

Like a hot potato - shifting paradox responsibility across organizational levels

Our everyday lives are full of dilemmas and paradoxical tensions. Research on the paradox perspective has shown that the individual mindset and cognitive frame towards paradoxical tensions can leverage the paradox (e.g. Hahn, Preuss, Pinkse, & Figge, 2014; Miron-Spektor, 2018). Paradoxes have been defined in the literature as contradictory yet interrelated elements that exist simultaneously and persist over time (Lewis, 2000; Lewis & Smith, 2014; Schad, Raisch, Lewis, & Smith, 2016). Paradox studies explore how organizations can handle conflicting needs. Yet, research so far has mostly been focused on individual leaders. This research paper sheds light on how paradox persists and zooms into what happens within an organization. As corporate sustainability has previously been identified as having interdependent and conflicting objectives (Hahn, Pinsky, Preuss, & Figge, 2015), it will serve as the context of research analysis.

The United Nations sustainable development goals (UN SDGs) cover issues including poverty, hunger, education, global warming, gender equality, water, sanitation, urbanization, environment, and social justice. Businesses are expected to contribute to reaching these goals and managers and teams are confronted with achieving this change. While current paradox literature primarily focuses on tensions within organizational boundaries, I argue that the source of tension can also be outside an organization as it true for the UN SDGs. The implementation of the UN SDGs brings tensions with it which challenges the identity of the individuals, team and overall organization and necessitates research into these tensions and the resulting identity work across organizational levels. The aim of this paper is to deepen the understanding of identity work in the context of corporate sustainability.

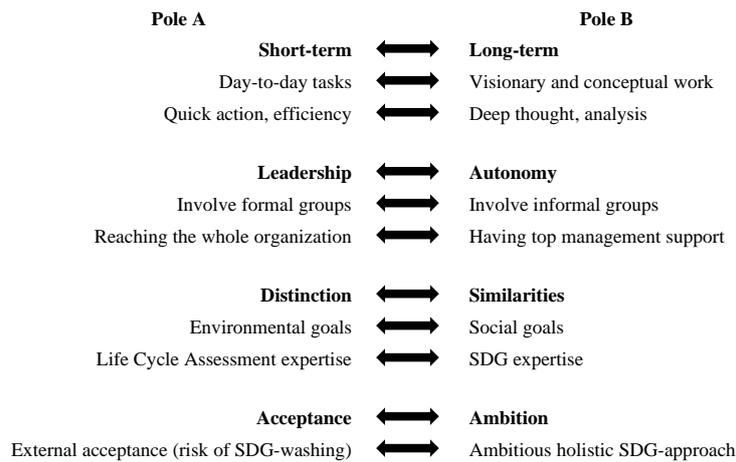
This paper addresses a specific part of a broader ethnographic research project, namely “How does the process of implementing strategic corporate sustainability goals unfold in an organisation, across levels?” The findings of my research are based on an 18-month organizational ethnography in a company that has sustainability goals in their corporate strategy and follows the efforts of sustainability actors to realize these goals.

By conducting an organizational ethnography, I am able to achieve close proximity to the emerging phenomenon and observe the paradox journey in an organization over time. The ethnography focuses on the work undertaken by the corporate sustainability team, which closely cooperates with the board, the innovation team and all business units internally, as well as the UN Global Compact and others externally. This makes the case study and data access a great opportunity to investigate the phenomenon in question as it emerges.

The analysis of the qualitative data is conducted through a cyclic process. In particular this means moving back and forth between the data and more abstract or generalized thinking about the emerging themes in the context (Breidenstein, Hirschauer, & Kalthoff, 2015). The first round of coding is based on open coding to identify emerging topics, tensions, and behaviors as well as statements by the actors on how they perceived these. Afterwards the analysis was structured into three stages, which are reflected in the findings: (1) Key issues and experienced tensions, (2) management practices, and (3) the time perspective.

The **identified tensions** (1) are grouped into four interrelated **key issues**: short-term-long-term, leadership-autonomy, distinction-similarities, and acceptance-ambition.

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Management practices (2) in reaction to the different tensions vary. In this paper the focus is on the differences between multiple levels. As we see in the quotes on emerging tensions, individual actors struggle with the concept of sustainability and the SDGs as an overarching framework as it stands in interrelation and contrast to current business success. For this reason, individual actors continuously request team meetings and escalation of tensions in the hope of finding guidance by other team members and leadership.

At the team level, a strong focus on distinctions and similarities evolves, whereof the distinctions are emphasized in times of crisis. The tension becomes salient. This becomes evident from the focus on the different expertises that are present in the team. The behaviour in reaction to this tension again leads to escalation “up the hierarchy”. When this fails, a lateral approach is taken and a meeting between two senior team members is arranged to bridge the expertise.

When the escalation to the leadership and finally to the board takes place, the tension areas are presented as “solved” using the approach of providing solutions and not problems to senior leadership. However, through this approach, the board agrees with the approach and embraces the overarching strategic paradox and argue for the value of ambidexterity.

The **time perspective** (3) offers insights into how the tensions evolve over time and how the responsibility for managing the paradox is shifted across organizational levels. Both the growth of a team as well as human resource scarcity intensify tensions, make them salient and lead to a lack of alignment and either a request for action or pro-active action. The integration of tensions and alignment before presenting to the board lead the board to be unable to perceive the tensions at the individual and team level. Thus, leading the responsibility to manage paradox to “drop back down” into the individual and team level.

This organizational ethnography focused on the emerging tensions that occur in a setting with an overarching strategic paradox linked to company-external goals. This reveals five areas within which actors are confronted with tensions. Management practices in response to these tensions have been briefly discussed and require further research. The time perspective through the process view enable us to understand in more depth how the responsibility to manage paradox is shifted across organizational levels – like a hot potato. Further it is found that the perception of intensity of the paradox is influenced significantly by the position in the hierarchy due to the different management practices.

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