Peter F. Steinkellner & Elfriede J. Czerny

Educating Managers for a Paradox World
Overview: Educating Managers for a Paradox World

- Introduction: context & central thesis
- Paradoxes in Management
- Stability and Change
- Duality & Dualism
- Coping with the Paradoxical Relationship between Stability and Change
- Management Education and Duality
- Conclusion
Introduction: Context & Central Thesis

- Turbulent environments;
- Change, flexibility and innovation as essential;
- "Change, rather than stability, is the norm today." (Daft 2010: 370);
- But organizations are also required to perform stable and reliable.

This dualism for change and stability

- has long been seen as central paradox of organization research (March & Simon, 1958; Thompson, 1967; Weick, 1979: 136)
- and found renewed attention in recent organization research (Nelson & Winter: 1982; Leana & Barry, 2000; Schultze & Stabell, 2004; Gupta, Smith & Shalley, 2006; Lok, 2006; Farjoun, 2010; Smith & Lewis, 2011).

Central thesis: “In management education the frequency of paradoxes in the reality of managerial work is often overlooked and dualist theoretical approaches are used to avoid such paradoxes. Many organization theories applied in management education are therefore inadequate to capture the complex organizational reality in favoring either/or approaches over complexity.”
Paradoxes in Management

- “Managing is rife with conundrums. Every way a manager turns, there seems to be some paradox or enigma lurking.” (Mintzberg, 2009: 157)

- Management education on the other hand concentrates on simple dualistic solutions.

- “If such questions could be resolved quickly, they would go away. They remain because they are rooted in a set of conundrums that are basic to managing – concerns that cannot be resolved.” (Mintzberg, 2009: 158)

- According to Mintzberg (2009: 157-159) there are thirteen “inescapable conundrums of managing”.

Stability and Change

- **Paradox of stability and change** is according to Mintzberg (2009: 157-159) one of the thirteen “inescapable conundrums of managing”.
- “How to manage change when there is the need to maintain continuity?” (Mintzberg, 2009: 190).
- Even as early as 1967 Thompson wrote about this paradox as “the paradox of administration [...] the dual search for certainty and flexibility” (Thompson, 1967, 190).
- From our point of view, the **paradox of stability and change** seems to be the central paradox of organization theory and therefore need a **reconceptualization as a duality**.
- Stability and change are usually defined in organization theory as opposites and separated (Poole & Van de Ven, 1989; Farjoun, 2010).
Dualism & Duality (1)

Dualism

- Stability and change are defined as opposites and separated (Poole & Van de Ven, 1989; Farjoun, 2010).
- **Typical examples** for that view
  - distinction between *mechanistic and organic organization systems* (Burns & Stalker, 1961)
- This dualistic view of stability and change is useful and has inspired organization theory and practice (Farjoun, 2010: 202),
- and seems to be the basis in *management education* for teaching organization theory and design in giving *guidelines* as “associate a stable environment with a mechanistic structure and an unstable environment with an organic structure” (Daft, 2010: 233).
Dualism & Duality (2)

- The nowadays turbulent environments for most companies should therefore be a big advantage for organic organizations focusing on change.
- So it seems surprising that strongly mechanic bureaucracies with their highly focus on stability are still existing.
- Bureaucratic features have positive effects for many large organizations (Daft, 2010: 464-465) and therefore companies try to maintain the efficiency and control benefits of bureaucracy but prevent the problem of slow response to rapid change (Daft, 2010: 469).

→ Severe limitations for a dualism approach of stability and change to capture the complexity of organizational reality

Organizations per se and the process of organizing are inherently paradoxical: Paradox is, as Durkheim argued, “normal” – an expected feature of the modern organization (Storey & Salaman, 2009: 18-25).
Dualism & Duality (3)

Duality

- Farjoun (2010: 203) constructed an alternative conceptualization of stability and change not as dualism but as duality.
- The term duality is borrowed from philosophy to **denote the twofold character of an object of study without separation.**
- The concept of duality helps to maintain conceptual distinctions without being committed to a rigid antagonism or separation of the two elements being distinguished.
- E.g. Giddens` writings on the “**duality of structure**” (Giddens 1979; 1984):
  - **The structures can be reproduced and transformed only through the actions of agents, and agents come into existence only within a structured environment.**
Duality resembles dualism in that it retains the idea of two essential elements,
but it views them as interdependent, rather than separate and opposed (Farjoun, 2010: 203).
Seen as a duality stability and change are fundamentally interdependent – both contradictory and complementary.
These elements are mutually enabling and a constituent of one another (Farjoun, 2010: 203; Schultze & Stabell, 2004; Mabey & Finch-Lees, 2008: 20-25).
The main idea is that stability enables change and change enables stability.
Illustrations for the weaknesses of the prevailing dualistic view of stability and change

- Stability often presupposes flexibility and change (Bateson, 1972);
- Reliability requires variation (Weick & Roberts, 1993);
- Bureaucracies can be remarkably flexible (Adler, Goldoftas, & Levine, 1999);
- Limits can be liberating (Dewey, 1922);
- Limits can be instrumental for innovation (Dougherty & Takacs, 2004).
Coping with the Paradoxical Relationship between Stability and Change

- Management education usually either avoids this paradox completely or offers dualistic solutions.
- Storey & Salaman (2009: 26) recognize that conventional management approaches to paradox are characterized “by tendencies which encourage polarized, black/white; good/bad thinking”.

Different modes to cope with the paradoxical relationship between stability and change (Poole & van de Ven 1989):

1. **opposition**: accept the paradox, keep stability and change separate and use the paradox constructively;
2. **Spatial separation**: separate the poles of the paradox to different locations or levels (e.g. separation of exploration and exploitation in Tushman’s ambidextrous organization);
3. **Temporal separation**: temporally separate stability and change;
4. **Synthesis**: Advance new conceptions through introducing new concepts or a new perspective (→ Duality)
Management Education and Duality

- The literature on organizations used for management education usually views **stability and change as separate phenomena**.
- This is according to Farjoun (2010: 221) **understandable**: “distinctions bring order and underlie organization, dichotomies **facilitate learning**, and simple contrasts are powerful and essential to scientific progress.
- The risk is that antinomies become entrenched and **either/or approaches become favored over complexity** (Abbott, 2001)”.

This **reductionist kind of management education** often leads to the following results:

- The theories which are taught are often **inadequate to capture organizational reality**.
- The focus on dualism in management education leads to a bias on the way we study organizations and on guiding managers’ practice.
- It may blind managers to possibilities (e.g. Cohen, 2007; Farjoune, 2010).
- This can be improved by rethinking the relationship between stability and change.
Conclusion

- This paper showed a model to introduce **duality** (instead of dualism) **as a new concept into management education** to “rethink management” (Stacey 2010) for managers in a world full of paradox, flux and uncertainty.

- The consideration of the **duality of stability and change** can together with ideas from the **constructivist management development discourse** and **complexity theory** enrich management education in going beyond functionalist management education and development programs.

- This seems to be a **great advantage against present functionalist management education and development programs** in a continually changing world full of paradoxes for organizations and their managers.
Authors

Peter F. Steinkellner
PEF Privatuniversität für Management, Vienna: Professor for HR & OD Management Consultant
www.wirtschaftscoaching.info
p.steinkellner@wirtschaftscoaching.info

Elfriede J. Czerny
PEF Privatuniversität für Management, Vienna: Lecturer and Research Associate Management Consultant
Elfriede.czerny@wirtschaftscoaching.info