

ORCHESTRATING MANAGERIAL AMBIDEXTERITY: A SUBCULTURAL PARADOX

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INTRODUCTION

Typically organizations pursue innovation to enhance their competitive positions and to grow, while simultaneously sustaining their competitive advantage by reducing uncertainty and securing continuity in exploiting their existing resources (Huy, 2002). It is this ability to simultaneously balance seemingly contradictory tensions that underpin successful organizations and long-term competitiveness (Gibson and Birkinshaw, 2004). After all, every organisation will to some degree contend with conflicting objectives, but only ambidextrous organisations are able to successfully pursue two disparate objectives and/or activities simultaneously, maximizing the attainment of both (Rothaermel and Alexandre, 2009; Simsek et al., 2009; Raisch and Birkinshaw, 2008; Tushman and O'Reilly, 1996). In the literature, ambidexterity has been used to describe the simultaneous achievement of alignment and adaptability (Gibson and Birkinshaw, 2004), incremental and radical innovation (Wang and Rafiq, 2014), incremental and revolutionary change (Tushman and O'Reilly, 1996), and controllability and responsiveness (Graetz and Smith, 2005). However, extant ambidexterity research most prominently utilises March's (1991) notions of exploitation and exploration; such that organisations engage in sufficient exploitation (e.g., refinement, production, efficiency, execution) in order to ensure current financial and product success, while simultaneously enabling exploration (e.g., risk taking, experimentation, play, flexibility) in order to ensure future product and financial performance (Levinthal and March, 1993).

The two distinct approaches to investigating ambidexterity at the organizational level are those of structural and behavioural, which "emphasize the processes and mechanisms by which organizations (or business units) strive to achieve ambidexterity" (Simsek, 2009: 599).

Depending on the approach adopted, exploitation and exploration are viewed as either competing or complementary in the extant ambidexterity literature. The structural approach suggests that these lie on the opposite ends of a single continuum whereby ambidexterity pertains to the management of these trade-offs to find the appropriate degree of emphasis between the two. In contrast, the behavioural approach emphasizes the necessary pursuit of both simultaneously by

managers in their daily tasks, enabling firms to benefit by evading the disadvantages associated with becoming overly focused on either: "...firms are most successful when managers think and act 'ambidextrously' by trying to attain high levels of both exploration and exploitation simultaneously" (Simsek et al., 2009: 867).

In adopting either the structural or behavioural approach to ambidexterity, researchers have implied the achievement of high levels of both exploitation and exploration simultaneously but have not been explicit in their definition (Lin and McDonough, 2011) with confusion as to whether ambidexterity is an *activity* or an *outcome*. Thus, despite general consensus in the extant literature that ambidexterity is of central importance to the competitive advantage of the organization, a key conflict remains and relates to the question of whether ambidexterity manifests itself in the activities of individual managers or in organizational level outcomes. While strategy research has indicated that firm or unit level exploration and exploitation largely originate in the exploration and exploitation activities of their managers (Mom et al., 2007), little is known about the relationship between managers' ambidextrous activities and organisations' ambidextrous outcomes (Burgess et al., 2015). We make a step in this direction.

Prior research has proposed that contextual characteristics can help managers facilitate and sustain ambidexterity, such as: organizational and functional tenure (Mom et al., 2015); dynamic interpretations, perceived environmental changes of the environment, and interaction between team members (Havermans et al., 2015); professional legitimacy, social capital, professional orientation (Burgess et al., 2015); uncertainty tolerance, openness to challenges, and trust (Lin and McDonough, 2011). While such characteristics are important antecedents of ambidexterity, studies have yet to examine how organizational culture as a multi-level phenomenon impacts both managers' realization of exploitative and explorative activities as well as the achievement of organizational ambidextrous outcomes. By examining the manifestations of culture as subcultures we add an important subunit perspective to the ambidexterity literature, which has thus far assumed that with a favourable context at the macro-level, ambidexterity will follow. Moreover, positioning our study in a less developed, less stable emerging economy we respond to calls for further research to refine ambidexterity theory by examining under-explored context-specific conditions (Luo and Rui, 2009).

AMBIDEXTERITY

Traditionally, exploration and exploitation are seen to be in conflict (Duncan, 1976) and can be reconciled through structural differentiation or an ambidextrous structure (Simsek et al., 2009), where organizations can both encourage the development of new product lines (i.e., explore) and manage existing product lines efficiently (i.e., exploit). Here separate divisions of the firm utilize different rules, norms, and incentives for competing explorative or exploitative endeavors, since “exploration is associated with organic structures, loosely coupled systems, path breaking, improvisation, autonomy and chaos, and emerging markets and technologies” while “exploitation is associated with mechanistic structures, tightly coupled systems, path dependence, routinization, control and bureaucracy, and stable markets and technologies” (He and Wong, 2004: 481). Dual architectures then separate strategic and structural supports into dedicated units aimed at either radical or incremental innovations (Andriopoulos and Lewis, 2010), for instance. This structural separation of organizational tasks into different units is suggested to help ambidextrous organizations address paradoxical demands (Gilbert 2005). However, recent research suggests that simultaneous exploration and exploitation within a single business unit is not only possible but also a necessity to business success (Wang and Rafiq, 2014).

The behavioural approach described as harmonic (Simsek et al., 2009) or contextual (Gibson and Birkinshaw, 2004) ambidexterity, on the other hand, considers exploration and exploitation as complementary. Unlike structural ambidexterity which only holds at higher levels of organizational abstraction, the behavioural view proposes that a single business unit may be a meaningful level at which to examine ambidexterity (Simsek, 2009). Since managers must think and act ambidextrously, conceptually harmonic ambidexterity must be intertwined in the on-going operating and strategic activities of a business unit (Simsek et al., 2009). The behavioural stream of ambidexterity research recognizes that, provided with a favourable context, individuals are indirectly pushed towards organizing their working time so as to integrate both exploration and exploitation in the course of their daily tasks (Gibson and Birkinshaw, 2004). This stream of research has focused on the behavioural mechanisms that enable organizations to address competing demands in the same unit (Raisch et al., 2009) and is typically grounded in the literature on organizational context and culture. The advantage of harmonic ambidexterity over traditional structural differentiation lies in the avoidance of coordination costs incurred by structurally separating activities (Simsek et al., 2009) and is suggested as a necessity for firms that operate in highly competitive and dynamic environments (Wang and Rafiq, 2014).

Whether adopting a structural or behavioural approach to the investigation of ambidexterity, ambidexterity is primarily understood within the literature at a macro level (Turner and Lee-Kelley, 2012) with scarce research examining the activities at the individual managerial level (Nosella et al., 2012). Recent studies at the micro-organizational level have sought to address this knowledge void and have focused attention on managerial ambidexterity i.e., how individual managers can integrate exploitative and explorative activities in their daily tasks. For instance Mom et al. (2015) uncover variation in managerial ambidexterity owing to differences in their organizational and functional tenure, the subsequent effectiveness of which appears contingent on both uncertainty and interdependence (Mom et al., 2015); Havermans et al. (2015) illustrate that project managers and line managers will only achieve ambidexterity through interaction with team members and as a result of their dynamic interpretations of the environment coupled with their efforts to respond to perceived environmental changes; while Burgess et al. (2015) identify that ambidextrous managers rely on professional legitimacy, social capital, and a holistic professional orientation in enacting exploitation and exploration.

However, it is recognized that further research is needed to establish the link between operational efforts to integrate exploration and exploitation activities and their contribution to ambidexterity at the organizational level (Burgess et al., 2015). To this end, Kortmann (2015) offers a rare examination of the relationship between ambidexterity-oriented decisions (e.g., the capability of top management teams to manage adaptability and alignment) and innovation ambidexterity outcomes (e.g., discontinuous and incremental innovations). While individual ambidexterity is often viewed as a microfoundation of organizational ambidexterity (Laureiro-Martinez et al., 2015), it is necessary to examine how ambidextrous activities at the operational level emerge and what impact such activities might have on organisations' quest for ambidextrous outcomes (Hodgkinson et al., 2014). We seek to shed light on these themes.

AMBIDEXTERITY AND ORGANIZATIONAL CULTURE

Organizational culture is defined as the "...basic assumptions and beliefs that are shared by members of an organization that operate unconsciously and define in a basic taken-for-granted fashion an organization's view of itself and its environment" (Schein, 2004: 6). At its deepest level, culture consists of core values and beliefs that are embedded tacit preferences about what the organization should strive to attain and how it should do it (DeLong and Fahey, 2000). These

tacit values and beliefs determine the more observable organizational norms and practices that consist of rules, expectations, rituals and routines, stories and myths, symbols, power structures, organizational structures, and control systems (Bloor and Dawson, 1994; Johnson, 1992).

Organizational culture, then, "...can be a mechanism that can infuse values such as uncertainty tolerance, openness to challenges, and trust that will not only enable the alignment of 'inconsistencies', but also turn 'inconsistencies into consistencies' by making them part of organizational routines" (Lin and McDonough, 2011: 498). There are a number of studies illustrating how organizational culture can support ambidexterity, for example, Gibson and Birkinshaw (2004) argue that when a supportive organizational context is created individuals engage in ambidextrous activities. Wang and Rafiq (2014) focus on two sets of organizational values and norms—organizational diversity and shared vision—necessary for exploitation and exploration competences. Burgess et al. (2015) highlight the important role of human resource practices to support the discretion and motivation of ambidextrous managers. While Kostopoulos et al. (2015) demonstrate the positive role of intellectual capital for unit-level ambidextrous activities. In extending the inference that context matters to the achievement of ambidextrous outcomes, Lin and McDonough (2011) examine a specific type of culture—knowledge-sharing—that enables the attainment of exploitation and exploration simultaneously; while Zimmermann et al. (2015) highlight the need to establish a culture of trust to evoke ambidextrous alliances. However, more research is required to understand what kind of organizational culture enables ambidexterity (Simsek et al., 2009).

Initial insights have suggested that cultural implementation mechanisms including innovation orientation and cost orientation can partially explain the relationship between ambidextrous decisions (activity) and innovation ambidexterity (outcomes) (Kortmann, 2015). But, while recent research has provided insights on favorable cultural characteristics for ambidexterity (both as activity and outcome), it has defined organizational culture as something which is holistic (Lin and McDonough, 2011). Though valid, most studies implicitly assume homogeneity of the organization and therefore anchor their analysis of organizational culture and ambidexterity at the macro-level e.g., corporate/organizational culture. In other words, prior research has proposed specific organizational characteristics that can help to facilitate and sustain ambidexterity, but the multiple sub-elements that comprise the operational level within an

organization or business unit (e.g., departments, functional groups, project teams, etc.) have been largely neglected (Turner et al., 2012; Raisch and Birkinshaw, 2008).

If deep structures and cultures remain the same throughout an organization (e.g., Durisin and Todorova, 2012) this may carry significant implications for managers' engagement with ambidextrous activities and the pursuit of ambidextrous organizational outcomes. For instance, in cultures that exclude values that encourage diversity, psychological safety, and trust, the explorative side of ambidexterity will suffer (Junni et al., 2015). Organisational culture does indeed form the informal, behavioural part of organizational context (Denison, 1996), but manifestations of culture also exist within an organization as unique values, beliefs and practices at various group / subunit levels, which can be best described as subcultures. The influence of subcultures has therefore been largely ignored, yet these might have a crucial bearing on ambidexterity. For instance, subcultural analyses may help to explain the emergent process by which operational managers take the initiative to adopt an ambidextrous orientation in their part of the organization (Zimmermann et al., 2015) and may help to explain the link between such activities and the subsequent outcomes for organizations.

Against this background, it seems feasible that the prevailing dominant subcultures within an organization (i.e., the influence of the practices, interpretations, and beliefs of various subgroups), could influence ambidexterity at both the individual-level (activities) and organisational-level (outcomes). This then provides an opportunity to elaborate on *how* individual managers achieve this balance (Eisenhardt et al., 2010) and the implications for organizational ambidextrous outcomes therein.

METHODS

We examine the influence of organisational subcultures on the implementation of a Knowledge Management System (KMS) at ITS, an Indian-based global IT services and consulting company, with the aim to understand the influence of organizational subcultures on ambidextrous activities and organisational ambidextrous outcomes. Using the qualitative case study approach (e.g., Boumgarden et al., 2012; O'Reilly et al., 2009), we aimed to explore how subcultural forces influence planning, processes, procedures, systems within the organization and subsequently the implications for ambidextrous activities and outcomes. We approached our fieldwork with a

premise that subcultures exist, that subcultures influence activities and outcomes, and that subcultures are identifiable using an existing theoretical lens.

Accordingly, the fieldwork drew on Martin and Siehl's (1983) characterization of organizational subcultures as consisting of three forms: (1) an "*enhancing*" subculture where the values of the dominant organizational culture predominate, (2) an "*orthogonal*" subculture where the values of the dominant culture coexist with values and assumptions unique to the subculture, and (3) a "*countercultural*" subculture whose behaviours and artefacts reveal values and assumptions that directly pose a challenge to the dominant organizational culture. At the same time, because organizational research has exposed the dangers inherent in taking a purely functionalist perspective of cultural attributes of groups (Young, 1989), we also recognized that subcultures may have their own unique characteristics unrelated to any theoretical classification offered in the organizational literature. We were thus open to the position that the subcultures existing at ITS, as experienced by ITS employees, may not necessarily follow any of Martin and Siehl's (1983) categories. We therefore sought to unveil the emerging categories through the perspective of our informants using an interpretive or a subjective mode of analysis. The characteristics of one of the subcultural groups (i.e., "*chameleon*" subculture) identified in the paper was inductively arrived at using such an interpretive approach. This subcultural grouping did not appear to fit with any of the categories suggested in Martin and Siehl's (1983) cultural taxonomy.

Research Setting

ITS, a pseudonym, employs more than 50,000 people across 10 countries. It has a client base of more than 400 global companies, including a number of Fortune 500 companies. ITS offers technology solutions in areas that include software development, application management, system integration, enterprise solutions, embedded systems, engineering services, and e-commerce. Structurally, ITS is organized into a number of independent business units called vertical units (VU) and horizontal units (HU), which, respectively, correspond to two key dimensions of business. The first dimension is the "vertical dimension," which recognizes that the nature of knowledge required to produce quality software for one industry, such as the automobile industry, is quite different from the kind of knowledge required to write software for another industry, such as the financial services industry. The second dimension is the 'horizontal

dimension', which ensures services in specific technology competencies. In addition to these independent VU and HU, ITS also established around 30 smaller units known as offshore development centers (OSDCs), with each OSDC unit having long-term relationships with a specific client organization. Established in conjunction with the client organization, they function almost as offshore extensions of the client organization, are independent profit centers, and are relatively isolated from other ITS units.

ITS had only recently implemented a KMS when we proposed our research project to the company's top management team and they extended their full support to our fieldwork plans. The KMS was developed inhouse at ITS by a dedicated knowledge management team. In the initial few months, the organization's KMS was reserved only for the business development and pre-sales / sales personnel, and a few project managers, all of whom worked in the corporate office. We shall refer to this KMS user group as the corporate unit. The KMS was subsequently extended and offered to the technical community in the organization, which included the VU, HU, and OSDCs. In addition to the corporate unit, we have considered the implementation of the KMS in three other units: a vertical unit called ITS-VU, a horizontal unit called ITS-HU, and an OSDC unit called ITS-OS.

The first author conducted fieldwork across ITS units in India for five months. Multiple qualitative data sources were used, including documents, e-mails, Internet, and field notes. We were given access to internal company documents, including minutes of project meetings. The fieldwork also involved observation of people in various work and non-work related activities, during which time many informal conversations ensued. An important source of data was 42 in-depth interviews with members of project teams, including senior software engineers, project managers, and business unit heads. All interviews were recorded and transcribed.

STUDY PROPOSITIONS

From a cultural perspective, business units at ITS could be grouped into three categories. The first category of units was closely aligned with what Martin and Siehl (1983) have referred to as an enhancing subculture. In other words, these units were largely supportive of the assumptions, values and beliefs embedded in the larger organization. The second category of units often clashed with and resisted the cultural worldviews of the organizational culture. In this sense, they closely resembled Martin and Siehl's (1983) description of a counterculture. The third type of

business unit had a certain structural dynamism built into them. Members belonging to this unit often moved between different business units depending on which unit required their services most during the course of a given project. Given their tendency to blend effectively into the cultural environment of various business units, we referred to this third type of unit as the ‘chameleon’ subculture. The empirical material also provided several insights into group level cultural influences on the propensity of managers to engage in ambidextrous activities. Managers are cultural carriers who embody the shared characteristics of distinct organizational subcultures, under examination they responded to prescribed intent from top management in very different ways, which appeared to be dependent on the subculture of the business unit being examined. Understanding how direction from top management will be interpreted and subsequently enacted upon is central to the effective execution of strategy and to understanding individual activities.

Managers in business units that could be characterized as enhancing subcultures found it very hard to orchestrate ambidexterity. Their everyday actions were guided so much by the espoused values, beliefs and the un-ambidextrous goals set by senior management that they were inevitably supportive of a structured and dogmatic approach to strategy implementation. Managers in the enhancing subcultures saw themselves as trapped in a ‘culture of indecision’, being unable to adapt to emerging situations, especially if the situation required them to go against the ‘traditional cultural values’ of the organization. We therefore posit that:

P1. Enhancing subcultures are aligned to the traditional cultural values of the organization leading to a focus on exploitative activities at the expense of explorative activities.

On the other hand, managers in countercultural business units were particularly effective in adapting courses of action that deviated from the doctrines set in the organizational-level strategy documents and plans. Interestingly, these ambidextrous actions were central to their countercultural units’ ability to respond with agility to a rapidly changing business environment. Managers in these units explained that they had a history of taking positions that were ‘antagonistic’ to the conservative and cautious values emphasized at the organizational level. While such a cultural opposition had led to a somewhat strained relationship with the rest of the organization, not being shackled to organizational-level norms gave managers the license to adapt and take risks outside of set cultural parameters. They subsequently did not always align

their actions with the overall strategy of the organization. Instead, they adopted a very flexible approach, which often at times appeared to openly contradict the strategic orientation of the organization. We propose that:

P2. Countercultural subcultures pay lip service to existing organizational logic that supports exploitative activities, in favour of pursuing explorative activities that diverge from organizational norms.

Burgess et al. (2015) identify both ‘nonhybrid’ managers and ‘hybrid’ managers, terms used to describe non ambidextrous managers under the former and ambidextrous managers under the latter. While nonhybrids may be more strongly impelled toward alignment to espoused organizational norms, hybrid managers are able to move between exploration and exploitation activities (Burgess et al., 2015). Our study extends this research finding by positioning such managers within specific subcultures of the organization thereby shedding light on why these managers behave in such nonambidextrous or ambidextrous ways. More than this, however, we point toward a ‘new’ third category of managers that sits between the two categories identified by Burgess et al. (2015) and one which could be described as either ‘nonhybrid or hybrid’. We found that managers belonging to the chameleon subcultural units did not seem to have a particularly unique cultural predisposition. Specifically, the ability of managers belonging to chameleon subcultures to undertake ambidextrous actions seemed to be intimately connected to the business units they were assigned to. When attached to an enhancing subcultural unit, these managers fell in line with the cultural orientation of the unit and rarely attempted an activity that could be termed ambidextrous. On the other hand, when they were assigned to projects in a countercultural unit they seemed to be able to undertake ambidextrous activities with relative ease. Therefore, we suggest that:

P3. Chameleon subcultures do not have a particularly unique cultural predisposition for either exploitative or explorative activities, with managers responding to culturally ingrained practices of the unit/project they are assigned to.

IMPLICATIONS FOR THEORY

The link between managerial integration of exploration and exploitation activities to organizational ambidexterity needs to be understood in relation to organizations' strategic intent, or the cultural doctrines espoused, as this will govern the nature of the link to be investigated. For instance, a top-down approach to the development and execution of strategy, as seen at ITS, is favoured in the context of the enhancing subculture, which demonstrates alignment to organizational intent. However, such cultural homogeneity between the centre and subculture (i.e., a strong corporate culture) may in effect be a barrier to ambidextrous outcomes. Encouraging practices that only adhere to a rigid logic limits the pursuit of exploratory outcomes in favour of espoused organizational logic that seeks to maintain the organizational status quo, leading to a greater volume of exploitative-outcomes and reduced organizational ambidexterity. This may also occur in the context of the chameleon subculture, but is dependent upon whether members of the chameleon unit are engaged in work that is tied to the overall organizational objectives or work that is tied more closely to group objectives, in which case the chameleon subculture may often work against the prescribed intent.

In the counterculture context, strategic initiatives established at the organizational level are treated sceptically by members of the countercultural unit, who in turn seek to change the prescribed intent through innovation as a means to improve implementation effectiveness, leading to unintended exploratory-outcomes for the organization. In other words, the counterculture may influence the thinking in the unit about adopting strategic initiatives as outlined by top management, and therefore through their opposition seek to change the intent as they see appropriate thereby changing the outcome from that which top management anticipated. Such pockets of cultural opposition may therefore be central to improving responsiveness in competitive environments. This illustrates the counterintuitive nature of the findings and shows how better understanding of managerial ambidexterity can help to establish the origins of ambidextrous organizational outcomes (Laureiro-Martinez et al., 2015). Thus an 'ambidextrous culture' features elements from several subcultural types (Junni et al., 2015), and it is senior managers' openness to subcultural influences which is central to the realization of ambidextrous outcomes.

Nevertheless, since the design of organizational routines may be separated from the individuals executing the routine (Nelson and Winter, 1982), individual managers in boundary spanning positions can subsequently find the translation of new values into practice extremely

difficult as these may run counter to the underlying logic that pervades the cultural thinking of the organization (Gilbert, 2006). For example, organizational systems that are hierarchical and employ formalized rules, regulations and centralized decision-making may be less inclined to fully support contradictory approaches, leading to reduced ambidexterity in the lower level of operations i.e., operational ambidexterity (cf. Patel et al., 2012). Such cultural conflicts are particularly prominent in mid-life and mature firms where shared tacit assumptions crystallized over time are an unconscious determinant of what unfolds in the organization, including the strategy of the organization (Schein, 2009).

This suggests that the activities of managers can be severely constrained by the learned pattern of response that is structurally and cognitively reinforced by organizational culture, which is extensively supported in extant ambidexterity literature (see Gibson and Birkinshaw, 2004; Lin and McDonough, 2011; Wang and Rafiq, 2014). But if variation in individual managerial ambidexterity can exist within the same context, does this mean that other contextual factors are at play which may not be sufficiently captured by examining organisational culture in its abstraction? For instance, Junni et al. (2015) suggest that some level of cultural diversity is needed for ambidexterity, and specifically they call for ambidexterity studies to view culture as a multilevel phenomenon. They posit that emphasizing unity at the firm level while allowing units and groups to have different subcultures is a means to meet the cultural paradox of ambidexterity (Junni et al., 2015). Upon reflecting on how organizations can design a culture that supports differences and unity simultaneously, we provide initial empirical evidence on the role of subcultures in the cultural paradox of ambidexterity. Specifically, we shed light on the implications of enhancing, chameleon, and countercultural subcultures that exist within and alongside a unifying corporate culture. In so doing, we provide novel insight into explaining the reasons for variation in managerial ambidexterity. Just as few of us are naturally ambidextrous we find that many managers struggle to meet paradoxical demands or simply do not acknowledge that these are even present – a result of subcultural forces within the organization.

The value of emphasizing unity at the firm level while also fostering different subcultures (Junni et al., 2015) is clear in theory, but cultural unity at the organizational level can act as a barrier to the simultaneous attainment of ambidexterity as activity and outcome. For instance, organizational unity can to varying degrees suppress subcultural values, beliefs, and norms by establishing and reinforcing reliable organizational systems that promote firm routines which

create an illusion of stability in the organizational structure reducing the perceived need for adaptability (Sydow and Koch, 2009). Such firm routines that become repeated patterns of response reinforced through structural embeddedness and repeated use (Gilbert, 2006) can result in routine rigidity or inertia i.e., an organisational context that encourages practices that only adhere to a rigid logic and culturally learned patterns of response. This can create an imbalance throughout the organization between exploitation and exploration by moving toward reducing inconsistencies in managerial activity, leading to reduced ambidextrous outcomes.

We therefore argue that organizational latitude for ambidextrous outcomes is strongly influenced by the doctrines espoused through an organization's strategic intent, which "...determines the extent to which the firm wants to proactively fulfil two disparate, risky, and difficult-to-manage objectives" (Luo and Rui, 2009: 67). In light of strategic intent, our study supports suggestions that organizational ambidexterity should not necessarily be depicted as an equal balance between exploitation and exploration (Burgess et al., 2015), which is likely to be very rare in practice. As illustrated at ITS, the organization's cultural disposition favoured a top-down, nonambidextrous strategic approach. Since the enhancing subculture was closely aligned to the organizational rhetoric, exploitative managerial activity dominated and cultural alignment ensued which strengthened the propensity for exploitative activity to drive incremental innovation at the organizational level. In this context the pockets of cultural opposition resonating from countercultural subcultures became a necessity for radical innovations to emerge that would otherwise not have materialized from explorative activities, despite such outcomes playing a clear role for organizational competitiveness. Radical innovations were infrequent relative to the degree of incremental innovation being achieved; nevertheless, ambidextrous outcomes were being realized at a level necessary to achieve competitiveness in this emerging economy context, which suggests that the concept of 'balance' is context-specific.

IMPLICATIONS FOR PRACTICE

Luo and Rui (2009) contend that ambidexterity is particularly appropriate for firms in emerging economies that seek short-term returns and long-term growth, which they suggest requires an 'ambidextrous balance' between both competitive and collaborative activities. Yet the few studies that have examined ambidexterity in the emerging economy context have typically focused on 'international ambidexterity' whereby firms strive to integrate exploitative and

explorative strategies during the internationalization process (e.g., Hsu et al., 2013; Luo and Riu, 2009). These investigations have focused attention on the environment and institutional conditions faced by firms in emerging economies to better understand the role of ambidexterity. In doing so, consideration of firm idiosyncrasies is lost and hence novel implications for firm ambidextrous activities and outcomes are not explicitly addressed. While much progress has been made in the ambidexterity literature to understand these issues, evidence is unequivocally drawn from western developed economies. There is a clear danger here of assuming generalizability, such that existing understanding of ambidexterity should hold regardless of context, but this is problematic since firms and their strategies in emerging economies differ from their counterparts in developed economies (Ahlstrom et al., 2014). While recent research posits that managers of emerging economy firms should strive to balance exploration and exploitation (Hsu et al., 2013), *how* managers and organizations can operationalize ‘balance’ is not addressed in the literature.

Organizations in emerging economies must recognize the existence of multiple cultural types at the subunit level as these different types hold varied implications for managers’ pursuit of exploitative and/or explorative activities. Promoting homogeneity in managerial practices across the organization risks the dilution of managerial ambidexterity, as over time managerial behavior conforms to espoused organizational norms championed by a unifying corporate culture thereby reducing explorative activities. In a collectivist emerging economy context cultural alignment is a feature of organizational practices, yet it is the pockets of cultural opposition within organizations that enables ambidextrous outcomes to emerge. Senior managers then must not scold those who oppose organizational doctrines, but seek to foster some maverick thinking outside of established cultural parameters (i.e., cultural opposition) if explorative activity is to lead to radical innovation, alongside the dominant cultural alignment that fosters exploitative activity for incremental innovation.

REFERENCES AVAILABLE ON REQUEST.