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Embracing Paradox in Management: The Value of the Competing Values Framework

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In the late 1970s, numerous organizational behavior and theory researchers focused on and debated the usefulness of the construct of organizational effectiveness. Indeed, in the first chapter of their book *Organizational Effectiveness: A Comparison of Multiple Models*, Cameron and Whetten (1983a) began by noting that at least seven books and hundreds of articles and book chapters had been written in the prior two decades on the topic of organizational effectiveness, with “almost all acknowledg[ing] that little agreement exists regarding what organizational effectiveness means or how to properly assess it” (p. 1). While organizational effectiveness was clearly seen as a central theme in the organizational theory and behavior literatures, there was no consensus regarding its definition, measurement, or even the level of analysis at which it should be measured, and a number of prominent researchers began to question its value as an organizational construct (e.g., Campbell, 1977; Goodman & Pennings, 1977; Hannan & Freeman, 1977; Steers, 1975). Some even went so far as to argue that “the concept of organizational effectiveness [had] outlived whatever usefulness it may have had at one time” (Bluedorn, 1980, p. 491).

As the debate continued, several researchers attempted to bring order to the field by categorizing the various approaches to studying organizational effectiveness. The result of these efforts was a series of overlapping taxonomies; while a number of the taxonomies provided important insights, no consensus definition emerged. For example, Scott (1981) argued that there were three theoretical perspectives that had been used to study effectiveness: the rational system model (which focuses on issues related to productivity and efficiency), the natural system model (which focuses on the informal and social structures within organizations), and the open systems model (which focuses on how organizations adapt to their environments). Alternatively, Seashore (1983) argued that the three main approaches to

understanding organizational effectiveness were the goal model (which is similar to Scott’s rational system and focuses on organization’s ability to attain goals), the natural system model (which is similar to Scott’s open systems model and focuses on organizations’ interdependencies with their environment), and the decision-process model (which focuses on how organizations gather, analyze, and use information). Not surprisingly, the lack of consensus led some to conclude that no universal theory of organizational effectiveness could exist but that multiple theories of effectiveness enhanced our understanding of organization, while it led others to conclude that attempts to develop a theory of effectiveness should simply be abandoned and a moratorium placed on academic studies of organizational effectiveness (Cameron and Whetten, 1983b).

Rather than side with those who called for a moratorium on the study of organizational effectiveness, Robert Quinn and John Rohrbaugh (1981, 1983) decided to tackle the problem using a new approach. Describing their study as a “radical departure from previous factor analytic efforts employed to derive dimensions of organizational effectiveness,” they focused on the “cognitive structures” of organizational theorists and asked the question, “How do individual researchers actually think about the construct of ‘effectiveness’?” (1981, p. 126). Following the distinction made by Kerlinger (1973), they argued that the literature on organizational effectiveness focused on “effectiveness” as a construct, rather than a concept,¹ and thus “is a socially constructed, abstract notion carried about in the heads of organizational theorists and researchers” (1983, p. 374). Seeing effectiveness as a construct, they reasoned that developing a model of effectiveness necessitated an understanding of whether there are underlying consistencies regarding how individuals think about effectiveness, rather than

¹Kerlinger (1973) notes that while the terms “concept” and “construct” have similar meanings in that they both express abstractions, that constructs have “been deliberately and consciously invented or adopted for a specific scientific purpose” (p. 29). As such, constructs are “defined and specified [so] that [they] can be observed and measured” (p. 29).

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a focus on whether there are underlying consistencies in what organizations do to become effective.

Using multidimensional scaling,² Quinn and Rohrbaugh (1981, 1983) conducted two studies and asked researchers and theorists to rate the similarity/dissimilarity between pairs of effectiveness criteria that had previously been presented in the literature. For example, how similar are productivity and efficiency? How similar are productivity and value of human resources? The results of both studies identified three dimensions (or axes) underlying the long lists of criteria that had been used to study organizational effectiveness. The first axis, which is generally represented as the horizontal axis, was related to organizational focus and differentiated criteria that emphasized internal aspects of organizational functioning from those that emphasized how organizations interact with their external environments. The second axis, generally represented as the vertical axis, was related to structure, and differentiated criteria that emphasized flexibility and adaptability from those that emphasized stability and control. The third axis, which is more difficult to represent in two-dimensional diagrams, was related to time, and differentiated criteria that emphasized processes from those that emphasized final outcomes.

Interestingly, when the first two axes are juxtaposed, the quadrants clearly depict four models of organization effectiveness that bear some similarity to other models that had been suggested in previous taxonomies. Within each quadrant, the third axis creates a means–ends dimension that suggests two general criteria of effectiveness within each quadrant. In the lower right quadrant, with a focus on stability/control and organizational interaction with the external environment, is the Rational Goal model. This model is concerned with planning and goal setting as a means to achieve productivity and efficiency and is similar to Scott's (1981) rational system model and Seashore's (1983) goal model. In the lower left quadrant, with a focus on stability/control and the internal functioning of the organization, is the Internal Process model. This model also bears some similarity to Scott's (1981) rational system model, although to a lesser degree than the Rational Goal model, and to Seashore's (1983) decision-process model. The Internal Process model is concerned with managing information and communication processes as a means to coordinate across work units and create predictability. In the upper left quadrant, with a focus on flexibility/adaptability and the internal functioning of

the organization, is the Human Relations model. This model is concerned with the maintenance of cohesion and morale within work units as a means to the growth and development of the organization's human resources, and is similar to Scott's (1981) natural system model. Finally, in the upper right quadrant, with a focus on flexibility/adaptability and organizational interaction with the external environment, is the Open Systems model. This model is concerned with innovation and readiness as a means to growth and resource acquisition, and is similar to Scott's (1981) open systems model and Seashore's (1983) natural system model.

Quinn and Rohrbaugh (1981, 1983) named their model the Competing Values Framework because it showed how the various criteria that had been used to study organizational effectiveness were "embedded in a set of competing organizational values" (1983, p. 374). That is, the dimensions that were generated from the multidimensional scaling analysis seemed to differentiate various criteria of organizational effectiveness based on values, namely, the importance of stability/control versus adaptability/flexibility, the importance of focusing on functions within the organization versus focusing on how the organization relates to its environment, and the importance of focusing on short-term processes versus focusing on long-term outcomes. In examining where various criteria fell along the dimensions, one could then see how the various taxonomies presented in prior research were related to each other based on these values; that is, one could see that the different models share some values with other models, but each model also has different emphases. Within the Competing Values Framework, one can see that although the Human Relations model focuses on the internal functioning of the organization and the Open Systems model focuses on the external environment of the organizations, these models share an emphasis on flexibility/adaptability. Alternatively, the Human Relations model and the Rational Goal model are seen as conceptual opposites because they have contrasting emphases, although, in practice, organizations need to pursue effectiveness criteria in both quadrants. An important element of this framework is thus its explicit depiction of organizational effectiveness as a paradoxical construct, that is, a construct with seemingly contradictory qualities. While the notion of paradox is discussed in greater detail later in this article, here it is important to emphasize that because Quinn and Rohrbaugh's multidimensional scaling studies focused on how organizational theorists and researchers thought about organizational effectiveness, value dimensions and related effectiveness models depict tensions in conceptual space but do not necessarily represent incompatible or irreconcilable imperatives for organizational action.

Over the next decade, as Quinn and Rohrbaugh and their colleagues began to explore these value dimensions, it became clear that the axes of the Competing Values Framework could be applied to a multitude of areas of organizational performance. First among these areas was leadership. Reasoning that managerial leadership performance is directed at increasing

²Multidimensional scaling is a statistical technique that generates (cognitive) maps from individual ratings of similarity/dissimilarity of items on a list of specific concepts/constructs. Individual ratings of dissimilarity, which are generally made on an ordinal scale, can be viewed in a manner similar to distances on a map—that is, the higher the rating, the "farther apart" the concepts/constructs are seen to be in the person's cognitive space. Given matrices of dissimilarity ratings from multiple individuals, multidimensional scaling creates a "map" that represents the consensus of individuals' cognitive maps, although it leaves the interpretation of the dimensions to the researcher (Kruskal & Wish, 1978).

organizational effectiveness, Quinn (1984) “translated” each of the eight criteria of organizational effectiveness into a related managerial role, and described eight managerial roles—director and producer (Rational Goal quadrant), coordinator and monitor (Internal Process quadrant), mentor and facilitator (Human Relations quadrant), and innovator and broker (Open Systems quadrant)—with each emphasizing one of the eight criteria of effectiveness (Quinn, 1988). For example, managerial leaders play a mentor role when working with employees on their growth and development and a director role when engaging in planning and goal setting.³ This framework was then used to develop a comprehensive management education program for first-level managers in New York State government (Faerman, Quinn, & Thompson, 1987; Faerman, Quinn, Thompson, & McGrath, 1990), as well as to develop a competency-based textbook (Quinn, Faerman, Thompson, & McGrath, 1990) that could be used in both schools of business and public administration.

In a similar way, Quinn (1988) adapted the effectiveness model to show how the two primary axes of the framework represent values that are emphasized within organizational cultures, and presented four ways of organizing—hierarchy, firm, clan, and adhocracy—that highlight contradictory assumptions that people have about “good management.” The “hierarchy” and “firm”⁴ are both associated with organizational stability, with the former placing greater stress on internally related concerns and the latter placing greater stress on how organizations relate to their environment. Thus, the hierarchy emphasizes values of the Internal Process quadrant and stresses the importance of measurement, documentation, and workflow, while the firm emphasizes values of the Rational Goal quadrant and stresses the importance of goal clarity, accomplishment, and profit/impact. Alternatively, “clan” and “adhocracy” cultures are both associated with organizational flexibility and adaptability. Clan cultures emphasize the values of the Human Relations quadrant, so are internally focused and stress the importance of participation, commitment and morale. Adhocracies, on the other hand are externally focused, emphasizing the values of the Open Systems quadrant, and so stress the importance of adapting to changes in the environment, as well as gaining resources and support from the environment. After developing the framework, Cameron and Quinn (2006) developed the Organizational Culture Assessment Instrument, which examines organizational culture along six key characteristics: dominant characteristics, organizational leadership, management of employees, organization glue, strategic emphases, and criteria of success. This instrument has been used by both practitioners and researchers

worldwide, and Yu and Wu (2009) argue that “the Competing Values Framework (CVF) is one of the most influential and extensively used models in the area of organizational culture research” (p. 37). Arguably, the organizational culture framework is the most extensively used application of the Competing Values Framework.

Three additional applications of the Competing Values Framework that are worth mentioning include a framework of organizational decision-making criteria (Reagan and Rohrbaugh, 1990; Rohrbaugh, 2005), a framework of managerial communication (Quinn, Hildebrandt, Rogers, & Thompson, 1991; Belasen & Frank, 2010), and a framework of management ethics (Petrick & Quinn, 1997). In each of these frameworks, there is an emphasis on the underlying tensions created by the primary two axes and the notion that managers are making choices—although, most often, these choices are made unconsciously—in deciding a course of action. Authors note that these choices reflect personal or organizational values regarding what is appropriate and good, but that individuals who are not explicitly thinking in terms of “competing values” are not necessarily aware of trade-offs that are being made, that is, what value is being avoided when its conceptual opposite is chosen.

UNDERSTANDING PARADOX

In considering the notion of trade-offs, it is important to come back to the notion of paradox. In the introductory chapter to their book *Paradox and Transformation*, Cameron and Quinn (1988) note that “some ambiguity exists regarding the definition of paradox in organizations” (p. 2). They state that while paradox is well defined in the field of philosophy, and “involves contradictory, mutually exclusive elements that are present and operate equally at the same time” (p. 2), in the organizational literature, it is also used “synonymously with concepts such as dilemma, irony, inconsistency, or dialectic” (p. 3). A key issue here is whether contradictory and even mutually exclusive elements can be present at the same time. In his chapter within that volume, Argyris (1988) suggests that it is important to “differentiate between logical paradoxes and paradoxes that result from human action” (p. 255); he presents the age-old example of the statement “I am lying” as an example of a logical paradox, and remind us that “if the statement is true, I am not lying; then the statement is false” (p. 255). Argyris argues, however, that paradoxes that result from human (or organization) action are different and more likely to be associated with inconsistent meanings. Similarly, Lewis (2000) associates paradox in organizational research with inherent contradictions or tensions that arise as a result of human perception. That is, humans interpret “data (e.g., their own and others’ feelings, organizational practices, environmental cues) through simple bipolar concepts, constructing logical, internally consistent sets of abstractions that separate opposites” (p. 762), but these opposites are based on social constructions, how we as humans make sense of

³While the original “translation” of the effectiveness criteria were performed conceptually, research studies by Carrier (1984) and Bush (1987) confirmed the mapping of the organizational effectiveness criteria to the managerial leadership roles.

⁴In later work with Cameron (Cameron & Quinn, 2006), the “firm” culture was renamed the “market” culture.

complexity. Thus, while we often assume that we must make trade-offs (or simply unconsciously make trade-offs by choosing one course of action over the other), a better understanding of paradox could perhaps suggest a different alternative for action.

The multidimensional scaling studies that initially generated the Competing Values Framework and the two leadership studies (Bush, 1987; Carrier, 1984) that followed demonstrated that researchers and theorists consistently perceive certain effectiveness criteria—flexibility/adaptability versus stability/control, internal versus external focus, and process versus outcome—as (cognitive) polar opposites. Thus, individuals may have a hard time perceiving that organizations can be simultaneously centralized and decentralized, that managerial leaders can focus on the needs of their employees and the day-to-day functioning of their organizations as well as the organization's external environment, and that organizational members can keep in mind the long-term goals of an organization when there are more pressing short-term needs. Nevertheless, those who embraced the Competing Values Framework often did so because they saw the value in using a framework that explicitly addressed the paradoxical nature of organizational and managerial performance, and in many cases were interested in developing managerial and organizational capacity to address these conceptual paradoxes. For example, Denison, Hooijberg, and Quinn (1995) developed a theory of “behavioral complexity,” which posits that

The test of a first-rate leader may be the ability to exhibit *contrary or opposing behaviors* (as appropriate or necessary) while still retaining some measure of integrity, credibility, and direction. Thus, effective leaders are those who have the cognitive and behavioral complexity to respond appropriately to a wide range of situations that may in fact require *contrary or opposing behaviors*. (p. 526, emphasis added)

Similarly, Cameron, Quinn, DeGraff, and Thakor (2006) discuss how “the Competing Values Framework can create an entirely new approach to leadership” based on the integration of “conflicting or opposing terms” (p. 66), and present eight new leadership behaviors that emerge by integrating conceptual opposites. Thus, for example, by combining behaviors from the Human Relations quadrant that emphasize caring and concern for employees with the behaviors from the Rational Goal quadrant that focus on taking action and holding people to high standards, one can develop the behavior they call “caring confrontation,” which involves being “patient *and* powerful, compassionate *and* bold, selfless *and* challenging” (p. 80, emphasis added).

Interestingly, as we review the development of research and theory related to the Competing Values Framework (CVF), most of the focus on paradoxical thinking and behavior has been on the tensions that exist across quadrants. That is, most often, researchers and theorists have emphasized the paradoxes associated with the competing values (tensions) associated with the two primary dimensions of flexibility/adaptability versus stability/control and internal versus external focus, while there

has been limited attention to the paradoxes that emerge within each of the quadrants. While this may be expected, given the nature of the framework, some of our experiences suggest that some of the most interesting paradoxes of organizational life occur “within the quadrants.” The next section shows how the CVF provides a way for us to understand these paradoxes, as well as the cross-quadrant paradoxes.

NEW DIRECTIONS FOR THE COMPETING VALUES FRAMEWORK: PARADOX WITHIN THE QUADRANTS

When the Competing Values Framework was first developed, academics, practitioners, and organizational consultants using the framework often reported that when presenting the organizational effectiveness and/or managerial leadership framework to members of an organization, they perceived that many individuals and organizations aligned with two or three of the quadrants but had difficulty seeing the value of the effectiveness in the other one or two quadrants.⁵ For example, it was not unusual to hear organizational members talk about how the focus of the organization was on creating processes and standard operating procedures, but that the organization did not pay much attention to how it might adapt to its environment. In other cases, organizational members talked about how the organization focused on planning for the future and how the organizational leader met regularly with external stakeholders, but that people in the organization felt that they had little opportunity for growth and development, which sometimes led to a negative internal climate. Similarly, when the framework was presented to managers who were newly promoted to their positions and trying to adjust to new leadership responsibilities, some expressed that they liked having the opportunity to plan for their work unit and enjoyed thinking about how to make the work unit more efficient, but that they did not feel comfortable dealing with individual employees' personal issues that affected their work performance, while others expressed that they were pleased to have the opportunity to mentor new employees and to work out issues that arose within the work unit but that they were very uncomfortable representing the work unit to “higher ups” or to others outside the work unit, and certainly did not want to get involved in “organizational politics.” While these tensions suggested that some were more comfortable with (i.e., placed greater value on) one end of one or both of the two primary dimensions—flexibility/adaptability versus stability/control and internal versus external focus—it also suggested that one could become an “excellent leader” by (a) learning to value the paradoxical dimensions and (b) developing strengths across dimensions. In working with aspiring managers over the past few decades, however, other paradoxes

⁵Arguably, this is anecdotal information, so it cannot be assumed to be generalizable to any larger population. Nevertheless, the pattern was fairly consistent across those who communicated their experiences to the original developers.

have emerged as equally challenging. The first of these challenges is related to cross-quadrant tensions, but emerges from assumptions about building strengths within a quadrant; the second shows how the competing values dimensions can actually reemerge within the quadrants and so lead to paradoxes that occur within the quadrants.

Negative Zones

When asked to come up with a definition of leadership, most individuals focus on the positive aspects of leaders. That is, there is an assumption that leadership means “good leadership” (Conger, 1990; Kellerman, 2004; Lipman-Blumen, 2005; Padilla, Hogan, & Kaiser, 2007). However, when pushed, we all recognize that there have been many “bad leaders” in history, such as, Adolf Hitler, Saddam Hussein, and Jim Jones (People’s Temple cult), as well as “bad leaders” that we have personally experienced in our work organizations and elsewhere. Of course, these “bad leaders” do not think of themselves as bad, and it is doubtful that they wake up each morning saying to themselves, “What can I do today to make the world (my work environment) an inferior place?” They are not likely thinking about how they can make employees feel undervalued or dread going to work each morning; they are not thinking about how to make the workplace more unpleasant or who they can be rude to that day. Yet every day, many employees experience these types of conditions and wonder how their manager was ever promoted to a managerial position at all, much less promoted to a mid- or upper-level position. In the past, the answer was often related to “who they knew, rather than what they knew,” but these days,

more often, the answer is that these individuals were actually very talented in some area of expertise and/or management and were rewarded for this talent. Over time, however, they focused on this talent to a point where this talent, their strength, became a weakness.

In an early conceptual article about CVF, Faerman and Quinn (1985) presented the notion that ineffectiveness is not always the absence of effectiveness, but is sometimes the presence of too much effectiveness. That is, they argued that if “an organization pushes emphasis on any particular dimension of effectiveness to an extreme, it can become ineffective on that dimension” (p. 95). Quinn (1988) later extended this argument to the managerial leadership framework, and referred to the extremes of the dimensions as “the negative zone.” While little attention has been paid to the negative zones over the past two decades, they are arguably as important to understanding that organizational and managerial leadership performance are paradoxical as are the dimensions (and quadrants) themselves (Figure 1). Here we explore the negative zones of each quadrant, focusing on both organizational and managerial leadership performance.

In the Human Relations quadrant, the emphasis is on creating a positive environment where employees feel valued. Within this quadrant, organizations focus on creating opportunities for employees’ growth and development, involving employees in organizational decision-making processes, and building employees’ trust, loyalty, and commitment. Managerial leaders are caring and empathic, and are careful to treat employees as individuals, recognizing their individual strengths, as well as showing consideration when individuals face personal

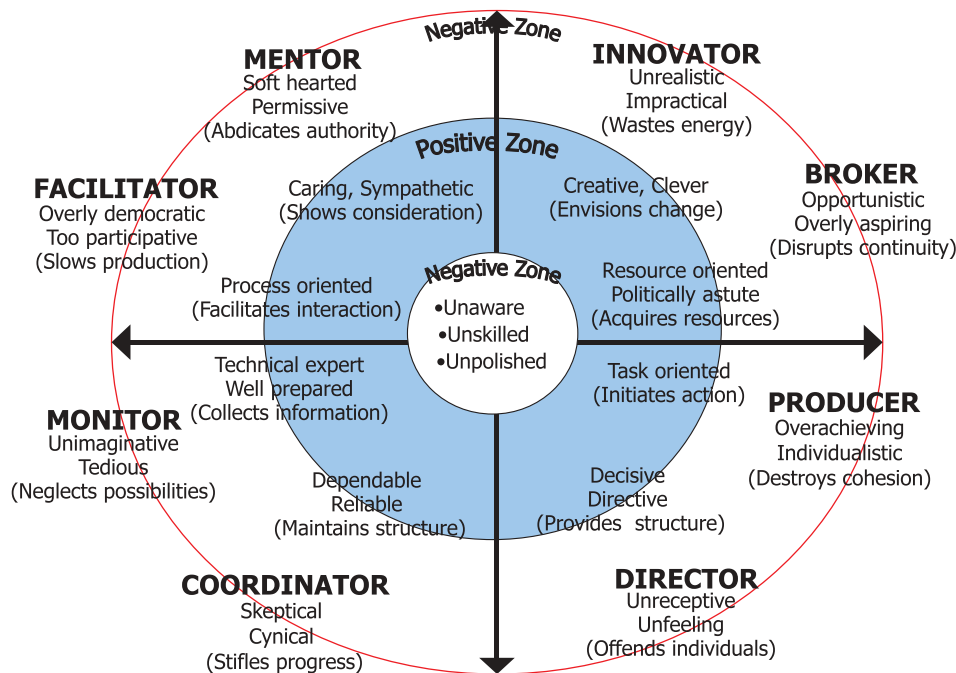


FIG. 1. Managerial Leadership Negative Zones.

difficulties. When carried to an extreme, however, these behaviors can become dysfunctional in an organization. For example, while there is strong consensus in the organizational behavior literature that participative decision making has a positive effect on employees' job satisfaction, it is not necessary or appropriate to involve employees in all decisions. Sometimes the disadvantages of participation (e.g., participative decision making takes time; there are opportunity costs associated with employees' involvement in decision making over an extended period of time) are simply not worth the advantages of participation (e.g., greater knowledge brought to bear on the decision, more ideas generated regarding potential solutions). Similarly, when managerial leaders involve employees in all decisions, they may be seen as abdicating responsibility, unable to make decisions, and/or making decisions based on "the last person to whom they spoke." In addition, while most organizational researchers and managers recognize the importance of treating people with respect and showing consideration, it is also possible to become too lenient and to not hold employees to appropriate standards. When this occurs, not only can managerial leaders lose credibility and be seen as spineless, but other employees may feel resentful of the fact that others are not being held to the same standard, which can ultimately lead to a reduction in the cohesion and morale of the work unit.

In the Internal Process quadrant, the emphasis is on maintaining organizational stability by developing appropriate internal procedures. Within this quadrant, organizations focus on creating performance standards and systems to monitor performance, standardizing processes and procedures, and ensuring coordination across work units. Managerial leaders are expected to be knowledgeable about organizational processes, as well as to have technical expertise regarding the work of the unit; they focus on details of organizing and ensuring that information is appropriately disseminated. Here again, we can see that when these behaviors are carried to an extreme, they can lead to dysfunctional behaviors in the organization. For example, we assume that large organizations need standardized processes and procedures. Internally, standard operating procedures are necessary to ensure that internal rules and regulations are followed, that data are entered into databases in ways that allow them to be accessed by others at a later date, and that projects involving multiple units stay on track. Standard operating procedures are also essential to ensuring that products produced and/or services delivered by the organization meet certain quality standards, and one can easily think of hundreds, if not thousands, of examples where standardization is necessary to ensure health and/or safety of customers as well as to guarantee consistency and/or interoperability of products. On the other hand, if organizations focus solely on standardizing processes and procedures, there is no room for flexibility and change; we do things in a particular way because "we have always done it that way." In these cases, organizations fail to identify trends in their environment and may miss opportunities because their emphasis on increasing internal efficiencies

does not allow them to try new approaches. Moreover, managers who are solely focused on ways to improve internal operations through standardization can lose sight of the overall goal of serving external stakeholders, whether those stakeholders are other units in the organization, external customers, or, in the case of government organizations, citizens and other relevant populations.

Although the emphasis of the Internal Process quadrant is on maintaining organizational stability by developing appropriate internal procedures, the emphasis of the Rational Goal quadrant is on maintaining organizational stability by focusing on the needs of external stakeholders and doing the planning and goal setting necessary to identify how the organization can meet those needs. Within this quadrant, organizations are focused on developing strategic plans that provide direction based on opportunities and threats in the organizations' environments and that can be translated into tactical and operational plans that clarify how each work unit contributes to the organizational mission. Managerial leaders are expected to have a vision and to be decisive and directive, and drive for results. Once again, when these behaviors are carried to an extreme, functional behaviors become dysfunctional, and organizational and managerial strengths can become weaknesses. As was the case in the Internal Process quadrant, an overemphasis on the behaviors associated with the Rational Goal quadrant can lead to a lack of flexibility and an inability to change. Often, strategic plans are based on 5- to 10-year (or more) projections of trends. However, no one can truly see into the future, and changes in technology, the economy, and regional and world politics can quickly alter the opportunities and threats that were initially envisioned in a strategic plan. While the ultimate purpose of a strategic plan is to create an organizational direction, organizations can become too focused on the direction set by the plan and, as was the case with the Internal Process quadrant, they may fail to identify important trends in their environment and miss new opportunities that present themselves. Similarly, managers who are too tied to their vision may miss ideas suggested by others in the organization. When overplayed, a manager's vision can translate into a "my way or the highway" approach, which can lead to a lack of loyalty and commitment and, ultimately, to a lack of alignment of employees. The paradox here is that while we want our leaders to have a vision, the organizational vision cannot be solely the leader's vision; everyone must feel connected to and able to contribute to that vision.

While the overemphasis on stability within the Internal Process and Rational Goal quadrant can lead to a lack of flexibility, an overemphasis on flexibility can lead to wasted energy. The Open Systems quadrant emphasizes adaptability and change, and the ability to promote the organization's external legitimacy by creating a positive image of the organization in its environment. Here, organizations emphasize their ability to see and take advantage of trends in their environment, to be dynamic and innovative. Key competencies for managerial

leaders in this quadrant emphasize being creative and innovative, as well as being politically astute and able to promote one's organization. And again, when the values of this quadrant are overemphasized, organizational and managerial performance move into the negative zone, and positive behaviors become negative behaviors. For example, when organizations are consistently focused on trying new and innovative approaches, employees may perceive some of the changes as impractical and/or see the organization as "changing for change sake." When this happens, they begin to identify new initiatives as simply the "flavor of the week," rather than as serious efforts to adapt to changes in the environment. As a result, they are likely to resist such efforts, in many cases assuming that there is not much point in becoming attached to the current effort because if they wait long enough, management will move onto a new change effort. Thus, while some resistance to change is generally expected, change efforts that are taken to an extreme can lead to extreme resistance. Similarly, an overemphasis on growth and resource acquisition can lead to unproductive and/or overlapping efforts if there is not a simultaneous emphasis on developing stabilizing structures to help manage the growth. Here it should also be noted that successful organizational growth and resource acquisition often involve bargaining and negotiating, networking, making connections and building partnerships, and being politically astute. Taken to an extreme, however, these behaviors can lead to unethical actions (Howell & Avolio, 1992). Undoubtedly, one can think of many examples of strong and dynamic leaders, in both the public and private sectors as well as the nonprofit sector, who built their organizations by building relationships with others, but then misused those relationships. Here, we see one of the paradoxes of power—that leaders can gain power by building relationships but they can also lose their power when it is discovered that they are taking too much advantage of this power.

Paradoxes Within Quadrants

In describing each of the quadrants, we tend to focus on the values of the two dimensions that border the quadrant. That is, in describing the Human Relations quadrant, we focus on flexibility and internal aspects of the organization; in describing the Rational Goal quadrant, we focus on stability and external aspects of the organization; and so on. In doing so, it appears that each quadrant is internally consistent, so we tend not to examine the paradoxes that can emerge from competing values within the quadrants. In each quadrant, however, there are several paradoxes that create different types of performance tensions. Here we present several of these paradoxes, and note that they are not as easily resolved by advocating for a simultaneous focus on "the other end of the axis."

Beginning with the Human Relations quadrant (Figure 2), we present two paradoxes that managerial leaders face in dealing with employees. The first is seen in the admonition that managers should treat employees fairly. The question here, however, is, "What is meant by fair?" In many cases, fair means that everyone is treated the same. Certainly, many performance evaluation systems have been developed with this definition in mind. That is, it is assumed that by developing such systems, individuals are treated in a similar fashion and rewards are given based on comparable evaluations. On the other hand, fair can also mean that individuals are given individual consideration based on their individual circumstances. Thus, an individual who needs to take time off from work because he or she has a sick child or an aging parent is allowed to take that time without penalty. Note that the first definition of fair emphasizes stability/control, while the second emphasizes flexibility/adaptability. Likewise, when engaging in participative decision-making initiatives, we are interested in the value of diversity (flexibility/adaptability) and consensus (stability/control). That is, we involve employees in

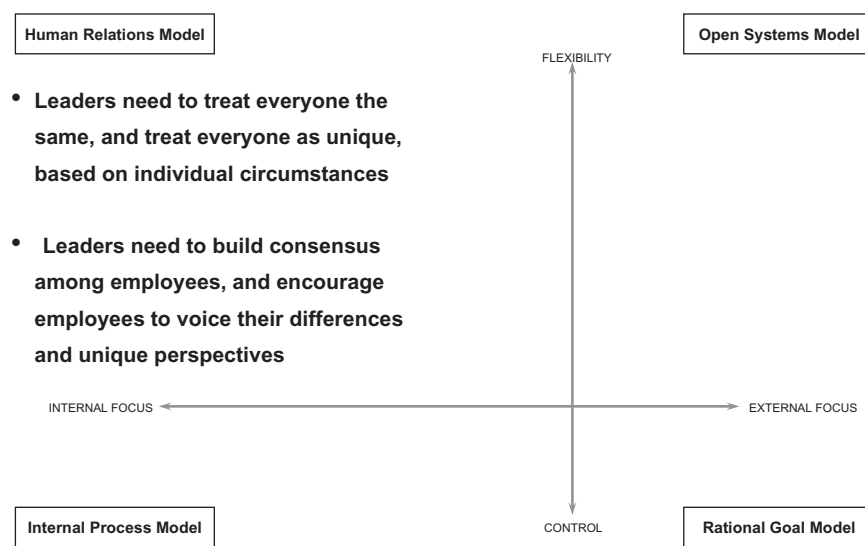


FIG. 2. Organizational Paradox within the Human Relations Model.

decision-making processes because we are interested in diverse opinions, different understandings of organizational problems, and innovative ideas about how to resolve those problems. In the end, however, there needs to be agreement about how to move forward, which means that the different opinions and ideas must somehow be melded into a particular plan on which all can agree. Again, both of these paradoxes are embedded in activities within the Human Relations quadrant, but both emerge because of the need for stability in activities in this quadrant.

Turning to the Internal Process quadrant (Figure 3), we see similar paradoxes associated with values that are arguably “outside” the quadrant. Within the quadrant, there is an emphasis on creating internal systems that increase the organization’s stability/control. For example, financial accounting systems, performance management systems (even those dealing with employee performance), inventory systems, and so on are designed to provide managers with details about the organization’s condition. The details, however, are limited in their usefulness if the manager does not have a sense of the big picture. That is, the manager needs to be able to see the forest for the trees (external aspects), as well as to understand how each tree contributes (internal aspects) to the forest’s ecosystem. Similarly, earlier we discussed the role of standardization and the creation of standard operating procedures as a way to increase internal efficiency. That is, if the organization creates a standardized approach to various tasks, then employees and work units do not need to “reinvent the wheel” each time they perform those tasks and one can expect that all employees will perform the task in the same way each time. On the other hand, some will argue that standard operating procedures are not efficiency tools; rather, they are accountability tools (external focus), creating a record for some external audience that the task has been done in the same way each time. Paradoxically, as a result of the need to document how the procedure was

performed, the process can become less efficient. Here, the question is, how do organizations stay focused on the greater goal of efficiency and so not create standardized procedures that, in the end, actually reduce efficiency?

Within the Rational Goal quadrant (Figure 4), similar paradoxes emerge as a result of tensions associated with the need for flexibility and the need to pay attention to internal aspects of the organization. Here we focus on two paradoxes, one that emphasizes the need for integrating aspects of the organization’s internal functioning within the Rational Goal model and a second that emphasizes flexibility within the Rational Goal quadrant. First, in discussing the Rational Goal model earlier, we noted that planning and goal-setting processes provide a means to create stability, but that when such processes are carried to an extreme, organizations can miss opportunities. This tension recognizes the need for organizations to use planning processes, but not to overuse such processes to a point where they are not able to adapt to changes associated with threats and opportunities in the environment. It should be noted, however, that in addition to analyzing the opportunities and threats in the environment, strategic planning processes also examine an organization’s strengths and weaknesses. Arguably, in order to do an effective analysis of an organization’s strengths and weaknesses, organizations need to have effectiveness systems of the type discussed earlier as hallmarks of the Internal Process quadrant. Thus, in order to engage in processes that allow organizations to plan effectively for meeting the needs of external constituents, they need to have effective systems for monitoring the internal aspects of the organization. The second paradox emerges from the Rational Goal quadrant’s emphasis on the importance of identifying an appropriate organizational design that defines relationships, lines of communication, and levels of authority within an organization as a means to create stability/control in organizations. Over the past few decades,

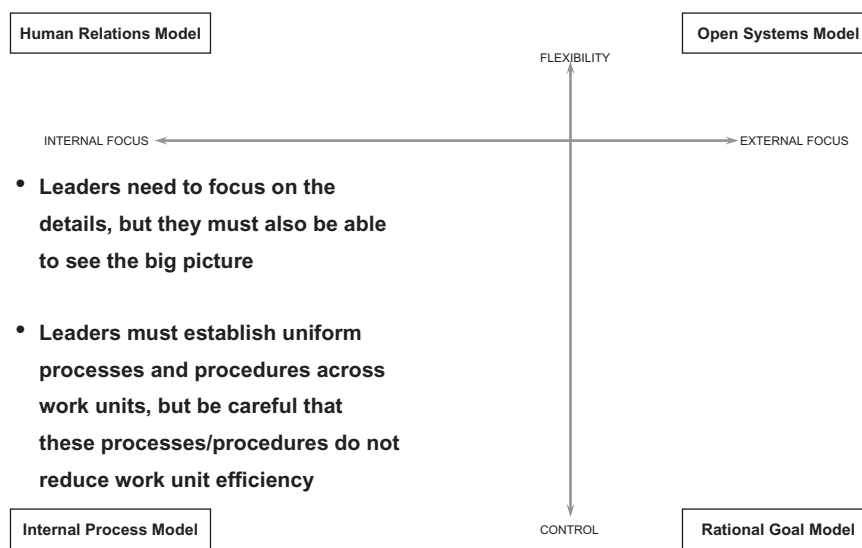


FIG. 3. Organizational Paradox within the Internal Process Model.

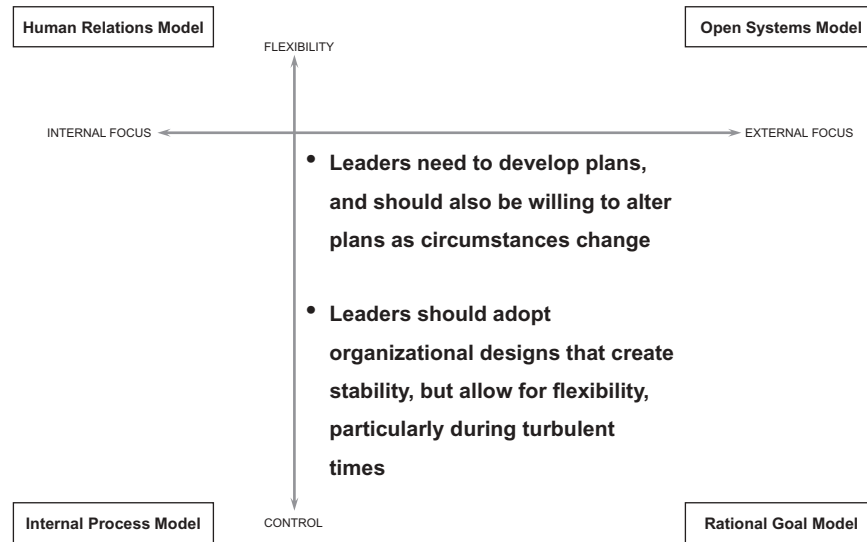


FIG. 4. Organizational Paradox within the Rational Goal Model.

however, there has been a greater emphasis on the need to create more flexible organizational designs; for example, matrix organizations, team- and project-based organizations, and even large bureaucratic government organizations have attempted to develop organizational designs that allow for greater flexibility. For example, the Federal Emergency Management Agency Incident Command System (ICS) is seen as the means to standardize responses to emergencies that involve coordination of several different jurisdictions and response agencies. The ICS, however, is an organizational design that is both stable (standardized) and flexible (varies according to the type, scope and complexity of the incident), and demonstrates that even large organizations are grappling with the paradox of creating

designs that are not simply hierarchies, but that pay attention to organizational needs for flexibility as well.

Finally, we examine tensions that occur within the Open Systems quadrant (Figure 5). As is the case with the other quadrants, these tensions are associated with a need to emphasize values at the opposite ends of the dimensions that border the quadrant—that is, tensions that are associated with the need to emphasize stability/control and internal aspects of the organization—when focusing on organizational and managerial performance criteria within the quadrant. Within this quadrant, managerial leaders focus on helping their organizations grow and acquire resources. To do so, managerial leaders must consider how to develop their power base. While managers

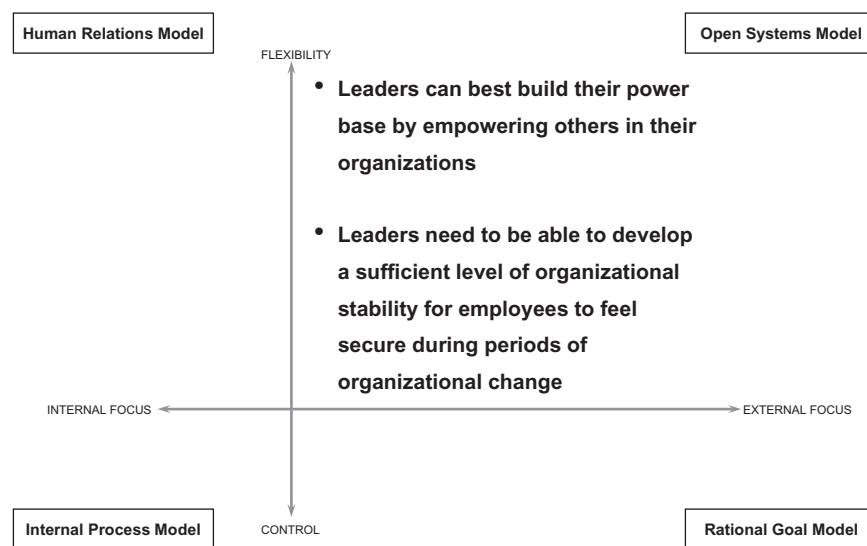


FIG. 5. Organizational Paradox within the Open Systems Model.

often think about building external relationships as a means to build their power base, one of the most effective means of building one's power base is, in fact, to look internally and to share power with employees by creating an organizational culture where employees feel empowered. Employees who feel empowered are intrinsically motivated and feel a sense of purpose in what they are doing. As a result, they are more likely to support managerial efforts and provide managers with necessary information. Thus, paradoxically, even within the Open Systems quadrant, it is necessary to have an internal focus. Alternatively, when focusing on developing organizational and managerial capacity to manage change and help employees adapt to change—key performance criteria within this quadrant—it is important to value stability/control (as well as flexibility/ adaptability). Indeed, many of the strategies recommended for creating change in organizations begin with understanding employees' need for stability. Consistent with the idea presented earlier with respect to the Open Systems quadrant's negative zone, that employees resist change when they believe that change is being initiated for the sake of change, many organizational researchers and change consultants argue that careful analyses should be undertaken prior to initiating a change to ensure that the change is truly necessary. In addition, they argue that employees resist change because of their fear of the unknown (future), as well as their need to feel valued for their past work, even as they are being asked to do something new. Thus, recommendations for helping employees embrace organizational changes recognize that change strategies both need to help employees gain a better understanding of what the change initiative involves (reducing the unknown creates stability) and to demonstrate how the future is connected to and builds on the present (and past). In addition, at least initially, change initiatives need to be aligned with the organization's existing culture, even when trying to change the culture.

In concluding this section, we would like to make two points. First, the paradoxes presented do not represent an exhaustive list of organizational and managerial performance paradoxes. Many others exist, and some are unique to the nature of the organization. For example, there are paradoxes that exist primarily in public sector organizations that result from competing values associated with the need for accountability to the public; alternatively, there are paradoxes that exist in private sector organizations that do not exist in government and nonprofit organizations. Similarly, because values are an inherent part of societal cultures, organizations in some countries may experience paradoxes that do not exist in others. Nevertheless, we reiterate the notion that organizational and managerial performance criteria are inherently paradoxical. Second, we remind the reader that in the organizational literature, paradoxes are not necessarily unresolvable, as is the case for paradoxes described in the field of philosophy; rather, paradoxes in the organizational literature emerge as a result of our social construction of reality. Nevertheless, some of the paradoxes here can be resolved by recognizing the tensions and finding a means to take action by

integrating opposing values. In other cases, however, they are not as easily resolved and suggest a need for us to develop more complex approaches to organizing and leading. This is discussed in the next section.

WHAT NEXT?

Since its initial development, organizational researchers and theorists, as well as organizational consultants who have adopted the model for their work, have argued that one of the key contributions of the Competing Values Framework is its ability to make explicit performance paradoxes that organizational actors experience on a daily basis (Thompson, McGrath, & Whorton, 1981). In this article, however, we argue that many of these paradoxes have remained hidden or at least have not been the major focus of much of the writing on the framework. Here we suggest some new avenues for research and practice that could be developed by focusing on these paradoxes within quadrants and those associated with the negative zones.

First, and most importantly, we argue for the importance of studying organizational and managerial performance as paradoxical, as well as for developing additional opportunities for bringing this language to managers. Our experience for the past three decades has been that managerial leaders feel these paradoxes but do not necessarily know how to express these ideas and so find it difficult to discuss their challenges with others. Interestingly, when shown the framework, these managerial leaders relate easily to the concepts and, consequently, begin to understand why they experience various challenges in trying to be an effective manager, but they are still sometimes frustrated with the fact that others in their organization do not have the same understanding. Thus, the underlying dimensions and the language of paradox offer managerial leaders a way of understanding that there are no "quick fixes" or easy recipes for becoming a more effective manager, but the notion of paradox needs to become more integrated into both researchers' and managers' understanding organizational behavior and leadership. We would argue that organizational and leadership theories need to focus more on the complexities associated with paradox, both across and within quadrants, and organizational research needs to develop more (conceptual) tools for building managers' abilities to see these complexities.

In general, both researchers and managers need to develop the capacity to embrace the importance of integrating conceptual opposites in order to develop more effective organizations. What is most important here is to differentiate between the notion of balance or trade-off and the notion of integration. In the former case, we can picture a balance scale, where we place weights on one side to balance the weight on the other; thus, the two objects remain separate. In the latter case, the concepts become integrated, swirled together, and perhaps even indistinguishable as separate objects. Take, for example, the notion of playing a melody on the piano. When someone plays a melody on the piano, he or she is generally using two hands

(10 fingers), and yet we often focus on the melody, even though we can hear both the individual notes and the blending of the notes. As Daniel Barenboim (2011) notes:

The most important part of piano-playing is the symphonic element. The music can only be of interest if the different strands of the polyphonic texture are played so distinctly that they can all be heard and create a three-dimensional effect - just as in painting, where something is moved into the foreground and something else into the background, making one appear closer to the viewer than the other, although the painting is flat and one-dimensional.

In addition, we need to develop managers' capacity to question their gut feeling (even senior managers with well-developed senses of intuition) and to consider the opposite of their initial instinct. Take, for example, a most basic illustration—the behavior that occurs when managerial leaders are considering assigning/delegating tasks. In this type of situation, many, if not most, managers would naturally give that task to someone who has shown an ability to perform that task (and so is expected to perform that task well), rather than giving the task to someone with less experience performing that task (and thus is not expected to perform that task as well) but who needs to develop the ability to perform that task. If managers increased their capacity to think paradoxically, it might become more natural for them to consider an approach that initially appears to be the opposite of the strategy they think is appropriate, but that might be more effective in the long run. Similarly, managerial leaders who have internalized the notion of paradox are more likely to understand how their strengths can become weaknesses, and how strategies that appear to emphasize particular aspects of organizational performance should sometimes be integrated with strategies that emphasize the opposite. A good exemplar of this approach is seen in the concept of “humbition,” “a blend of humility and ambition . . . an antidote to the hubris that infects (and undoes) so many executives and entrepreneurs” (Taylor, 2011). This concept is striking, arguably because we have not internalized the prevalence of paradoxes in organizational life. If researchers and managers increased their capacity to perceive paradox, perhaps this term, although still useful, would be less striking.

Finally, in bringing to the forefront an emphasis on the “negative zones” and other types of organizational paradoxes, we highlight the need for organizational and leadership researchers to develop more complex approaches to analysis that do not necessarily assume linearity or simple curvilinearity in relationships. In the past few decades, there has been increasing attention to issues related to negative leadership (Conger, 1990; Kellerman, 2004; Lipman-Blumen, 2005), and some of this work has noted that one cause of negative leadership is the path from strengths to weaknesses. This path, however, cannot be captured using a simple (linear) Likert-type scale, suggesting that researchers need to both consider how this process occurs and develop more complex ways of studying this phenomenon.

CONCLUSION

The Competing Values Framework was initially developed in the late 1970s and began to appear in the organizational literature in the early 1980s. Since then, there has been a wide variety of applications of the framework, primarily focusing on managerial leadership, organizational effectiveness, and organizational culture. Paradoxically, the framework is often used as a simple framework, a framework composed of two dimensions that underlie our thinking about performance across a variety of areas, and that, when juxtaposed, create four “competing” models of performance. As such, the framework satisfies our basic need to organize our thinking into “neat” categories. Here we have argued, however, the importance of going beyond the basic paradoxes of the competing models and using the framework in a more complex way. In line with the basic argument of this article, however, we conclude by stating that the framework can, and should, be used in both simple and complex ways!

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