## **Embracing the Paradoxes of** Leadership



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# Why we need to move from an "either/or" to a "both/and" view of priorities.

While corporations face constantly competing demands for resources, we still talk about moonshot long-term strategy. How can we sync ambitious aspirations with maintaining our business-as-usual which funds these innovative and profitable visions of the future?

In today's uncertain world, employees need a way to make sense of competing demands that create tension. Such conflicting demands include planning for the long term and operating in the short term; acting globally while dealing with local needs; collaborating and competing with other companies.

An **important tension** for firms at the moment is the need to be profitable but also to be socially and environmentally oriented. As everything shifts (such as managing other cultures in an accepting way instead of expecting them to fit into one-size-fits-all roles), our "either/or" ideals around leadership are often forcing square pegs into round holes. To expand our conception of work, leadership and creativity, it's necessary to embrace paradoxes.

As humans, we have an internal need for consistency. We experience cognitive dissonance when we encounter an apparent inconsistency. We have this urge to correct it and remove the discomfort. Reality, however, compels us to react differently and to feel more and more comfortable in situations where things are not always aligned, i.e. situations with underlying tensions or competing demands. Consider the work/life tension – resolving it today doesn't mean that you won't have to do it all over again tomorrow, or the day after that.

A paradox is formed by contradictory yet interrelated elements that consistently coexist. A classic example in organisations involves leaders. They must allow their teams to have autonomy, yet they must also monitor their employees. How can they do both? At first, providing more autonomy was thought to be optimal, but it wasn't the most effective solution for everyone. Leaders then turned towards control. They found that lurching towards either extreme eventually backfires, so finding the balance is vital.

Some companies have understood how paradoxes are interwoven into their culture. Lego, for example, has posted 11 paradoxes on its walls for more than a generation to remind managers of the tightrope they walk. Any manager who sees this list understands how they have to inhabit more than one role at a time and sometimes these roles seem to be in opposition. Here are some of Lego's managerial paradoxes:

- "To take the lead and to recede into the background."
- "To plan the working day carefully and be flexible."
- "To be self-confident and humble."

These expressions (from the 1980s) are still valid today, if not more so. The issue is around longstanding and preconceived ideas of what a leader *should* act like. The expectation of consistency, which is incredibly important for us as children, needs to be loosened in the corporate arena.

Paradox theory is about understanding that demands, goals and expectations are dynamic, complex and interconnected. Thriving in such an environment requires us to engage in contradictory behaviours. Tensions can trigger stress, anxiety as well as discomfort when it comes to making choices. But the tensions themselves are not the problem. Instead of eliminating tensions, we can learn to accept them, feel comfortable with them and see them as an opportunity.

Until recently, paradox theory literature primarily concerned organisations – like the moonshot/business-as-usual scenario or satisfying stakeholders and shareholders. David A. Waldman, Linda L. Putnam, Donald Siegel and I edited a special issue of *Organizational Behavior and Human Decision Processes*, a journal focused on individuals, teams and their decision making. We wanted to encourage researchers to drill down to the team and individual level of paradox theory, while allowing for different views and solutions to emerge.

### Leaders and teams

Research presented in the issue delved into paradoxical leadership behaviours, working with structural paradoxes and using irony as a strategy in managing paradoxes, among others.

Under certain conditions, paradoxical leadership behaviours can have a positive impact on the creativity of teams, the authors of one **article** found. These behaviours spur creativity because they help team members trust their own creative capabilities more. Over the long term, other **research** has uncovered the positive impact in terms of R&D investment, market share and corporate reputation. This suggests that leaders who engage in seemingly contradictory behaviours have a positive influence on their subordinates' performance.

**One study** found that the most effective leaders are both visionary and empowering. Stating a vision helps the leader exercise control by creating shared objectives. But having a vision is not enough if employees do not carefully consider its implications for their jobs. By empowering their employees, leaders let go of control and motivate them to take ownership of the visionary goals, with the freedom to define their own responsibilities. Similarly, another **article** found that through a meta-paradox approach (conscious of overarching paradoxes), leaders can become more conscious about multiple tensions, rather than focusing on managing only one.

Another **article** in the issue finds that allowing workplace paradoxes to continue can help people work in a way that weaves them together rather than separates them. In a German juvenile detention centre, the structural paradox is that the organisation is there to both punish and rehabilitate the

young men, aged 14-25. This study looks at how the workers at the prison and the detainees manage this paradox (among others) through power struggles in their daily life.

**Irony** was found to be multifaceted and effective when facing paradoxes. It allows people to connect contradictions and gives them the ability to handle/voice the contradictions often present in paradoxes. Instead of expressing a clear desire for excellent ratings, Finnish journalists were self-deprecating: A proud/modest sub-tension led them to say "I suppose this will do" after an excellent interview (inversive irony). When the journalists expressed this alternative situation, they could move on – away from the uncertainty of ratings which would be released months later – and keep creating.

## The paradox mindset

Paradoxical leadership behaviours spring from an underlying paradox mindset. This mindset accepts tension between opposites, which results in flexibility under pressure and more creativity in the face of seemingly insoluble problems. Unlike classical thought about creativity, which mainly assumes the avoidance of criticism, the challenge of paradox theory is to keep shooting high, be passionate about your ideas, but also be able to criticise your own solutions. Managers with a paradox mindset are able to juxtapose different, seemingly opposing strategies.

My past **research** delves into innovation under pressure. When confronted with a structural change, employees at an Israeli R&D company had very different reactions to the upheaval – some complained but others with a paradox mindset flourished. Instead of resisting the situation, these workers accepted reality and understood that in order to succeed, all the tensions (fewer resources, changes in work styles, need for innovation) had to be addressed. By **reframing** a problem as a paradox rather than a dilemma requiring trade-offs, creativity can be encouraged, I found in earlier work.

Adopting a paradox lens shifts the focus from competitive to complementary thinking, thus allowing people to confront tension, scrutinise inherent contradictions and find creative ways in which competing demands can be met. A paradox mindset is not about harmonising conflict or finding a **middle ground**. It is also not about doing more, as this can lead to burnout. It is about being more mindful about how we use resources. By juxtaposing opposing alternatives and learning to inhabit the discomfort that often arises

from tensions, leaders with such a mindset foster **optimism** and resilience. They enable us to dream (and realise) big while the day-to-day ordinary work **continues**.

#### Takeaway for managers

Although paradox-related tensions feel like "something is wrong" and you may be tempted to get rid of the discomfort, try to assume that it is a signal that an opportunity is at hand. A paradox mindset can be **cultivated**. When you face a tension, instead of trying to prioritise with "either/or" thinking, play with your assumptions. Don't ask "Should I maintain control *or* let go of control?" Instead, ask "How could I do both?" By approaching tensions with a both/and perspective while honouring their contradictory aspects, you will become a more innovative and effective leader.

When two imperatives appear at cross-purposes, embrace both with a spirit of play and see what unfolds. How can you develop more integrative ways to address competing demands? Leaders with a paradox mindset come up with more integrative and creative solutions.

#### Find article at

https://knowledge.insead.edu/leadership-organisations/embracing-paradoxes-leadership

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