

MANAGING STRATEGIC TENSIONS: THE RHETORICAL CONSTRUCTION OF A RESPONSE TO PARADOX

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INTRODUCTION AND THEORETICAL POSITIONING

Paradoxes are a particular form of tension whereby ‘contradictory yet interrelated elements...exist simultaneously and persist over time’ (Smith & Lewis, 2011, p. 382). How organizations respond to paradoxes, such as contradictions between the strategic demands of important stakeholders, is critical to their survival and performance (Quinn, 1988). Transcendence is one such response and involves reconciling opposites and instead treating them as complex interdependencies (Abdallah et al., 2011; Jarzabkowski, et al. 2013). Despite its centrality in seminal paradox frameworks (Lewis, 2000; Poole & Van de Ven, 1989; Werner and Baxter, 1994), existing scholarship has not, yet, explicitly focused on the micro-practice of transcendence and examined *how* it is enacted. This omission is important as transcendence is theorized as a managerial response that harnesses the power of paradox for organizations (Farjoun, 2010; Lewis, 2000). Additional insight into transcendence contributes to our broad understanding of the foundations of paradox theory, including the boundaries of these response frameworks and distinctions between responses. Such theoretical extension includes moving beyond simply equating a paradox perspective with acceptance (e.g., Dameron & Torset, 2014) to explore and understand whether transcendence is fruitful as a response.

Language is central to understanding paradox and organizational responses to them (Abdallah & Langley, 2014; Fiol, 2002), with responses such as transcendence recognized as discursive constructions (Abdallah et al., 2011). Such a perspective provides a contrasting approach to the recognized (Smith, 2014) dominant focus on cognitive frames in paradox theory (e.g., Jay, 2013; Luscher and Lewis, 2008; Smith and Tushman, 2005). Attention to rhetoric is particularly powerful in explicating the micro-practices that are constitutive of particular responses (Jarzabkowski and Sillince, 2007), something we still know little about (Andriopoulos and Lewis, 2009; Smith, 2014). Yet, the varied rhetoric that constructs and enables specific responses, such as transcendence, remains to a largely a ‘black box.’

We, therefore, ask what are the rhetorical micro-practices that comprise transcendence and how do these rhetorical strategies construct this organizational response to paradox? In addressing this question, we provide two contributions to the paradox literature using three cases of science organizations that transcended contradictory strategic objectives. First, we provide insight into *what* transcendence is through highlighting four rhetorical strategies: Ordering, Aspiring, Signifying, and Embodying. This provides a theorization of transcendence, addressing the fact that it is an underexplored, but central, concept in paradox theory (Lewis, 2000; Poole and Van de Ven, 1989). We extend existing empirical explanations of transcendence. For example, moving beyond the dominant focus on the paradoxical elements themselves (e.g.,

Abdallah et al., 2011; Andriopoulos and Lewis, 2009), to show how transcendence can also entail infusing the organizational site of the paradox with value (Kraatz and Block, 2008). Second, we address *how* rhetoric constructs responses to paradox for the first time, through developing a ‘Situating Paradox’ framework. We provide an empirically grounded illustration of rhetorical appropriateness (Poulakos, 1983; Sillince, 2002) to show how transcendence involves rhetorically balancing different ‘foci’ (paradoxical content and context) and different uses of, or situatedness in, ‘time’ (continuity and change) and ‘space’ (maintaining and reducing space between paradoxical poles or between individual/organizational contexts). Overall, this increases understanding of transcendence and how response strategies are constructed rhetorically.

METHODS

We focus on the New Zealand (NZ) science sector, as science organizations are widely recognized as facing divergent strategic objectives (Rip, 2004; Murray, 2010; Sauermann and Stephan, 2013). Indeed, in NZ there was a shift from a sole focus on science excellence to increased requirements that science organizations produce commercial and public-good outputs (Leitch and Davenport, 2005). Studies have subsequently examined the ‘underlying struggle’ (Davenport et al., 2003: 247) and ‘deep-seated philosophical conflicts’ (Edmeades, 2004, p.91) that exist between science, commercial and public-good objectives and which impact NZ science organizations. The science sector in NZ is therefore described as encountering *performing* paradoxes: inherent conflicts in strategic objectives, stemming from ‘conflicting demands or definition of success’ of important stakeholders (Smith and Lewis, 2011, p.384).

We sampled for organizations that encountered such paradoxes as part of a multiple-case study research design (Eisenhardt, 1989). Following the replication logic central to such studies (Yin, 2009), we initially selected two of each type of organization. We also varied the types of organization included, and thus the specific manifestation of the paradox, to broaden the basis of our theorization. We selected: university-based Centers of Research Excellence (CoREs), with a focus on basic research; Crown Research Institutes (CRIs) government-owned research companies with a focus on applied research; and, high-tech start-ups with a focus on commercializing research. This variation was, however, contained within the boundaries of a single sector and focused on organizations experiencing, broadly, the same type of tension (Andriopoulos & Lewis, 2009; Eisenhardt, 1989). We then refined our sample in accordance with our theoretical interest in transcendence, as it emerged as a central phenomenon in our data. Our final sample consisted of three transcendence cases: TechSpinOut, CRI1 and CoRE1.

We conducted 58 interviews with a range of applicable stakeholders. When analyzing transcendence specifically this sample was refined to 35 interviewees from three cases. Secondary data (136 organization-specific texts) were also collected, assisting in case selection and enabling triangulation (Yin, 2009). Our thematic coding (Miles and Huberman, 1994) of these interviews proceeded in stages. First, we analyzed the paradoxes associated with each of the three types of organization. Second, we conducted intra-case analysis of the strategies each organization used to respond to the described paradoxes. Transcendence was centrally apparent in three cases and became the phenomenon of interest due to its prominence and that fact that it has only infrequently been studied. These transcendence cases became our primary focus as a way to investigate this concept. Third, as we became aware of the persuasive power of our coded data on transcendence, we conducted a rhetorical analysis of the three cases. We surfaced four general categories that captured the main dynamics of our cases: Ordering; Aspiring Signifying

and Embodying arguments. Fourth, our attention turned to developing an additional, more interpretative (Wolcott, 1994), layer of analysis to understand how these rhetorical strategies constructed this transcendence. We were interested in common enabling characteristics across these rhetorical strategies through building rhetorical appropriateness.

FINDINGS

Performing Paradoxes Encountered by Science Organizations

Persistent contradictory science, public-good and commercial objectives formed a Performing paradox in our cases. Namely, various definitions of the organizations' 'reason for being' were in tension with one another (Andriopoulos and Lewis, 2010, p.702; Jay, 2013). First, was the paradox between commerce and science objectives, as a participant summarized: 'scientists tend to see business as dirty: selling stuff is actually sort of icky' (CEO, HighTechSpinOut). More specifically, commercial objectives contradicted with the timescales of research and science, and the fact that science 'ate rather than made money' (Scientist, CRI). Second, was the tension between commercial and public-good objectives. For example, a tension for CRIs was whether to conduct research that generated public-good but was not profitable, such as climate change research which 'no one was paying for' (Scientist, CRI). Third, was the tension described between science and public-good objectives. A science focus on esoteric and long-term outcomes contradicted demands for tangible evidence of impact for NZ. For example, some CoRE participants felt that the very purpose of the CoRE model was to fund science that 'would not necessarily appeal to short-term outside users' (Leader, CoRE). However, such expectations directly contradicted demands from the government department funding CoREs for delivery of 'immediate economic return' (Leader, CoRE).

Rhetorical Strategies of Transcendence

Transcendence was described in three cases: TechSpinOut, CRI1 and CoRE1. We found four rhetorical strategies used to transcend paradox, which we briefly outline below. We also uncovered three enabling features across those strategies: focus (the content of the paradox or the organization and individuals that form the paradox context); time (change and continuity) and space (maintaining or reducing distance between paradoxical poles or individual/organizational contexts). Collectively these four strategies thus balanced different foci, as well as uses of time and space.

Ordering Arguments: Focus on Paradoxical Content. Ordering arguments highlighted synergies and reinforce links between objectives; transcending the paradox through defining its poles as complex interdependencies. This was often done in relation to an overarching objective which formed the 'higher plane of understanding'. For example, in the following excerpt the poles of the paradox are structured as an interconnected reinforcing hierarchy: "Everything, these four objectives here [financial viability, publishing, service to industry, commercialization], lead to that one thing [public-good] at the end" (Manager, CRI1). The 'focus' of Ordering strategies was, thus, on 'ordering' the paradoxical emphases themselves and the relationship between them.

Ordering arguments also involved simultaneously emphasizing 'change' and 'continuity'. For instance, in the following quotation continuity in overarching objective (growth) is

emphasized alongside change and flexibility in relation to specific objectives: “Growth in value [overarching objective] has always been on the agenda from day one ...and nobody would disagree with that. Then there’s all these other objectives that the stakeholders put in there... You make everybody a little bit unhappy a little bit of the time” (CEO, TechSpinOut). Ordering rhetoric also maintained paradoxical poles as separate and did not eliminate the ‘space’ between them. The space between the strategic objectives was maintained - the paradoxical poles remaining distinct and separate - but links between them were also stressed.

Aspiring arguments. Focus on Paradoxical Content. Aspiring arguments persuaded through building an inspiring expansive vision of the future involving the paradoxical objectives. This enabled transcendence, with that vision becoming the ‘higher plane of understanding’ which highlighted how paradoxical objectives all worked together as an integrated whole. Aspiring arguments, thus, enabled transcendence through arguing present actions, regardless of what particular objective they emphasized, were working towards an integrative future. As this suggests, the paradoxical poles themselves remain the ‘focus’ in Aspiring arguments and are discussed in relation to a vision of the future.

Aspiring arguments were underpinned by notions of ‘change’ with a future distinct from the present evocatively described. For example, in TechSpinOut an integrative future where the tension was resolved and the company had ‘grown up’ was described as behind engaging with both sides of the paradox in the present: “Grow up, that’s the one! That is exciting and something I am looking forward to. Maybe I want to do something different as well and start looking at some new technologies. I’m a science and engineering person I just want to go back into my sandpit and play again” (Scientist-Founder, TechSpinOut). This excitement regarding the future, which entailed an emphasis on change, meant actors were able to transcend tensions in the present as part of a broader picture. In this way, Aspiring arguments also helped maintain ‘space’ between paradoxical objectives through locating, at least some, in the future. Consequently, the use of time and space were entwined in Aspiring arguments. For example, in TechSpinOut, space from ‘return on investment’ based on a commercial emphasis was maintained through locating in the future: “There’s a long term expectation that you get your money back, in a galaxy far far away from here but there’s the equity event contemplated” (Director, TechSpinOut). Nonetheless, transcendence was evident in that even when ‘space’ from a particular objective was maintained, the argument was that it was still being worked towards as part of an integrative vision.

Signifying Arguments: Focusing on Paradox Context (Organization). Signifying arguments persuaded by imbuing the organizational context of the paradox with significance. They described the multiple objectives as central to that valued organization, reconciling them as entwined rather than contradictory in relation to the larger question of the valued organization. For example: “For all of the complexity and competing personal ambition or whatever, in the case of this thing [TechSpinOut], it’s bigger than us. It’s more important” (Science-Founders, TechSpinOut). Paradox was, therefore, transcended through arguments that painted the organization as the ‘higher plane’ and more important than the specific objectives. The ‘focus’ of Signifying was, consequently, the organizational context of paradox.

The ‘value’ of the organization was built over time, with Signifying arguments emphasizing ‘continuity’: “I’ve had a long term relationship with TechSpinOut as a founder... I’ve been there right from the beginning and very much intertwined. So it’s just part of me really

now” (Scientist-Founder, HTSU1). Signifying also therefore reduced the ‘space’ between actors and the (organizational-specific) paradoxical context. The comment above that ‘it’s [firm] just part of me’ is indicative. Similarly, a strong sense of entwined belonging between the paradoxical context and themselves is expressed by a CoRE scientist: ‘My sense of belonging is to CoRE1 first, [University] second. That’s [CoRE1], they’re pushing forwards. It was leading the way.’ (Scientist, CoRE) Signifying arguments therefore reduced the space between the organizational context of paradox and the various individuals who encountered paradox through that organization.

Embodying Rhetoric: Focusing on Paradox Context (Individual). Embodying arguments persuaded through highlighting successful ‘paradoxical’ individuals able to encompass the paradox. Transcendence was achieved through evoking ‘heroes’ who embodied the supposedly conflicting poles as an integrated whole and, consequently, acted as the integrative ‘higher plane’. While leaders were frequently held up as paradox-heroes, paradoxical individual at all levels of the organization were described and ‘being paradoxical’ was outlined as something that could be developed and learnt: “Working with the business and development team has up-skilled me with a commercial view; I need to talk the language and think about the market” (Scientist, CR11). As this suggests, the ‘focus’ of Embodying arguments were individuals who formed part of the context of the paradoxical objectives.

The ability to embody paradox was linked to ‘continuity’. References to expertise built over time were argued to construct identities that convincingly integrated paradoxical objectives. For example an esteemed scientist is described in this way: “The thing that made it [discussing non-science objectives] safe was that while [scientist leader] was saying commercialization is really important it wasn’t as if that was taking away from fundamental research. Because he does fundamental research! This isn’t a business person saying ‘hey come over here’. It’s about who’s telling the story” (PhD Student, CoRE1). Further, through locating the paradoxical objectives as something that are encompassed within individuals, Embodying rhetoric also reduced the ‘space’ between them. An example is the CEO who was able to combine as an individual both science and commerce: “We are blessed with our CEO because he actually understands all the technology in the company. He’s a brilliant scientist....But what drives him is...the hard commercial objectives. It’s very unusual to find that in one person” (Scientist Founder, TechSpinOut). Rather than ‘science’ being separately located ‘in scientists’ and ‘commerce’ in ‘business people,’ they were instead entwined as a single whole.

DISCUSSION AND CONCLUSION

A framework that elucidates what transcendence is and how it is constructed rhetorically is, consequently, provided through our findings (see Figure 1).

 Figure 1 about here

Our goal was to illuminate the rhetorical micro-practice of transcendence (Jarzabkowski and Sillince, 2007), addressing the questions of *what* those micro-practices are and *how* they construct a particular response to paradox. Two contributions to the paradox literature are made:

rhetoric enabled us to both reveal the linguistic depth and complexity of transcendence and the rhetorical construction of a response to paradox. First, Ordering, Aspiring, Signifying and Embodying arguments were identified as *what* constitutes transcendence. Through identifying this multifaceted array of rhetorical strategies, we provide novel insight into a frequently mentioned (Kraatz and Block, 2008; Lewis, 2000; Poole and Van de Ven, 1989) but infrequently explored response to paradox. The four rhetorical strategies identified are extensions to existing paradox literature, providing additional novel and richly detailed insight into *what* transcendence is comprised of. We highlight elements of transcendence which have not previously been studied, such as Embodying, and, thus, extend our understanding of the paradox response frameworks, so central to paradox theory (Lewis, 2000; Poole and Van de Ven, 1989). Second, we show *how* a particular response to paradox is constructed through rhetoric, showing the enabling features that are balanced across the above rhetorical strategies to establish rhetorical appropriateness (Poulakos, 1983; Sillince, 2002). These enabling features are: focus, space and time; which are referenced and used differently by the various rhetorical strategies and balanced across them. We bring these concepts together for the first time to understand the role of rhetoric, adding to our understanding of how a particular response is enabled.

REFERENCES AVAILABLE FROM THE AUTHORS

