has thereafter become a very useful lens, especially in narrative or discourse analysis in organization studies (Belova, King, & Sliwa, 2008; Boje, 2008; Hazen, 1993).

This perspective does not necessarily imply a critical approach to organizations but is often used for critical analysis of the selective marginalization of voices or silencing in organizations.

In this view, polyphony characterizes organizations and many organizational processes, and thus dialogicality is seen as a fundamental part of organizational sensemaking. Although multiple voices can be seen as problematic (Sullivan & McCarthy, 2008) for organizations, most often polyphony is valued; for instance, Bakhtinian analysis sees "carnival" as the fullest and, in this sense, the ideal type of polyphony (Bakhtin, 1984) that can develop within organizations. In this respect, polyphony – as expressed in the plurality of voices and narratives present at any time in organizations – and ambiguity are both fundamental and natural parts of organizational life. In a nutshell, polyphony can be seen as a manifestation of ambiguity in discourses or narratives.

3 Analytical Approach

To achieve the purpose of the Element – that is, develop a conceptually integrated framework and critical reflection on organizational ambiguity – we followed a three-step approach. First, we started by reading the seminal work on ambiguity in organization theory and we subsequently traced how the concept has evolved, performing an analysis of the empirical and conceptual studies published between 1950 and 2021. The analysis was based on two major databases (*Business Source Complete* and *Web of Science*). In both databases, we used the term(s) ambigu* in the title, abstract, or subject terms for the period between 1950 and 2021. We retrieved articles, books, and book chapters while excluding commentaries, letters, and book reviews. We then selected articles based on their publication outlet. We used a combination of three sets of journals: (i) the *Financial Times* top journals in management and marketing;[1] (ii) 4 or 4* outlets in the management, marketing, psychology, or sociology categories according to the UK Association of Business Schools;[2] and (iii) an additional selection of journal outlets in political science and public administration.[3]

---

[1] *Academy of Management Journal*, *Academy of Management Review*, *Accounting, Organizations and Society*, *Human Relations*, *Journal of Applied Psychology*, *Journal of Business Ethics*, *Journal of Consumer Research*, *Journal of International Business Studies*, *Journal of Management Studies*, *Journal of Marketing*, *Management Science*, *MIS Quarterly*, *Organization Science*, *Organization Studies*, *Organizational Behavior and Human Decision Processes*, *Research Policy*, *Strategic Management Journal*.

[2] We focused on categories labeled: psychology general and organizational; sociology; marketing; management both general management/ethics/gender/social responsibility and human resource management/employment studies; innovation management; operations research and management science; organization studies; strategy.

[3] *American Political Science Review*, *American Journal of Political Science*, *Journal of Public Administration Research and Theory Public Administration*, *Public Administration Review*.

This resulted in a set of 2,903 publications. By reading the abstracts, we categorized publications on the basis of their relevance and excluded those in which the analysis of ambiguity was not central to the publication, thereby obtaining a total of 698 publications. We then adopted the following analytical process. First, we read the abstracts of all 698 publications focusing on the definition of ambiguity, the theoretical underpinnings of the study (e.g., sense-making, decision-making, and strategy) and the role attributed to ambiguity. Being interested in how ambiguity and organizational phenomena are related, we screened the 698 publications for those studies that explicitly referred to the organizational level of analysis. We thus excluded papers referring to (i) individual roles, as in many articles on role ambiguity; (ii) individual decision-making processes, as in many articles in psychology and marketing, and (iii) ambiguity operationalized as a variable in formal models of decision-making or operations research with no reference to the organizational level.

Second, based on this dataset, we inductively reconstructed the main analytical perspectives on organizational ambiguity (contextual ambiguity, information ambiguity, goal ambiguity, causal ambiguity, category ambiguity, frame ambiguity, rhetorical ambiguity, and narrative/discursive ambiguity). For more emergent streams of literature, which we considered particularly promising for their potential contribution to theory, we searched through the references lists of the retrieved studies for additional papers and books. Overall, our final dataset comprises 148 publications.

Third, this then served as a basis for our theorization and development of the integrative framework presented in the next section. In particular, we focused on two meta-conceptualizations of ambiguity: ambiguity as an intrinsic part of organizational decision-making (intrinsic perspectives) and discursively constructed strategic ambiguity (strategic perspectives). We then dug deeper into the specific types and processes characterizing these perspectives. Finally, this led us to focus on what is lacking in existing literature and to develop ideas for future research.

4 Intrinsic Perspectives: Ambiguity as an Inherent Part of Organizational Decision-Making

The purpose of this section is to offer an overview of intrinsic perspectives on ambiguity. What we label intrinsic views depict ambiguity as a key part of organizational decision-making processes and action more generally. This view builds upon the traditions of bounded rationality – based on Herbert Simon's seminal work in cognitive psychology (Simon, 1947) – and the behavioral theory of the firm – based on James March's work (Cyert & March, 1963; March, 1958).

4.1 Seminal Research on Ambiguity as an Intrinsic Part of Organizational Decision-Making: The Work of James March

The roots of the work on ambiguity in organization studies and theory can be traced back to the seminal work of James March. In particular, his work on the garbage can model (Cohen, March, & Olsen, 1972) and organized anarchies (Cohen & March, 1974; March & Olsen, 1976) has offered a way to conceptualize and approach ambiguity as an inherent part of organizational decision-making and organizations in general.

4.1.1 Ambiguity, Uncertainty, and Bounded Rationality

The treatment of ambiguity by James March originates from his close collaboration with Herbert Simon and their common interest in how individuals in organizations make decisions collectively. Already in their co-authored 1958 book titled *Organizations*, March and Simon link concepts of ambiguity and uncertainty with that of limited or bounded rationality (Simon, 1947) in processes of decision-making. In contrast to the pure rationality theorized by neoclassical economics, the concept of bounded rationality implies that organizations can proceed rationally but not necessarily intelligently:

> Organizations are rational in intent and in the ways they justify their choices (they are procedurally rational), but their pursuit of rationality does not assure either coherent or intelligent action (often their actions are not substantively rational) (March & Simon, 1958: 8).

More specifically, bounded rationality means that certain elements and steps in decision-making are not optimal, as portrayed by normative decision-making theories. In particular, March and Simon (1958) emphasize that "people [in organizations] are often misinformed, or lack information, or are unable to predict or even compute the consequences of their actions. Their goals may sometimes be well-specified and stable, but often are unclear, inconsistent, and changing" (1958: 8). Hence, the two authors characterize uncertainty and ambiguity as pervasive in organizations.

March (1978) subsequently spells out the two steps in decision-making frequently affected by uncertainty and ambiguity respectively. In doing so, he makes a distinction between the two terms. The first step is that of anticipating the future consequences of current actions; it is affected by people's limited capacity to understand cause–effect relationships and accurately predict the consequences of alternative actions. According to March, "theories of choice under uncertainty emphasize the complications of guessing future consequences" (1978: 589). In this view, organizations cannot be certain about whether actions will help them solve a problem or reach a goal. The second step in decision-making linked to

ambiguity, which March calls "confusing," involves anticipation of future preferences. Contrary to normative theories of decision-making, March proposes that preferences – alternatively labeled as tastes, valued outcomes, or goals – are vague, problematic, inconsistent, and unstable (Cohen & March, 1974; March & Olsen, 1976) and hence in making decisions individuals and organizations experience a sense of ambiguity about their true priority in taking the actions in question. In subsequent work, March often refers to goal ambiguity as a condition permeating most organizational decision-making processes and making organizations into organized anarchies (Cohen & March, 1974).

According to March, ambiguity of goals is experienced by each individual. In other words, individual preferences are often "fuzzy and inconsistent" and "change over time" (March, 1978: 589). At the same time, ambiguity of goals is also an organizational and collective experience based on the intrinsic pluralism of organizations, that is, the presence of multiple actors and conflicting objectives that do nothing but amplify the ambiguity associated with individual goals. The conduciveness of the organizational context in feeding ambiguity is also manifest in the so-called garbage can model of decision-making proposed by Cohen, March, and Olsen (1972). In this model, not only do participants enter and exit the decision venue fluidly, but the extent of the attention they focus on the issue at stake also varies over time. This makes the combination of goals inconsistent and even temporally misaligned with the actions and solutions proposed at any time, thereby creating a situation of ambiguity that is intrinsic to the political nature of organizations (March, 1962; March & Simon, 1958). Given that organizations are constituted by different coalitions of actors (March, 1962, 1994) expressing different interests and goals, and given the politics of organizational roles and dynamics (Cohen, March, & Olsen, 1972), it is not surprising that goals within a single organization may not only be multiple but also be conflicting and mutually inconsistent, thereby engendering a sense of "confusion" in those who make organizational decisions.

In his book *A Primer on Decision Making*, March appears to further broaden the conceptualization of ambiguity beyond the sole idea of ambiguous goals:

> Ambiguity refers to a lack of clarity or consistency in reality, causality, or intentionality. Ambiguous situations are situations that cannot be coded precisely into mutually exhaustive and exclusive categories. Ambiguous purposes are intentions that cannot be specified clearly. Ambiguous identities are identities whose rules or occasions for application are imprecise or contradictory. Ambiguous outcomes are outcomes whose characters or implications are fuzzy. Ambiguous histories are histories that do not provide unique, comprehensible interpretations. (March, 1994: 178)