Understanding pragmatic paradoxes: When contradictions become paralyzing and what to do about it

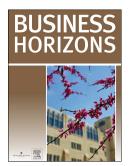
Miguel Pina e Cunha, Arménio Rego, Marco Berti, Ace Volkmann Simpson

PII: S0007-6813(22)00110-0

DOI: https://doi.org/10.1016/j.bushor.2022.09.004

Reference: BUSHOR 1869

To appear in: Business Horizons



Please cite this article as: Pina e Cunha M., Rego A., Berti M. & Simpson A.V., Understanding pragmatic paradoxes: When contradictions become paralyzing and what to do about it *Business Horizons*, https://doi.org/10.1016/j.bushor.2022.09.004.

This is a PDF file of an article that has undergone enhancements after acceptance, such as the addition of a cover page and metadata, and formatting for readability, but it is not yet the definitive version of record. This version will undergo additional copyediting, typesetting and review before it is published in its final form, but we are providing this version to give early visibility of the article. Please note that, during the production process, errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

© 2022 Kelley School of Business, Indiana University. Published by Elsevier Inc. All rights reserved.

Understanding pragmatic paradoxes: When contradictions become paralyzing and what to do about it

Miguel Pina e Cunha¹ Universidade Nova de Lisboa 1099-085 Lisbon Portugal <u>miguel.cunha@novasbe.pt</u> ORCID: 0000-0001-6724-2440

Arménio Rego¹ Católica Porto Business School Universidade Católica Portuguesa, 4169-005 Porto Portugal <u>arego@ucp.pt</u> ORCID: 0000-0003-0883-0511

Marco Berti University of Technology Sydney Ultimo NSW 2007 Australia <u>marco.berti@uts.edu.au</u> ORCID: 0000-0002-0519-8824

Ace Volkmann Simpson * Brunel Business School Brunel University London Kingston Lane Uxbridge UB8 3PH U.K. <u>ace.simpson@brunel.ac.uk</u> ORCID: 0000-0002-7768-328X

*Corresponding author

¹ Miguel Cunha and Arménio Rego are grateful to the Fundação para a Ciência e a Tecnologia (UID/ECO/00124/2019, UIDB/00124/2020, Social Sciences DataLab, PINFRA/22209/2016, and UID/GES/00731/2020; UID/GES/00315/2020), POR Lisboa and POR Norte (Social Sciences DataLab, PINFRA/22209/2016).

Understanding pragmatic paradoxes: When contradictions become paralyzing and what to do about it

Abstract

Integration of paradoxes, comprising interdependent yet contradictory tensions such as those of stability *and* change, learning *and* performing, or the individual *and* the collective, have been recently recognized as sources of synergy and competitive advantage. When adequately navigated, paradoxes may promote innovation, favoring generative complementarities. Not all paradoxes, however, have such generative effects. Pragmatic paradoxes, or managerially imposed contradictory demands that must be disobeyed to be obeyed, tend create paralyzing catch-22 situations. Like weeds, pragmatic paradoxes may also grow alongside the generative type. We explore the conditions in which pragmatic paradoxes become invasive in organizations, identify their main characteristics and symptoms, discuss their roots, and recommend potential approaches for their eradication.

KEYWORDS: Organizational paradoxes; Pragmatic paradoxes; Catch-22 situations; Kafkaesque organizations; Generative paradoxes

1

1. Managerial demands that cannot be obeyed or disobeyed

Managers are increasingly being invited to "embrace paradox" through the application of a *both-and* approach to their work (Smith & Lewis, 2011; Berti et al., 2021). Instead of choosing between exploration or exploitation, change or stability, tradition or innovation, global or local, self-confidence or humility, they are being urged to embrace both sides at once, to generate positive transformations. Confronted with opposite demands, managers are recommended to not treat them as trade-offs but to embrace a paradox viewpoint. Managers informed by a paradox perspective approach contrasting elements as a duality, acknowledging that it is necessary at times to simultaneously pursue divergent objectives and to accommodate clashing logics. As an example, organizational leaders informed by a paradox perspective might simultaneously pursue sustainability and financial objectives, or to be globally minded localists, traditioned innovators, or high-integrity politicians.

While these interdependent and persistent contradictions (paradoxes) can be generative of creativity, innovation, and flourishing, not all paradoxes are alike (Cunha, Rego & Berti, 2022). A more nuanced understanding of the phenomenon reveals that some paradoxes are damaging and pathological, rather than productive. Such pragmatic paradoxes (Watzlawick et al., 1967), often known in organizations as Catch-22 situations (Ashforth, 1991), manifest when individuals are subject to contradictory demands that cannot be negotiated, because actors lack adequate agency: this leads to self-defying vicious circles, such as an order that needs to be disobeyed to be obeyed. For those who are exposed to them, these paradoxes act like poison producing angst, fear and hopelessness. The overall effect is that individuals experience a paralyzing feeling, and the organization is diminished. Instructions such as to "Act spontaneously" (to comply, one must not act spontaneously), "Don't be obedient! Always make up your own mind" (obeying this directive implying being disobedient"), or "Take initiative" (attempting to do so can be construed as reactive obedience, hence, not really taking initiative) are illustrative of pragmatic paradoxes. Similar situations can manifest when an employee is requested to offer personalized care to each customer, but simultaneously forced to process many requests at the same time; when the employees are encouraged to be creative and, at the same time, told that perfection is the only acceptable outcome, meaning errors, failures and mistakes are not an option (i.e., a zero-failures policy). Consider also the implications of a CEO who is at one point vocal about creating a psychologically safe climate but, shortly thereafter, refuses to accept the results of an (anonymous) staff survey indicating employees do not feel psychologically safe.

Pragmatic paradoxes are most likely to grow in organizational contexts where actors, because of extreme power differentials, lack sufficient agency for negotiating contradictory managerial demands (Berti & Simpson, 2021). In these instances, contradictory demands impose impossible choices that are paralyzing rather than refreshing. Watzlawick and colleagues (1967) explain how paradoxical dysfunctional communication patterns, aggravated over time, trap actors in situations that impede their ability to escape a pathological relationship, i.e., choices between non-existing alternatives. Strange things may happen to both individuals and organizations when pragmatic organizational paradoxes are present. A case in point is the classical example of the organization that seeks to control the employee' behaviors by formalizing them – only to discover that formalization led to disobedience which intensified the requirement for more intense formalization. We distinguish between generative and pragmatic paradox types and discuss symptoms of pragmatic paradoxes and explore their root causes along with offering clues on how to uproot them.

2. Managing through paradox

Managers are increasingly becoming aware that organizations have paradoxical features that are not necessarily signs of dysfunction but rather expressions of organizational pluralism and complexity (Berti et al., 2021). A paradox refers to an opposition between two contrary but independent tensions that persists over time. Organizational paradoxes arise from the soil of organizational contradictions, such as those between objectives of social purpose and corporate profit, routine and creativity, or present/future loss/gain. The two poles in these tensions are equally relevant and therefore cannot be settled. Rather than ever being solved, they can be managed, navigated, balanced. Managers can learn to become comfortable, or even proficient, in dealing with these ceaseless tensions. Instead of ignoring paradoxes, they are encouraged to leverage the tensional energy to achieve outcomes greater than the possibilities of either pole alone, or even greater than the sum of both poles. Paradox scholars invite managers to develop a 'paradox mindset' based on integrative thinking, a willingness to make sense of opposition as normal. A paradox mindset can help managers and other organizational members feel stimulated and energized by the tensions they face. In principle, people capable of paradoxical thinking are better positioned to integrate organizational opposition to harvest vitality and renewal.

Managers have various strategies at their disposal for cultivating paradox. Companies can use integrated hybrid logics, articulate ambidextrous approaches, or adopt design solutions to help deal with tensions, separately or sequentially. Individuals and teams within organizations have developed practices and routines for accommodating or oscillating between tensions or employing irony and humor to relieve the stress they cause. These approaches have in common the attempt to articulate forces in tension in a way that uses the energy for organizational renewal. But to take full advantage of paradox, organizations need to distinguish "generative" paradoxes (Cunha, Rego & Berti, 2022), tensions that can be harnessed and leveraged as a force for change and renewal, from paralyzing or pragmatic paradoxes (Berti and Simpson, 2021), pathological experiences that impede action and damage individuals and organizations. In other words, because not all paradoxes are equal, it is important to distinguish those paradoxes that can be fruitfully leveraged for improvement, from those that are stifling and debilitating (see Table 1).

[Insert Table 1 About Here]

3. Symptoms of pragmatic paradoxes

Pragmatic paradoxes are like aggressive weeds that not only make the organizational environment appear disordered and chaotic, but they also choke the plants you are working so hard to nurture. It is therefore important for organizational actors to be aware of the characteristics that distinguish pragmatic paradoxes from generative types. We note four tell-tale indicators, or symptoms: emotional distress, withdrawal, contradictory demands, and sense of absurdity.

3.1. Emotional distress

Emotional distress has multiple sources, including extra-organizational causes as well as experiences within the organization. When a leader confronts dependents with contradictory yet inescapable rules, a lack of agency may be expressed through apathy or negative reactions. With no good response options available, any response taken is perceived as bearing negative consequences – and this cognitive interpretation triggers negative emotions such as frustration, anger, apathy, and suffering. For example, based on the belief and expectation that happy employees are more productive (or even more ethical, as was the case of Wells Fargo, a company that measured the employees' happy/grumpy ratio assuming that happy workers are less likely to do bad things), several companies have tried to compel employees to present themselves as happy – this being a source of unhappiness (Lilly, et al. 2021). The US supermarket chain Trader Joe's provides another

example of mandated happiness causing unhappiness, as reported in *The New York Times* (Scheiber, 2016): "Above all, some employees say they are pressured to appear happy with customers and coworkers, even when that appearance is starkly at odds with what is happening at the store. (...) According to an unfair labor practices charge filed on Thursday with a National Labor Relations Board regional office, Thomas Nagle, a longtime employee of the Trader Joe's store on Manhattan's Upper West Side, was repeatedly reprimanded because managers judged his smile and demeanor to be insufficiently "genuine." He was fired in September for what the managers described as an overly negative attitude." The outcome was the following: "In Mr. Nagle's final review before he was fired, he was criticized for not greeting a manager with sufficient feeling. "It's not like, 'Hey what's going on,' it's like 'Heh,'" the manager said. Mr. Nagle said that when he asked if the manager if he wanted a longer acknowledgment, he responded, "Yeah, but it's got to be genuine. You have to want to be here."

3.2. Withdrawal

In face of pragmatic paradoxes, individuals often seek relief by resorting to behaviors of withdrawal or avoidance (physical or psychological). By gaining a critical distance from a situation, one can only address the dissonance, however, and not tackle the cause. Sometimes, such an approach develops together with strong cynicism toward the organization and its authorities. The behavior can further become entrenched, sensing that it is safer to isolate and criticize from the outside without doing anything to change the situation. This is often expressed by employees speaking of "they" when referring to specific groups (such as co-worker groups) or even the entire organization (of which they are a part).

In extreme cases, withdrawal is "existential". Think, for example, of the case of Foxconn. The company's annual 2010 corporate social and environmental responsibility report stated that the organization had set up "various speech and debate competition shows on the topic of 'I love the company, the company loves me', and a 'happy mothers' forum". The report also stated that, in 2011, the organization intended to initiate a "Foxconn Volunteer Network" to bring "hope and love to those in crisis and to work together for a better society." At the same time, sweatshop conditions and the adoption of people management practices that resembled a total institution resulted in dozens of employees committing (or attempting to commit) suicide (Clegg, Cunha & Rego, 2016).

3.3. Literal obedience

Pragmatic paradoxes, as illustrated in the above cases, may invoke a strange kind of self-protective and cynical employee behavior: literal obedience. Faced with the impossibility of making sense of self-contradictory requests, victims of pragmatic paradoxes may take refuge in following instructions literally. In some cases, individuals go a step further and even enjoy full obedience to expose the system's absurdities. An example of full and compliant obedience which ends up functioning as acts of resistance is well expressed in Joseph Hasek's novel *The Brave Soldier Svejk* (Fleming & Sewell 2002). The protagonist manifests cynical obedience by complying immediately and completely with all orders – and expecting absurd consequences that cannot be punished because, technically, the obedient behavior is "exemplary".

In contemporary organizations, however, it is rarely possible to avoid the negative consequences of contradictory demands by taking refuge in apparent stupidity (Alvesson & Spicer, 2012). The full potency of pragmatic paradoxes is deployed when individuals are commanded to both fully comply with rigid directives and to achieve results (e.g., "make customers happy by adapting to their requests, but follow protocols to the letter"). Note that, in this specific case too, even blind obedience is paralyzing: whether the employee adapts to the customer's request or follows the protocol, they will be obeying *and* disobeying.

3.4. Absurdity

When exposed to a pragmatic paradox, employees are assailed by a sense of absurdity. They come to realize that they are caught in a world that, under a surface of order and rationality, is absurd. It is indeed the attempt of giving an exact, rigid order to a complex, ambiguous context, that can be the cause of pragmatic paradox, as when employees get caught in a vicious bureaucratic circle (you need document X to obtain document Y but cannot obtain X unless you have Y). Franz Kafka's works masterfully depict the absurdity and hopelessness experienced by individuals caught in the web of faceless bureaucratic power (Clegg et al., 2016; Warner, 2007).

4. Roots of pragmatic paradoxes

Addressing pragmatic paradoxes by merely dealing with their symptoms is insufficient. When the roots remain in the ground, new shoots grow. Pragmatic paradoxes typically emerge when contradictions are experienced in a social and material context that deprives actors of their agency, and thus of the possibility of flexibly adapting to contradictory requests. A lack of agency can derive from various root causes including bureaucratic responses to complexity, conflicting organizational goals in conditions of scarce resources, conflicting individual objectives or conflicting logics, multiple legal-cultural systems, and leader's behaviors (Berti & Simpson, 2021).

4.1. Bureaucratic handling of complexity

Organizations need structure, i.e., rules, regulations, and standardized procedures. Rules and regulations are also a common cause of pragmatic paradoxes. Rule systems often contain contradictions, especially when they are made of layers that over time prescribe mutually inconsistent indications. Layers of rules accumulate inconsistencies because a rule created to solve one problem is in opposition to a rule created to solve another problem. As organizations become more complex, the temptation to shower problems with rules amplifies the complexity, and several rules become mutually contradicting. This is also aggravated by the fact that organizations create orders faster than they discontinue them. The accumulation of rules originates administrative sludge (Sunstein, 2020) symptomized by increased conflict in the organization, slow and low-quality decision-making, reduced innovation and increased ambiguity. The enforcement of rules not to coordinate but to control, or just because they are rules, is not only annoying but also potentially pathological, particularly when organizations still expect their people to be creative and proactive. It is not the presence of contradictory requirements per se that causes the pragmatic paradox. When these "glitches" are handled flexibly and reasonably, it is possible to find ways to overcome obstacles. A pragmatic paradox emerges when actors do not have the possibility of raising an issue, or of explaining a contradiction, because it is assumed that such bureaucratic mistakes cannot exist, or simply because there is no form of redress or appeal.

4.2. Lack of resources in dealing with conflicting organizational goals

The progressive advance of stakeholder theory replaces the logic of a single goal (shareholder value) with the logic of multiple goals. One does not have to be a critic of the stakeholder view to accept that multiple stakeholders come with different goals and that these multiple goals create inevitable trade-offs. The fact that such perspectives may be contradictory is not surprising when stakeholders include shareholders, employees, customers, suppliers, public authorities, legislators and regulators, communities, and civil society at large. Responding more to the demands of one stakeholder may mean that we will respond less to the demands of another stakeholder. Yet, this challenge can be addressed, provided that the actor has access to sufficient resources and/or is free to negotiate the time and mode of compliance. Pragmatic paradoxes emerge when an actor must achieve contrasting

objectives while having strong resource constraints, or when one objective is so overwhelming that it renders other, equally important goals, secondary.

There are several illustrative cases: NASA's conflict between safety and schedules that might have played an important role in the Challenger disaster is pertinent (Vaughan, 1996). In another case, Wells Fargo's Community Bank imposed impossible sales goals on employees which contributed to their resorting to illegal means and cheating their customers to achieve the targets and keep their jobs (on this case see Lilly et al., 2021). The Volkswagen Dieselgate scandal further illustrates the dangers of confounding people with demanding, contradictory, and sometimes materially unfeasible goals (Gaim et al., 2021).

These examples indicate that the experience of pragmatic paradoxes may lead employees to engage in illegal, unethical actions. In this sense, pragmatic paradoxes are paralyzing in that they neutralize the employees' ethical orientation and encourage them try to escape the paradox via dishonest actions. Believing they have no means to discuss the "absurdity" of the organizational demands, or, given the game they are asked to play is inherently absurd, they perceive no ill in cheating (or that cheating is the only way to achieve the goals and thus avoid losing one's job), which partly accounts for the dangerous nature of their response. In a clear demonstration of the paralyzing essence of several pragmatic paradoxes, those who cheat to keep their jobs may later lose them after being fired because of cheating, as happened at Wells Fargo.

4.3. Conflicting metrics

Management by objectives (MBO) may also spur pragmatic paradoxes, mainly when there are tensions between goals at the same level, or across levels. When the team outcome is the consequence of interdependencies between team members, and the performance appraisal system is based on a competitive (e.g., ranked-forced) logic, pursuing the individual objective of getting a higher position in the ranked-forced system may require avoiding behaviors that contribute to team performance. The contradiction is aggravated when the appraisal system contains subjective goals of the "being a good team player" type. In that case, acting as a good team player, that would contribute to a higher assessment outcome, may require prescinding of a competitive approach that would contribute to a better assessment. These issues reflect the enduring paradoxical problem of "rewarding A while hoping for B" (Kerr, 1975), that has long confronted managers and scholars alike.

4.4. Opposing business logics, causing a clash between symbolic and practical objectives

Organizations are often required to embrace competing logics, i.e., to hybridize. Prisons, for example, are expected to repress and to educate. Hospitals to offer good care and efficient management. Universities are educational institutions with a growing business orientation. Hybrid organization can be successful in managing these paradoxical tensions (even if doing so can be emotionally taxing, as in the case of the artistic entrepreneur who starts a business for aesthetic reasons only to find him/herself at the helm of a business operation). While, in principle, opposing logics can be accommodated, pragmatic paradoxes emerge because, even if the different practices required might be materially compatible, they may not be symbolically compatible. Take the case of an NGO operating in a conflict area with the purpose of restoring peace and social justice. To achieve its objectives, the organization needs to operate safely in a context where the rule of law has broken down and local institutions are failing. A pragmatic solution to this problem is to make agreements with local warlords, "buying protection" for them; yet, by supporting these actors the organization is implicitly undermining its own mission.

4.4.1. Incompatible legal-cultural systems

As organizations grow international, they feel the power of diversity. A recent example refers to the case of Xinjiang: due to the violation of human rights in this Chinese province, companies are torn between non-existing choices: profit vs. human rights, China vs. home country, present vs. future, business pragmatism vs. social responsibility. These choices have cultural, political, and historical resonance; yet they put managers between a rock and a hard place. The Foreign Corrupt Practices Act 1977 prohibits US companies from making bribes in foreign countries even if bribery is part of the culture, but non-US countries are not all prohibited from making bribes in those countries, putting US companies at a competitive disadvantage. Concerns of cultural diversity may thus make multinational companies and their expatriates feel paralyzed in situations in which acting appropriately according to a cultural system may require acting inappropriately in relation to another. An expatriate who espouses a universalistic perspective does not trust a partner of a host country with a particularistic culture that shares confidential information to save a friend's business. But such a partner does not trust someone who doesn't share confidential information to help a friend. What leads to trust bonds in a context leads to mistrust in another context. What is trustworthy is untrustworthy. Once again, this wicked challenge requires playing a "long game", building relational bridges, and creating conditions for a dialogue allowing for transcendence of rigid principles. What turns this cultural clash in a pragmatic paradox is the unreasonable expectation of finding common ground with another culture without "corrupting" one's own.

4.5. Leaders' action

Pragmatic paradoxes are often rooted in leader behaviors. Leaders who pursue conflicting goals and objectives may convey conflicting messages without realizing how such messages are paralyzing follower performance. Relationally transparent leaders ask for frankness and relational transparency from the followers. These leaders may be unaware, however, of power differentials causing followers to fear reciprocating their frankness and transparency. Take the case of Carlos Ghosn, former CEO of Nissan Motor Company. While (or precisely because) he was renowned for his frankness and openness, followers self-refrained to say anything that would conflict with his opinions. In cases like this, it is the leader's frankness and relational transparency toward the followers that hinders the followers' transparency toward the leaders: followers risk being criticized for both being frank and not being frank with the leader. Pragmatic paradoxes partly lie in the perception that power structures are too tight to be challenged. People may feel they are caught in a structure that expects their conformity rather than their voice. They consider themselves minions in an all-powerful system that accepts no deviation from the rule – even when the powerholder conveys the (verbal) message that deviation from the rule is welcome (Cunha et al., 2019).

5. Uprooting pragmatic paradoxes

Given the above, what can organizations do to uproot the potential perils of the pragmatic paradoxes they confront? We describe the conditions in which pragmatic paradoxes flourish and identify ways to uproot them (see Table 2).

[Insert Table 2 About Here]

5.1. Dealing with bureaucratic complexity

To address the problem of bureaucratic rigidity in face of complexity, organizations can employ audits to reduce the administrative "sludge" (Sunstein, 2020). Sludge refers to "excessive or unjustified frictions, such as paperwork burdens, that cost time or money; that make life difficult to navigate, that may be frustrating, stigmatizing or humiliating" (p. 1). Conducting sludge audits or periodic "lookbacks" at existing burdens may expose unnecessary paperwork and help companies decide when and where to reduce it. Organizations may even celebrate sludge reduction. Creating a psychologically safe climate that allows people to question, at any moment, rules, procedures or regulations is also crucial.

5.2. Handling conflicting organizational goals and a lack of resources

Goals that seem rational in isolation may become problematic when viewed together. An example is the competing objectives of siloed organizational departments. Instead of simply creating objectives, organizations might use techniques that force the integration of objectives to expose possible synergies and tradeoffs. The balance scorecard is a well-known example of such an approach (Tawse & Tabesh, 2022). Goals can also be discussed amongst members prior to adoption, rather than being simply imposed from the top down. In addition to goal setting, organizations may also develop metagoal setting systems, i.e., a system to discuss goals. Yet, the most essential intervention for removing pragmatic paradoxes is to acknowledge the need for providing additional resources and agency to those individuals and units expected to integrate conflicting goals. This requires reducing an emphasis on efficiency maximization and control.

5.3. Addressing conflicting individual metrics

The previous approach may help mitigate pragmatic paradoxes emerging from conflicting organizational objectives, but the likelihood of their arising from conflicting metrics remains. To tackle these conflicts, managers can empower their people. Organizations do this in different ways, such as adopting a "no rules rule" à la Netflix, or a policy of having a few simple rules. In this case, organizations empower people by providing space between the rules rather than imposing rules that deprive agency. Rules thus understood, as enabling rather than coercive, are a potential antidote to pragmatic paradoxes. Not by coincidence, the first of the eight big rules at software firm OutSystems is "Ask why" (outsystems.com/the-small-book/), promoting mindful rather than mindless obedience. In such a system, goals can be discussed and negotiated.

5.4. Dealing with opposing logics

The adoption of competing logics is often a gradual process, as logics creep in and take root without being deliberately discussed. To avoid this turning into a source of paralysis, organizations can assume and expose the logics by reflecting on how they might reinforce or neutralize one another. Discussing rather than assuming logics may help with finding fresh solutions. For example, the logics of care and efficiency in healthcare may seem opposite, but their paradoxical relationship may be integrated through continuous improvement type interventions. In any case, it is important to acknowledge that the problem of combining multiple logics is not just complicated, but "wicked", in the sense that (a) it does not allow simple, clear-cut solutions (which instead can become part of the problem), (b) its definition is contested, and (c) "optimal results" can never be achieved. For example, the solution to the wicked problem of crime (sending people to jail) often compounds the problem (jail often turns small offenders in hardened criminals). When dealing with wicked problems, it is necessary to accept our limitations and try to find an imperfect accommodation between contrasting needs.

5.5. Addressing incompatible legal-cultural systems

As organizations internationalize and confront divergent political regimes, cultural roots and legal systems, geopolitical and cultural risks are made more salient. Competing globally is about acting in a world of differences. Especially for executives, mapping the terrain by designing a cultural and geography risk map may be critical for unearthing cases that could potentially seed difficult situations with political or governmental origins. These risk audits may anticipate problems related to management interference, corruption risk, and cultural conflicts (e.g., among board members from different cultural origins, or between expatriates and native employees), helping decision makers deal with predictable risks. This might prevent them from sacrificing one force over the other by

reducing expectations. With effective risk audits, generative paradoxes will be better navigated, and pragmatic paradoxes will be better avoided.

5.6. Dealing with leader behaviors

Leaders are inadvertent originators of pragmatic paradoxes, but they may also help with their removal. One approach may be creating cultures in which speaking up is safe and expressing different opinions is not discouraged or countered but rather encouraged. These cultures accept that conflict should be vented rather than suppressed and that, for example, "asking why" is not only a cognitive operation but also an emotional one. The cultural promotion of conflict that supports saying "No" is thus a measure against blind obedience of distant compliance. In the same manner, managers may counter self-censorship. As the literature on groupthink has suggested, self-censorship is a disturbing feature of teams and organizations. When managers coerce people to accept orders and thus promote self-censorship (as happened when leaders such as Theranos' Elizabeth Holmes coerced people in the name of "team spirit" and as a signal of being a "team player"), they are stimulating not only obedience or a twisted version of bureaucracy but also various side effects, which include pragmatic paradoxes. The unusual creation of a corporate jester role at British Airways in the 1970s, as well as fostering minority dissent, may help "unfreeze" critical thinking and to promote inquiry as a habit (Clegg et al., 2022). Leaders refraining from expressing their opinions until all the follower's voices are heard may also promote a culture of speak up and make team members more comfortable and psychologically safe to draw attention to organizational absurdities. As a meta-rule, organizations may also consider communicating about how they communicate. Rules such as "Ask Why" at OutSystems (2022) as well as the "Five why" technique at Toyota (Nonaka & Takeuchi, 2019) mean that people should talk about the rules and how they frame them rather than simply complying and executing. Pragmatic paradoxes are often a result of power imbalances, and metacommunication constitutes a practice that governs all the other practices. This means that metacommunication, or communicating about the way we communicate, acts as an antidote for addressing pragmatic paradoxes. Metacommunicating, however, requires that an organization develops self-awareness, looks at itself without defensive protections, and assumes vulnerabilities without losing agency. What is more, metacommunicating offers a sense of agency as people may refashion the power circuits beyond the decisions of managers, denoting these as circuits of the "power with" rather than "power over" type, meaning that power is co-created rather than imposed (Clegg et al., 2022).

6. Conclusion

In an era in which paradox management is presented as the key to dealing with complexities, knowing how to distinguish between generative and pragmatic paradoxes may be a critical skill in navigating the field of organizational opposites. While generative paradoxes may help the organization and its leaders to deal innovatively and effectively with the complexities, tensions and contradictions that pervade internal and external organizational environments, pragmatic paradoxes tend to be paralyzing or give rise to problematic employee behaviors and decisions. Pragmatic paradoxes may emerge simply from events and contexts that the organization and its leaders are *not able to control* – but they often emerge from controllable behaviors, decisions, rules, and procedures. This paper explores the symptoms that help identify pragmatic paradoxes, discusses their root causes, and suggests ways to handle them.

Before concluding, a short note is necessary: from the perspective of managers who *practice* pragmatic paradoxes, such a practice may be effective in that it allows managers to achieve their own goals. A manager may communicate in a paradoxical practical way to control or dominate followers without being criticized for being autocratic, controlling or dominating. Paralyzing followers, by

communicating verbally, may be the real strategy a manager wants to pursue. A manager who tells followers "Don't bother me with problems; bring me solutions" may be effective, from the perspective of his/her interests, in that followers become fully conditioned by the manager's arbitrariness. It is not possible to bring a solution without bringing, at least implicitly, the underlying problem. Therefore, followers may be afraid to bring solutions to the manager. However, such an approach is also risky in that the followers may be criticized and even punished by not proposing solutions. The followers' excuse that they did not want to bother the manager is not acceptable because the manager had told them "Bring me solutions". At the end the difference between problems and solutions gets blurred and inaction becomes the preferred action.

built a provide the providet the provide the provide the provide the provide the provide t

References

Alvesson, M., & Spicer, A. (2012). A Stupidity-Based theory of organizations. *Journal of management studies*, 49(7), 1194-1220.

Ashforth, B. E. (1991). The whys and wherefores of organizational Catch-22s: Common types and their implications for organization development. *Public Administration Quarterly*, 457-482.

Berti, M., & Simpson, A. V. (2021). The dark side of organizational paradoxes: The dynamics of disempowerment. *Academy of Management Review*, *46*(2), 252-274,

Berti, M., Simpson, A.V., Cunha, M.P. & Clegg, S. (2021). *Elgar introduction to organizational paradox theory*. Cheltenham: Edward Elgar.

Clegg, S., Cunha, M.P. Munro, I., Rego, A. & Sousa, M.O. (2016). Kafkaesque power and bureaucracy. *Journal of Political Power*, 9(2), 157-181.

Clegg, S. R., Cunha, M. P., and Rego, A. (2016). Explaining Suicide in Organizations: Durkheim Revisited, *Business and Society Review*, *121*(3): 391-414.

Clegg, S., Cunha, M.P., Rego, A. & Berti, M. (2022). The academic as jester stimulating management learning. *Management Learning*, *53*(3), 547-565.

Clegg, S., Simpson, A.V., Cunha, M.P. & Rego, A. (2022). From 'leadership' to 'leading': Power relations, polyarchy and projects. In O. Epitropaki, M. Larson, D. Schedlitzki, B. Carroll & M. Bligh (Eds.), *The Sage handbook of leadership* (2nd ed.). Sage.

Cunha, M.P., Rego, A. & Berti, M. (2022). Estrategias para desactivar las paradojas pragmáticas, *Harvard Deusto Business Review*, 318, 6-17.

Cunha, M. P., Simpson, A. V., Clegg, S. R., & Rego, A. (2019). Speak! Paradoxical effects of a managerial culture of 'speaking up'. *British Journal of Management*, 30(4), 829-846.

Fleming, P., & Sewell, G. (2002). Looking for the good soldier, Švejk: Alternative modalities of resistance in the contemporary workplace. *Sociology*, *36*(4), 857-873.

Gaim, M., Clegg, S. R., & Cunha, M. P. (2021). Managing impressions rather than emissions: Volkswagen and the false mastery of paradox. *Organization Studies*, *42*(6), 949-970.

Kerr, S. (1975). On the folly of rewarding A, while hoping for B. *Academy of Management Journal*, *18*(4), 769-783.

Li, X. (2021). Solving paradox by reducing expectation. *Academy of Management Review*, 46(2), 406-408.

Lilly, J., Durr, D., Grogan, A., & Super, J. F. (2021). Wells Fargo: Administrative evil and the pressure to conform. *Business Horizons*, *64*(5), 587-597.

Nonaka, I. & Takeuchi, H. (2019). *The wise company: How companies create continuous innovation*. Oxford University Press.

OutSystems (2022, update). The small book of the few big rules - OutSystems. Retrieved 8 Sept <u>https://www.outsystems.com/-/media/files/resources/the-small-book-of-the-few-big-rules-outsystems.pdf?updated=20220802161713</u>

Scheiber, N. (2016). At trader Joe's, good cheer and complaints. *The New York Times*, November 4, B1.

Smith, W. K., & Lewis, M. W. (2011). Toward a theory of paradox: A dynamic equilibrium model of organizing. *Academy of Management Review*, *36*(2), 381-403.

Sunstein, C. R. (2020). Sludge audits. *Behavioural Public Policy*, doi.10.1017.bpp.2019.32.

Tawse, A., & Tabesh, P. (2022). Thirty years with the balanced scorecard: What we have learned. *Business Horizons*. <u>https://doi.org/10.1016/j.bushor.2022.03.005</u>

Vaughan, D. (1996). *The Challenger launch decision: Risky technology, culture, and deviance at NASA*. University of Chicago press.

Warner, M. (2007). Kafka, Weber and organization theory. *Human Relations*, 60(7), 1019-1038.

Watzlawick, P., Jackson, D. D., & Bavelas, J. B. (1967). *Pragmatics of human communication: a study of interactional patterns, pathologies, and paradoxes*. Norton.

Table 1. Contrasting generative and paralyzing pragmatic paradoxes

Table 2. Strategies for uprooting pragmatic paradoxes

Pragmatic paradox	How to uproot
Bureaucratic complexity	Pay attention to warning signals of coercive bureaucracy
	Conduct sludge audits
	Celebrate the demotion of stupid rules
Conflicting organizational goals	Discuss the goals
	• Employ goal integration techniques such as the balanced scorecard
	Develop a meta-goal setting system
Conflicting individual metrics	Allow people to talk about goals
	Create space for people to refuse goals
	Create a culture of "asking why"
	Empower - genuinely
Opposing logics	• Expose the logics and their mutual implications (dry the roots)
	Discuss the trade-offs in the open (dry the roots)
Multiple legal-cultural systems	Conduct legal and culture risk audits
	Develop a risk field map
	Assess the implications of cultural differences for the interactions between people from different cultural origins
	• Make people from different cultural origins (a) aware of those differences, (b) respect them, and (c) help them to handle differences productively
Leader behaviors	Create cultures of speak up
	Counter self-censorship
	• As a manager, "shut up" until the followers express their true voices
	Empower genuinely