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Citation: Keller, J. & Lewis, M. W. (2016). Moving towards a geocentric, polycultural theory of organizational paradox. *Cross Cultural and Strategic Management*, 23(4), pp. 551-557. doi: 10.1108/ccsm-06-2016-0124

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Link to published version: <https://doi.org/10.1108/ccsm-06-2016-0124>

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Moving towards a geocentric, polycultural theory of organizational paradox

Introduction

Organizational paradox scholars have long drawn insights from the East (Schad, Lewis, Raisch, & Smith, 2016). Exemplars have used Eastern symbols to explain paradox theory (e.g., Chen, 2008; Smith & Lewis, 2011), Eastern cases to illustrate paradox practice (e.g., Eisenhardt & Westcott, 1988; Johnston & Selsky, 2006), and Eastern-based studies to examine paradox behavior (Keller, Loewenstein, & Yan, 2016; Leung, Miron-Spektor, Liou, & Chan, 2014; Zhang, Waldman, Han, & Li, 2015). Yet despite such attention, resulting paradox theory remains largely shaped by the Western roots of modern organizational theory. In contrast, indigenous perspectives lack such filters, enabling inquiry directly inspired by and true to Eastern philosophical sources of knowledge. (Leung, 2012; Li, Leung, Chen, & Luo, 2012)

In “Global implications of the indigenous epistemological system from the east,” Li (2016) adopts and explicates an indigenous approach to introduce *Yin-Yang balancing* (阴阳平衡) as an epistemological system for understanding and managing paradox. Three overarching components underlie this system: relativity, holism and change. Yin-Yang balancing emphasizes relativity by describing the relationship between opposite elements as partial negation (相克) and partial affirmation (相生). Such emphasis offers a subtle but valued difference from extant paradox theory (e.g., Smith & Lewis, 2011) because partial negation signifies that opposing elements are contrary instead of contradictory, while partial affirmation indicates that opposing elements are complementary instead of interrelated. As a result, rather than dichotomous (e.g., exploration vs. exploitation), elements appear relative (e.g., more exploratory vs. more exploitative); not black and white but varying gradations of gray.

Yin-Yang balancing also emphasizes the holistic and dynamic relationship between partial negation and partial affirmation. Li stresses that both the contrasting elements and their relationship comprise a greater whole. The whole is not only incomplete when one element is missing, but when either the contrary or complementary relationships between the elements are missing. Further, this whole is dynamic, changing continuously and in unpredictable ways. As a result, the relationship between partial affirmation and partial negation may change as well, always co-existing yet pulling the opposing elements in different and varying directions.

Yin-Yang balancing and paradox

Although Yin-Yang balancing differs from extant paradox theory in its emphasis on relativity, holism and change, we find more commonalities than differences in these approaches. For example, the concepts of partial affirmation and partial negation share similar features with the processes of integrating and differentiating (Andriopoulos & Lewis, 2009; Smith & Tushman, 2005). Scholars of organizational paradox theorize that individuals need to simultaneously engage in integration and differentiation because integrating uncovers synergies while differentiating respects and leverages the opposing elements. Moreover, because paradoxes are persistent and thus cannot be fully resolved (e.g., Lüscher & Lewis, 2008; Smith & Lewis, 2011; Sundaramurthy & Lewis, 2003), the need to balance integration and differentiation never dissipates. This idea aligns with the constant tug-of-war between partial affirmation and partial negation. Likewise, the dynamic relationship between partial affirmation and partial negation supplements discussions of the change-stability duality espoused in paradox literature (e.g., Farjoun, 2010; Schad et al., 2016).

Indeed, we commend Li for explicating Yin-Yang balance as its differing frame of reference complements and extends extant paradox theory. Yin-Yang balancing begins from an

indigenous Chinese perspective; while paradox theory first emerged as a response to more polarizing, either/or approaches, such as contingency theory (Lewis & Smith, 2014). In her early work, for example, Lewis (2000) stressed that contingency and other dominant organizational theories were based on the premise that the world is divided into binary categories, assuming that any idea or practice included in one category must be excluded in the other. Paradox theory challenged this premise, positioning co-existing and interwoven contradictions – or paradoxes – as pervasive and inherent in organizational systems (e.g., Lüscher & Lewis, 2008; Smith & Tushman, 2005). As a result, much early studies of organizational paradox focused on how to move beyond trade-offs toward acceptance and management of paradox. As Schad and colleagues elaborated in their review, paradox theorists challenged the Hegelian premise that opposites were temporary and could be unified, resolved or ignored. Therefore, while starting from a different frame of reference, paradox theory has expanded increasingly and serendipitously in a direction that reflects and seeks greater insights from the East.

This expansion underscores the importance of incorporating Yin-Yang balance theory and other indigenous theories into extant paradox theory. Indigenous theories do not only provide alternative views on how to theorize, but provocation for scholars to engage in metacognitive reflection. They surface taken-for-granted assumptions and spark new questions about the extent to which our theories are products of our cultures. Yin-Yang balancing, in particular, challenges our assumptions by placing holism and change at the forefront of paradox discussions. This focus is deeply rooted in Taoist philosophy and underscores the major contrast between Ancient Chinese and Ancient Greek scholarship and their subsequent impacts on scholarship. Taoist philosophy begins with the premise that non-being and non-action are not indicators of the absence of being and action but instead are fundamental aspects of being and

action (Chan, 2015). This premise has no parallel in Greek philosophy, and considerable implications on how we approach paradox. In particular, it allows us to reflect on how we would theorize paradox differently if we began our journey from a different starting point. What if we began with the premise that there are no absolute, binary opposites and hence there are no contradictions? What if we began with the premise that the relationships between opposites always changed yet always remain?

Yin-Yang balancing as normative theory, meta-theory or lay theory?

While Li offers a provocative way of thinking about paradox, we believe that Yin-Yang balancing provides more of a first step in questioning our theories than a last step in answering how to theorize. In particular, while we recognize that Li and his elaboration of Yin-Yang balancing suggest the need to provide a unified perspective on paradox, we suggest a need to balance unification with dissection. In other words, we believe that focusing on pieces of the theory will help make the theory whole. The first form of dissection required is a distinction between the use of Yin-Yang balancing as a normative theory, a meta-theory and a lay theory. Normative theories posit the best way to act; meta-theories guide understandings of how to study the way people and other entities act; and lay theories reflect individuals' personal theories on how to act. We believe that Yin-Yang balancing theory can apply to all three, yet each requires their own attention.

By introducing a “duality map” – an adaptation the “polarity map” developed and applied extensively by Johnson (e.g., 1992) – as a mental representation for managing paradox, Li positions Yin-Yang balancing as a normative theory. While the duality map illustrates the importance of relativity in managing paradox, its effectiveness as a tool requires further inquiry into *how* the tool can be used and *what* are the underlying effects of the tool on decision-making.

Previous studies on cognitive mapping find that mental representations can be effective tools in decision-making (e.g., Bleichrodt, Pinto, & Wakker, 2001; Hodgkinson, Bown, Maule, Glaister, & Pearman, 1999; Hodgkinson, Maule, & Bown, 2004). The duality map, captures the gray areas between opposites. However, it is still a static representation, and thus may not uncover the complexities of dynamic relations between opposing elements that managers face. Moreover, their effectiveness may depend on whether the manager has a general tendency to use linear logic, Hegelian dialectical logic, or other logics in their decision-making. Future research can thus examine alternative mental representations to the “duality map” that capture the more dynamic aspects of Yin-Yang balancing.

We believe that another promising application of Yin-Yang balancing is in the area of meta-theory. Paradox theory has emerged as a meta-theory to guide theorizing in multiple areas of organizational research, ranging from corporate governance to leadership (Lewis & Smith, 2014; Schad et al., 2016). A meta-theory offers general principles and provides a bridge between specific theories. For example, paradox as a meta-theory offers a contrast to contingency theory by demonstrating that contexts do not only alter the relationships between constructs, but surface paradoxical tensions between constructs. Paradox as a meta-theory can build on the concept of Yin-Yang balancing by shifting discussions of binary contrasts to inquiries into relative contrariness and complementarity and how the relationship forms an overarching construct.

Finally, an important tenet of paradox theory is its connection to practice (Jarzabkowski, Lê, & Van de Ven, 2013; Jay, 2013). Given the Eastern cultural origin of the concept, Yin-Yang is more likely to be used in practice in the East than in the West. How it is used in practice, however, is an empirical question that requires further exploration. Empirical studies have found cross-cultural differences between the US and China in the way people think about and respond

to opposing elements. For example, Keller and Loewenstein (2011) found that Chinese were more likely than Americans to categorize competitive behaviors as cooperative, and Keller and colleagues (2016) found that Chinese were more likely than Americans to simultaneously cooperate and compete. Zhang and colleagues (2015) also found that Chinese leaders were likely to benefit from simultaneously engaging in contrary leadership behaviors. While these empirical studies provide initial evidence of an influence of Taoist philosophy on organizational practice, less is known about the extent to which Yin-Yang balancing, in particular, permeates lay people's own thinking. Individuals have their own explicit and implicit "lay theories" about how the world operates, which serve as guides in practice (Chiu, Hong, & Dweck, 1997; Dweck, Chiu, & Hong, 1995). Inquiring about how Yin-Yang balancing influences lay theories will be critical in understanding how its potential impact on practice. Examining lay theories empirically, however, is challenging. In particular, researchers must leverage the richness of qualitative insights with the generalizability of quantitative insights. While the former provides greater depth in understanding how indigenous theory influences lay theory, the latter provides greater breadth, insights into the extent to which indigenous theory permeates lay theories across society.

Geocentrism and Polyculturalism

To connect indigenous theories to practice, future studies must further address heterogeneity. Japan is not Korea and Korea is not China. Moreover, variance within each society can be even more pronounced than variance between societies (Au, 1999). As Morris and colleagues (2015) explained, too much focus on differences between societies poses a risk that the scholar is engaging in "sophisticated stereotyping". To be truly geocentric, we must also be polycultural. This entails heightened attention to the diversity of ideas that both scholars and lay people hold.

The inclusion of Yin-Yang balancing as a theory already has moved us towards polyculturalism by demonstrating that cultural differences are not limited to varied cultural values. Yin-Yang balancing recognizes that Ancient Chinese philosophy, in particular, was not one school (i.e., Confucian), but “a hundred” schools (Feng & Bodde, 1983). Incorporating ideas from Taoist scholars helps us move beyond discussions of Confucianism and hence shift discussions of culture from the role of cultural values to the role of cultural reasoning (Peng, Spencer-Rodgers, & Zhong, 2006). This shift is particularly important for paradox theory, as cognition is a central feature (e.g., Miron-Spektor, Gino, & Argote, 2011; Smith & Lewis, 2011; Smith & Tushman, 2005).

Going forward, however, may require a more expansive approach to examining Eastern philosophy and culture. One necessary step is further inquiry into the interplay between different Eastern philosophies. For example, Leung and colleagues (2016) found that Middle-way thinking (based on Confucian philosophy) undermines the positive effects of paradoxical framing on creativity in Taiwan. One possible explanation is that while Taoist philosophy emphasizes a dynamic view of contrary and complementary relationships, Confucian philosophy may emphasize a simple “split down the middle” approach to managing paradox. Therefore, rather than studying Yin-Yang balancing in isolation from other indigenous Chinese theories, future research can examine how theories interact. Another valued area of inquiry is the intersection of Eastern and Western philosophy. For example, Chen Duxiu, Hu Shi and other members of the May Fourth movement of 1919 took an iconoclastic approach to ancient Chinese philosophy by arguing that modernization required the removal of traditional thinking (Schwarcz, 1986). This discourse may illuminate ideas about how Yin-Yang balancing impacts innovation and entrepreneurship in both positive and negative ways. Similarly, Martin Buber’s translation of

Zhuangzi was influential in Buber's and Heidegger's interpretation of modern technology (Nelson, 2014). The translation of Chinese scholarship through Western lenses may illuminate ideas about how indigenous theories such as Yin-Yang balancing translates across cultures and contexts (Ocasio, Loewenstein, & Nigam, 2015; Zilber, 2006).

In sum, Li (2016) provides an important step in the journey towards a more geocentric and polycultural theory of paradox. It advances our understanding of paradox by introducing Yin-Yang balancing as an epistemological system. At a more meta-level, it provides an example of how to incorporate indigenous theories into modern paradox theory. Through further dissection and incorporation of pluralistic views of Eastern and Western culture, we envision and encourage future inquiry, moving us even further.

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