A Paradoxical Approach to Hybridity: Integrating Dynamic Equilibrium and Disequilibrium Perspectives

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Abstract

Scholars increasingly depict hybridity as pervasive across organizations. We offer insight about how paradox theory informs and expands this approach to hybridity. To do so, we do a deeper dive into paradox theory, comparing and contrasting a dynamic equilibrium approach with a permanent dialectics approach. Integrating these two approaches offers paradox theory insights that can enrich and expand hybridity scholarship. We offer suggestions for how paradox theory can help develop a future research agenda for organizational hybridity.

Keywords: paradox, dialectics, both-and, dynamic equilibrium, dynamic disequilibrium

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INTRODUCTION

Organizational hybridity involves the combination of logics, identities or forms that would not conventionally go together (Battilana, Besharov & Mitzinneck, 2017). Traditional hybridity literature emphasizes the contradictions and inconsistencies between alternative options (Battilana & Dorado 2010; Pache & Santos, 2013). However, more recent scholars describe underlying logics, identities and forms as paradoxical – elements that are both contradictory and interdependent (Cunha, Bednarek & Smith, 2019; Smith & Lewis, 2011). Scholars increasingly conceptualize hybridity through the lens of paradox, which extends our understanding of tensions at the organizational level (Jay, 2013; Ashforth & Reingen, 2018), the individual level (Smets et al. 2015), and the leadership level (Smith & Besharov, 2019; Besharov; 2014). In particular, these scholars depict the more complex, interwoven relationship between alternative identities, forms and logics, while also noting the morphing and changing of the tensions over time (Gümüşay, Smets & Morris, 2019).

While the notion of paradox already adds rich insights into the hybridity literature, we encourage scholars to explore an even more nuanced understanding of hybridity. To do so, we start by doing a deeper dive into the theory of paradox. We draw on our own backgrounds as scholars and authors to compare two approaches to paradox, 1) permanent dialectics that stress disequilibrium (see Cunha, Clegg and Cunha, 2002; Clegg, Cunha, Cunha, 2002; Clegg & Cunha, 2017) and 2) dynamic equilibrium (see Smith & Lewis, 2011; Smith, 2014). Comparing and contrasting these approaches surfaces similarities and differences that together offer a
richer approach to paradox theory. We then explore how this integrative approach to paradox informs and extends our understanding of hybridity.

THE PARADOXICAL NATURE OF HYBRIDITY

Scholars have long recognized that organizations embed multiple institutional arrangements with conflicting or contradictory prescriptions for actions. In early institutional work, academics such as Selznick (1949), March and Simon (1958) and Meyer and Rowan (1977) described the vast and often conflicting demands in the environment and how they manifest internally within an organization. Similarly, in their book *Organization and the Environment*, Lawrence and Lorsch (1967) identify the distinct pressures, rules, and expectations inherent in different organizational functions such as R&D, finance, etc., which served as a foundation for contingency theory, and the differential approaches needed to manage distinct subunits contingent upon their varied institutional pressures.

Starting in the 1980’s, scholars used the term hybridity to explore these multiple, conflicting demands. Battilana and Lee (2014) and Battilana, Besharov and Mitzinneck (2017) review several decades of research, categorizing scholarship of hybrid identity (Albert & Whetten, 1985), hybrid organizational forms (Podolny & Page, 1998; Williamson, 1975), and hybrid rationales or logics (Friedland & Alford, 1991; Thornton, Ocasio & Lounsbury, 2012). While these categories imply a broad use of the term hybridity, these reviews actually suggest a narrowing of the field. Whereas early organizational scholarship describes competing demands as pervasive and inherent within all organizations, hybridity scholars depict a more circumscribed, unique phenomena applying to a limiting group of organizations. Moreover, hybridity sometimes draws on metaphors from evolutionary biology, referring to the mixing of
biological species in one organism that leads to a novel species or that dies due to the inability to adapt to the surrounding environment. As with in evolutilonal biology, hybridity scholars have traditionally described these organizations that mix different identities, forms and logics.

More recently, scholars started to question this assumption of uniqueness and instability, and instead began observing a more pervasive experience of multiple demands in organizations that resonates with the early theorists. For example, in their review article, Battilana, Besharov and Mitzinneck (2017) ask whether hybridity is a distinct organizational form or rather a matter of degree within organizations. They note the increased environmental pressures that drive the need for organizations to span categories, legal structures, and forms, and suggest that this pressure will only increase over time. As a result, they argue that, “Conceptualizing hybridity as a matter of degree, rather than as a distinct type not only better reflects the empirical reality of many organizations; it also provides an opportunity for research on hybridity to provide insights into the challenges, opportunities, and management strategies that are relevant for a broader set of organizations” (pp. 152-153). Besharov and Smith (2014) offered a model to conceptualize the degree of hybridity in organizations, describing competing demands by the level of compatibility with one another as well as their collective degree of centrality to the organization’s functioning. The challenges and opportunities of hybridity surface with greater intensity in organizations with multiple demands that are highly incompatible, yet both central for functioning.

As scholars expanded the purview of hybridity, they turned to paradox theory to help illuminate the nature of competing demands (e.g. Ashforth & Reingen, 2014; Jay, 2013; Smets, et.al. 2015; Smith & Besharov, 2019). Paradoxes are dual elements that are contradictory, yet
also interdependent. These elements may seem logical in isolation, but absurd juxtaposed with one another (Lewis, 2000). Examples of paradoxes within organizations include exploring and exploiting (Andriopoulos & Lewis, 2009), competing and cooperating (Brandenburger & Nalebuff, 1996) or shareholder demands and stakeholder needs (Freeman, 1984). Paradox scholars describe these tensions as part of the core experience of organizing and organizational life (Clegg, Cunha & Cunha; 2002). While they may be challenging to navigate, these scholars suggest that doing so can lead to long-term sustainability (Smith & Lewis, 2011).

**MULTIPLE APPROACHES TO PARADOX THEORY**

Before exploring the potential linkages between paradox theory and hybridity, we first do a deeper dive into paradox theory. To do so, we draw on our own backgrounds articulating different, yet complementary approaches to understanding paradoxes in organizations. In this section, we compare and contrast these two approaches, which we describe as a dynamic equilibrium approach (Smith & Lewis, 2011; Lewis, 2000; Smith, 2014) and a permanent dialectic approach (Clegg et al., 2002). We highlight their similarities and their differences, and use this comparison to articulate a more robust approach to organizational paradoxes. Table 1 highlights these distinctions.

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*Dynamic equilibrium*

A dynamic equilibrium approach describes a theory of paradox that draws on three core assumptions; 1) paradoxes are inherent and persistent features of organizational life made salient through environmental conditions and social construction; 2) the instantiations of
paradoxes dynamically morph over time fueling either vicious or virtuous cycles; 3) individual agency can impact the trajectory of the cycle (see Smith & Lewis, 2011). This perspective draws upon insights from both ancient Western and Eastern philosophy. Ancient Greek thinkers articulated a perspective of paradox as dual elements that pervasively, yet absurdly, remained locked in ongoing relationship. A classic example is the famous Cretian paradox or Liar’s paradox, most succinctly articulated in the phrase, “I am lying”. This phrase involves an ongoing and inescapable loop between truth and falsehood. This theory also draws on ancient Eastern philosophies such as Taoism, that similarly articulate the ongoing interlock between opposing forces, as best depicted in the yin-yang symbol (see Lewis, 2000; Schad, 2017).

Sources of tensions. Drawing on these rich historic philosophies, a dynamic equilibrium approach suggests that paradoxes are both inherent elements of organization life, as well as socially constructed features surfaced through our own refracted lenses. As Ford and Backoff (1988) articulate, the creation of organizations depends on claiming boundaries both between the organization and its environment, as well as within the organization. These boundaries surface distinctions and articulate divergent goals, strategies, stakeholders, processes, etc. Embedded within these distinctions are the roots of opposition and integration. Examples include performing tensions, in which distinct groups such as customers, employees, and shareholders vie for divergent, contradictory outcomes, which are all necessary for success (see Freeman, 1984; Gittel, 2004). Similarly, organizations face tensions between outcomes defined by agency – actions informed by individual assertion; and structure – actions informed by formal processes and rules. Agency and structure critically inform one another (Poole & Van de Ven, 1989; Giddens, 1984).
Smith and Lewis (2011) argue that these inherent tensions can be latent within organizational life, to become salient in environmental conditions defined by pluralism – as more divergent perspectives surface paradoxical tensions, scarcity – as fewer resources surface greater conflict between alternative demands, and change – as faster pace of change emphasizes the distinction between today and tomorrow or stability and change. For example, under conditions of resource scarcity due to the global financial crisis, the efficiency side was “visibilized” (Tuckermann, 2018) in sectors such as education and healthcare, rendering the tension clearer than before the crisis and exposing the need for reform (Cunha & Tsoukas, 2018). In addition, the mindsets and social construction of organizational actors can make these tensions more salient (Knight & Paroutis, 2017). These salient tensions often surface in the form of specific dilemmas that call for immediate responses. For example, Smith (2014) studied how top management teams of strategic business units in a high-tech firm navigated both exploration and exploitation, and found that the tensions between exploring and exploiting surfaced as dilemmas such as whether to spend more scarce R&D resources on updating products for existing customers or advancing innovation.

Paradoxes further become salient when individuals draw upon their own frames and mindsets to better articulate and highlight underlying tensions. For example, Lüscher and Lewis (2008) note how paradoxical tensions between the past and the present confront decision-makers at the time of a change initiative at Lego. Similarly, Vince and Broussine (1996) highlight how changes in the UK health system created significant shifts in health care organizations, which fostered ongoing emotional tensions for health care providers between the past and the present.
Processes. A dynamic equilibrium model emphasizes an ongoing, cyclical pattern unfolding over time. Alternative poles remain locked in ongoing relationships, fostering conflict and resulting in either vicious cycles or virtuous cycles (see Tsoukas and Cunha, 2017). Even as these poles surface new and novel tensions, the core paradoxes (explore/exploit; today/tomorrow; self/other; etc.) persist over time. Smith and Lewis (2011) suggest that the distinction between detrimental or beneficial cycles depends in large part on the managerial responses to paradoxical demands. Insights from psychology and psychoanalysis highlight the deep cognitive and emotional resistances to embracing paradoxes (see Lewis, 2000; Smith & Berg, 1988; Vince & Broussine, 1996), emphasizing the human desire to drive toward clarity, consistency, and stability, whereas paradox surfaces ambiguity, inconsistency, and dynamism. One way to resist paradoxical tensions is to adopt an either/or strategy, splitting alternative poles and choosing between the different alternatives (see Poole and Van de Ven, 1995). Such explicit choice may alleviate conflict and uncertainty for a short period of time, but the tensions will resurface and lead to a downward vicious cycle. Alternatively, managerial approaches that accept and embrace the competing demands can fuel approaches to address both alternatives simultaneously, which triggers positive virtuous cycles (Sundaramurthy & Lewis, 2003) as they engage feedback mechanisms that facilitate balance rather than the progressive sliding in the direction of one of the elements in tension. Instead of over-centralizing, managers may decide to centralize some elements to decentralize others, for example through the adoption of simple rules (Eisenhardt & Sull, 2001).

These alternative cycles depend on processes for differentiating and integrating. Andriopoulous and Lewis (2009) find that a product design firm faced ongoing tensions between
exploring more novel, unique designs and exploiting more existing and useful approaches. To accommodate these paradoxical demands, they employed organizational strategies to both differentiate between alternative options to surface their distinct contributions, while also integrate between them. Similarly, Smith (2014) found that enabling virtuous cycles depended on both differentiating and integrating. Differentiating without integrating led to ongoing detrimental conflict between opposing groups. Integrating without differentiating resulted in false synergies, which emphasized either exploration or exploitation but with the assumption that the organization was doing both.

**Impact.** Dynamic equilibrium implies an ongoing relationship between competing demands. The long-term stability and sustainability of the organization depends on frequently, shifting oscillations between each of the competing demands and/or an integrative synthesis between both demands, and addressing this ongoing process over time. Organization theories are often static and characterized by “rudimentary attention to time and time-related issues” (Roe, Clegg & Waller, 2009, p.1) excluding time from organizational analysis. In contrast, a dynamic equilibrium model depicts organizational action and change as time-sensitive and time-formed. Time is critical to understand organizational sustainability as success can be difficult to prolong, due to the fact that organizations often express a propensity to repeat tried-and-tested solutions (Miller, 1993). Dynamism over time may be more critical to engaging competing demands than long-term performance, considered as episodic: current performance may be an obstacle to future performance. Sustaining performance dynamically over time, therefore, is more than achieving sequences of momentary successes, because of intertemporal effects and chains of events.
This dynamic equilibrium results in an organization living in dynamic balancing, rather than a specific and static balance (Smith, 2014). Tightrope walking offers a metaphor for this kind of dynamic balancing process. The walker moves forward by focusing on a point off in the distance and then making slight, constant shifts between left and right. Every once in a while the walker might hit a moment of complete balance between left and right, but that balance is fleeting. Instead, the walker moves forward by constantly balancing - oscillating between left and right. The walker however will fall over if leaning too far and too long toward one side or the other. Smith and Lewis (2011) suggest that over time, this ability to navigate the nuanced tensions between competing demands can lead to long-term sustainability. Digital Divide Data (DDD) offers one example (see Smith & Besharov, 2019). As a social enterprise, DDD sought to advance a social mission through a business purpose. While most social enterprises failed due to the inability to address these competing demands simultaneously (see Pache & Santos, 2013; Battilana & Dorado, 2010), Smith and Besharov find that DDD’s success depends on their ability to flexibly shift between a focus on the social mission and one on the business. This flexible shifting was aided by the leaders’ collective mindsets toward engaging paradoxical demands, and their ability to create guardrails – or structured boundaries to prevent their decision making from shifting too far from one side or the other. Anecdotal evidence in iconic organizations such as Southwest Airlines with its emphasis on high quality and low cost (Gittell, 2005), and Toyota’s synthesis of standardization and improvement (Takeuchi, Osono & Shimizu, 2008) supports this contention.
Permanent dialectics/Disequilibrium

Permanent dialectics further explores the relationship between contradictory, yet interdependent demands (see Clegg, Cunha & Cunha, 2002; Cunha, Clegg & Cunha, 2002). Similar to a dynamic equilibrium approach, permanent dialectics further assumes that oppositional tensions are inherent and irredeemable facets of organizational life, that they dynamically shift and morph over time, and that managers should heed rather than ignore these tensions as well as the challenges involved in their management. A core distinction however focuses on the emphasis on dynamism and change, as well as the role of power and conflict to inform ongoing changes (Clegg & Cunha, 2017). This perspective draws heavily on roots of dialectical thinking that emerge from Socrates and other Greek philosophers, and Hegel, which assumes an ongoing progression in which an element surfaces its opposite and together they create a new synergy, that again surfaces its opposition. This process of thesis – antithesis-synthesis, evident in the political writings of Marx and Engels, is translated in an approach for organizational theorists by scholars such as Benson (1973; 1977) who emphasized the role of conflict in the evolution of social systems.

Source of tensions. Drawing on these roots of dialectical thought, a permanent dialectics model emphasizes a strong processual approach of ongoing change. As with a dynamic equilibrium approach, scholars depict tensions as inherent to organizations. Yet these tensions morph over time, shifting the underlying nature of the core poles. Conflict, or its possibility, incessantly engages social forces in tension, these forces being difficult to contain because of process continuity: organizations are constantly shifting phenomena. By putting process at the center, poles, in this perspective, do not exist as such. They are categorizations of processes,
fixations of organizational becoming that, due to their very invisibility, will necessarily, at points, accumulate too much energy. This energy is only observable once it becomes intense to the point of putting the system under pressure. As an illustration, the pole of excessive stability in the stability-change duality (Farjoun, 2010), does not appear per se. Its presence becomes conspicuous when proxies reveal it: inertia, customer complaints, relative incapacity to innovate, excessive protection of the status quo, and so on. When these signals manifest, it can simply be too late to reverse the trend, which means that the dialectical view explains that some conflicts are revelatory of a system’s health rather than of its debility. The presence of conflict is more positive than its absence, as absence may mean suppression rather than harmony as in the case of groupthink. Conflict may be read as meaning polyphony (Kornberger, Clegg, & Carter, 2006; Gümüşay, Smets and Morris; 2019) and trust (Edmondson, 2018), rather than dysfunction.

As Farjoun (2019) points out, the dialectical “stock in trade” involves ideas that point in the direction of un-balancing, such as contradiction, process, disequilibria, disruption and opposition. It is assumed, in other words, that conflict is a powerful change engine (Van de Ven & Poole, 1995) and that organizations do not necessarily change because of agreement around goals and synergistic efforts, but because the interplay between different organizational constituencies produces never-ending tension that counters inertia and ossification (Stacey, 1991). Different organizational groups have plural interests and these interests are inevitable sources of opposition. If Smith and Lewis (2011) focus on managing dynamically to enable equilibrium, Clegg, Cunha and Cunha (2002) focus on more descriptively articulating the dynamics of conflict, power and change that fuel disequilibrium or permanent dialectics.
Processes. Clegg, Cunha and Cunha (2002) emphasize the role of conflict in organizational life. Conflict is not negative or positive in and of itself but rather an expression of divergent interests between plural organizational participants. In a paradoxical view, peaceful coexistence of poles is not necessarily the goal of paradox management and therefore it has to be accepted that “the opposites-in-unity may produce more endogenous trade-off than synergy” (Luo & Zheng, 2016, p.390). Conflict can be used productively, as defended by Follett (see Graham, 1996), but it can also be devastating. For conflict to be used productively, oppositions have to be put in a state of articulation. Dialogue and reframing are crucial to transcend sectional views and to turn paradox into a positive generative force (Jay & Grant, 2017), but paradox cannot be controlled or contained. It has explosive potential: if every force produces its own nemesis, attempts to control paradox may make paradox uncontrollable. This is expressed for example in political debate: democracy can be viewed as the institutionalization of positive conflict whereas political polarization will make dialogue more complicated and less productive.

Paradox can thus be positive but the engine of paradox in a permanent dialectical view is conflicting tension rather than the search for some viable compromise. Paradox disequilibrates and conflict may arise for several reasons. First, conflict may result from the existence of contradiction and competing demands. Organizations confront people with choices and dilemmas whose full implications are difficult to grasp. Because these may be hard to frame and to tackle, people may simply fail for recognize the paradoxes they are facing. Second, these competing demands are themselves dynamic. Poles (e.g., stability, change) may express different levels of intensity over time, as the system unfolds and strives for organization. Third,
conflicts arise because tensions are knotted with other tensions (Sheep, Fairhurst & Khazanchi, 2017). As actors strive to reach balance in one polar extreme, they may be unbalancing its opposite polar referential. As a result, polarities and paradoxes may be dormant for periods of time until they manifest again (Tuckermann, 2018). This makes balance even more complicated. For example, an excess of stability will possible require a major change at some point but even while recognizing the need for change, the lack of experience can diminish its effectiveness.

**Impact.** The ongoing expectations of changes in a permanent dialectic approach results in a state of disequilibrium. Fairhurst and Sheep (2019) articulated this distinction between equilibrium and disequilibrium as, “In dynamic equilibrium, we can account for a mechanism by which opposite poles of a paradoxical tension can be managed indefinitely without necessary resolution. In disequilibrium, we can account not only for the persistence and non-resolution of the tension, but also the question of ‘how much?’ of one pole vis-à-vis the other” (Fairhurst & Sheep, 2019, p.5). In this perspective, equilibrium is “only momentary and fleeting, at best” (Kreiner et al., 2015, p. 994 italics in the original). Disequilibrium is emphasized here given the adoption of a political theoretical lens: organizations are viewed as composed by groups with divergent interests that can be ultimately hard to reconcile. These opposite interests engage different organizational groups in political antagonism that may pull the organization into divergent directions. Because of this, paradox is unstable and perilous and always perching over disequilibrium. Some groups may even prefer disequilibrium over dynamic equilibrium and synergy because it best satisfies their interests – at least in the short run.
Both/And-ing a Dynamic Equilibrium/Disequilibrium Approach

The dynamic equilibrium and permanent dialectics approaches start from a similar understanding of the nature of paradox. Both perspectives depict paradox as contradictory and interdependent poles that exist in ongoing, persistent relationships. For example, organizations face ongoing tensions between exploration and exploitation (March, 1991) and the search for both stability and change (Farjoun, 2002). Such persistence means that the underlying tensions cannot be solved. As Clegg, Cunha and Cunha (2002) warn, “There is neither an eventual time nor a future space where paradoxical demands will go or be willed away... It is undesirable to attempt to dissolve paradoxes for practical reasons” (pp. 492-493). Similarly Smith and Lewis (2011) argue that approaches to try to solve paradoxes through an either/or choice between options will fuel its opposite pole and launch detrimental vicious cycles. Moreover, the solution to find a stable, integrative synthesis can further backfire when the underlying competing demands persist over time. There are moments when in the context of competing demands, thesis does not exist despite its antithesis, but because of it, with each pole in the dialectics implying the presence of the other to sustain its own presence. (Clegg et al., 2002).

As a result of this persistent nature, both perspectives adopt a longitudinal approach to explore how these poles expand, change and morph over time. Smith and Lewis (2011) depict the competing demands of paradox as engaged in ongoing cycles, whether vicious or virtuous, while Clegg, Cunha and Cunha (2002) offer an even stronger processual approach, exploring whether there remains any stable poles and instead emphasize the processes of conflict and power that inform ongoing dynamics.
Moreover, these two perspectives both suggest that in response to paradoxical tensions, either-or approaches that emphasize splitting competing demands and choosing between them will favor unilateralism and ignore interdependence (Deye & Fairhurst, 2018), limiting the capacity for synthesis through dialogue. The two perspectives however differ in their emphasis on poles or process, which are associated with several key implications. A dynamic equilibrium perspective stresses the permanence of alternative poles. As Smith and Lewis (2011) argue, while the instantiation of distinct paradoxical tensions might morph and shift, the underlying tensions persist. Organizations will always face ongoing tensions such as those between exploring and exploiting, self and other, individuality and collectivism, etc. In contrast, Clegg, Cunha and Cunha (2002) focus on the processes of conflict and power that create ongoing change and lead to the shifting of the poles over time. An extreme emphasis on these processes might ultimately obliterate the actual pole. For example, exploration and exploitation may be states that are never reached but always in the process of ongoing morphing in relation to one another. As such, a dynamic equilibrium model accentuates the potential for ongoing oscillation whereas a permanent dialectic model underlines the potential for imbalance and transformation.

The two models further differ in the role of agency. The first emphasizes prescriptive possibilities informed by individual cognition and agency, whereas the latter emphasizes explanatory insights from unpacking the absurdity of paradox (Berti & Simpson, 2020). As a result, the dynamic equilibrium model explores the role of agency, identifying a managerial approach for navigating the cycles of tensions and enabling more positive virtuous cycles rather than negative vicious ones. In contrast, a permanent dialectics model provides a more
descriptive approach, noting the inherent ways in which opposing poles tumble toward and against one another in ongoing processual dynamics. Individual agency becomes enmeshed in the processual dynamic, not as actors to inform the process, but rather as part of it, where communication patterns, defensive responses, and emotional reactions all co-create part of the conflictual, influential patterns.

While distinct in their approaches, the value of comparing these perspectives lives in the potential for integration. First, taken together, these two perspectives highlight the more complex relationship between equilibrium and disequilibrium. Equilibrium implies disequilibrium or, as Wheatley (1999, p. 7) pointed out, “growth appears from disequilibrium”. The relationship between order and disorder is thus complex and paradoxical: order is not the absence of disorder but the result of a tension between convergence and divergence (Stacey, 1991). In this perspective, disequilibrium may be a denominator of equilibrium, an amount of disequilibrium being crucial for keeping an organizational system viable (Fairhurst & Sheep, 2019). As Freeman et al. (2018, p.13) have pointed out, “friction can be beneficial”. Frictionless organizing is inviable, because of plurality and conflicting goals.

Moreover, disequilibrium enables the potential for equilibrium. Disequilibrium creates a drive toward more resilient and elastic systems, which foster ongoing shifts and changes and lead to the potential for dynamic equilibrium. As the example of tightrope walking suggests, it is the subtle moves toward imbalance that provoke and encourage the course correction to lead toward balance. While a perfect balance may never be achieved, striving to do so may be valuable. A measure of disequilibrium therefore may be necessary for systems to maintain their integrity and dynamism. Sustainability reflects the fruitful tension between the ongoing
searching toward an impossible state of equilibrium and the active embrace of disequilibrium (conflicts, tensions, errors, temporary failures), even if its manifestation is necessarily painful.

Dynamic balancing may be achieved via the acceptance that disequilibrium and equilibrium are mutually-constituting dimensions of the paradox process. An excess of emphasis in one of the forces will diminish the explanatory power of paradox theorizing. Scholars may thus consider how paradox contributes to increase but also to jeopardize the sustainability of organizations. For example, by embracing dilemmas (that need to be tackled via either-or approaches) as paradoxes (that can be approached via both-and thinking), organizations may assume impossible goals. VW’s decision to build a car that was efficient and clean turned an either-or situation into a both-and choice that was not technically viable (Ewing, 2017).

Taken together, these perspectives highlight a theory of paradox that 1) describes competing demands as both contradictory and interdependent; 2) highlights the inherent nature of competing demands; and 3) stresses the dynamic, longitudinal and processual approaches to addressing these tensions as they morph through the ongoing experiences of disequilibrium toward an illusive and unreachable equilibrium, and 4) encourages both the exploration of the poles of competing demands and the investigation into the processes that impact and inform the ongoing relationship between those poles.

EXPLORING HYBRIDITY THROUGH THE LENS OF PARADOX

Our more in-depth and integrative articulation of paradox theory can inform our understanding of hybridity. Table 2 explains how a paradox perspective can deepen our understanding of hybridity.
As reflected in the table, paradox offers one among multiple theoretical lenses for studying the phenomenon of hybridity. Seen in this way, a paradox lens attunes scholars to particular aspects of hybridity that other lenses might miss.

First, it focuses us on the interdependence, not just contradiction between elements. Hybridity scholars traditionally emphasize the contradictory and competing nature of dual elements. As we noted, scholars have converged around a definition of hybridity that involves “the mixing of core organizational elements that would conventionally not go together” (Battilana, Besharov & Mitzinneck, 2017, p. 138; emphasis ours). This definition highlights the oppositional and conflicting nature of competing demands. For example, Glynn’s (2000) research on the Atlanta Symphony Orchestra describes how the musicians seek to advance their musical quality and novelty, which often leads to distinct and conflicting expectations from the administrators who seek financial stability. In their research on a microfinance organization, Battilana and Dorado (2010) describe the conflicting demands between banking logics that stress the profitability of a loan and its impact on the institution and a development logic that emphasizes the impact of the loan on the recipient. In contrast, paradox theory describes these dual elements as both contradictory and interdependent. Using the yin-yang as an image, paradox theory highlights how the white sliver and black sliver are contradictory in that they are bounded from one another and oppositional in their shade. However, they are also interdependent in that the boundaries between these two elements define on another,
they fit together with one another to create an integrated whole, and finally that the opposite
dots located in the alternative slivers suggest the seeds of its opposites within each element.

Second, paradox articulates the potential for tensions to be persistent not just temporary, inviting hybridity scholars to explore the sources and permanence of tensions. By highlighting the contradictory nature of competing demands, scholars describe the state of hybridity as temporary, unique and ultimately unstable. On the positive end, hybridity can fuel novel, integrative forms that allow for long-term sustainability, but with synergistic options that eradicate the underlying tensions. For example, Bodrožić and Adler (2018) articulate a model at the most macro societal level of different waves of overall management models informed by new technologies and environments which highlight the dysfunctions of an existing model, challenge that model, and then morph with that model to introduce something new. New organizations then starts to form that embrace this new, and integrative model, assumedly leaving behind the conflicts between the old model and new realities that provoked with novel and integrative models. Alternatively, hybridity scholars suggest that competing demands foster ongoing, detrimental conflict within organizations, that either leads to a state of intractable conflict that diminishes the progress and possibility of the organization or ultimately leads to organizational failure (Fiol, O’Connor & Pratt, 2009). For example, Tracey, Phillips and Jarvis (2011) describe how a protracted tension between mission and markets in a UK social enterprise called Aspire ultimately resulted in ongoing conflict and organizational demise. In contrast, paradox scholars assume that tensions reflect an ongoing and persistent state in organizations that can never be solved (see Clegg, et.al. 2002; Schad et. al., 2016; Benson, 1977). For example, conflicts were nurtured (rather than “solved” or suppressed) in order to
maintain a vital tension between competing logics at the food cooperative studied by Ashforth and Reingen (2014).

Third, paradox highlights the value of managing tensions through long-term approaches that emphasize navigating change not just via short-term approaches for solving problems but by nurturing their positive potential. By noting the inherent and persistent nature of competing demands, paradox scholars emphasize the dynamic nature of these tensions, and invite a longitudinal approach to studying them. Early hybridity scholarship adopted a more static stance, either exploring a snapshot approach to addressing a single issue (i.e. Glynn, 2000), identifying antecedents toward a more stable organizational form (Battilana, Sengul, Pache & Metin, 2014), or highlighting a cross-sectional comparison of varied approaches to hybridity (i.e. Pratt & Foreman, 2000). These approaches discern more or less effective strategies to solve the underlying tensions. For example, Glynn (2000) suggests that while the musicians and administrators found a temporary solution to the salary dispute, the distrust and animosity between musicians and administrators persisted. However, more recent hybridity scholarship has adopted a paradoxical approach to exploring the dynamic of how the nature of hybridity can morph and shift over time, recognizing the unsolvable nature of these tensions. This approach both gives permanence to the opposing poles, as well as emphasizing the nature of the processes that shift these poles. For example, Gümüşay, Smets and Morris (2019) emphasize the changes in the relationship between the banking and the religious logics over time in the creation of the Islamic bank. They point to practices for polysemy – the use of symbols, concepts, words and images that can sustain and provoke multiple meanings, as well as practices for polyphony – the individual’s use of time, space, and language to be able to
separate and integrate elements. Similarly, Jay (2013) highlights these ongoing processual approaches by seeking to explicate processes by which the Cambridge Energy Alliance was able to ‘navigate tensions’ between the social mission for improved environmental impact along with the financial demand of being profitable. He suggested that these practices involved ongoing sensemaking among the senior leaders to rethink their understanding and meanings associated with the social mission and with the financial mission.

Finally, as a permanent dialectics approach suggests, paradox theory offers one perspective in which any stable poles dissolve through ongoing dynamic conflictual clashes (Clegg, Cunha & Cunha, 2002). This perspective challenges hybridity scholars to consider alternative poles as continually morphing, rather than expressing stable properties. Scholars started adopting this ongoing approach, noting that while the labels for poles might remain stable, the underlying meanings and associations are constantly shifting (see Gioia, Schultz & Corley, 2000). For example, Gümüsay, Smets and Morris (2019) emphasize the shifting meaning and understanding of religion and finance in Islamic banking. Similarly, Jay (2013) emphasized how paradoxical tensions provoked ongoing sensemaking that led to shifting understanding of the nature of success and failure in the Cambridge Energy Alliance. A model of permanent dialectics might inspire an even stronger approach, exploring ongoing processes that diminish the labels. For hybridity theory, such a perspective would challenge how these labels and distinctions are linked with and informed by strong links to field-level dynamics and societal logics. In a strong process view, paradox is more about permanent flux and change than about stable tensions between well-defined polarities. Polarities are helpful as material manifestation points of processes (Ford & Ford, 1994), rather than materially stable “things”. 
A future research agenda for hybridity scholars

*Power.* Hybridity studies can look more closely at the power dynamics between alternative demands (Berti & Simpson, 2019; Clegg, Cunha and Cunha; 2002). For example, even when choices do not involve genuine paradoxes, implying impossibly stretching dualistic goals, false paradoxes can lead to disaster. VW’s all too powerful board paradoxified a dilemma, pushing the company over a edge whose poles could not be reconciled (Ewing, 2017). Studies of hybridity have begun to adopt this approach, paying attention to the power differentials between alternative identities, logics and forms. For example, Besharov and Smith (2014) note the heterogeneity of hybrid organizations depending on the centrality of each of the competing demands. In some hybrid organizations, one pole of the competing demand may have more power to influence the organization. Besharov and Smith (2014) suggest that these conditions diminish some of the conflict between the opposing forces. Adopting a more extreme position, hybridity scholarship could explore these power dynamics to not only assess relative power, but also understand how power between poles informs the processual dynamics between them (see Huq, Reay & Criem, 2017; Wenzel et al., 2019).

*Process-pole dynamics.* Smith, Erez, Jarvenpaa, Lewis and Tracey (2017) stated the need to study poles as dynamic. As we note above, our view of a paradox as dynamic (dis)equilibrium suggests that it is important to analyze poles as processes, as well as the interdependencies between poles that help to explain pole dynamics, such as their mutually constituting tensions. Future hybridity research can follow scholars such as Mitzinneck and Besharov’s (2018), whose paper reveals a shifting and dissolving of poles over time as the maintenance of equilibrium
may imply focusing in one pole at a time, an approach that necessarily implies some
disequilibrium: maintaining overall equilibrium involves the acceptance that not all poles can be
consistently addressed and equilibrated in every specific moment. Hence, the adoption by
organizations, for example, of sequential approaches, focusing on change and then stability
before reengaging with change again.

*Nestedness and knottedness.* Paradox theory highlights tensions that are both nested
across levels, where tensions at one level impact the others level (see Gilbert et al., 2018) as
well as knotted, in which one type of tensions impacts and is impacted by other tensions (Sheep
et al., 2017). Scholars of hybridity note the nestedness of competing demands, emphasizing
how features at the societal level impact the organizational and individual level (see Besharov &
Smith, 2014; McPherson & Sauder, 2013) as well. Additional research could explore the ways in
which distinct levels impact one another in more depth. Moreover, whereas scholars of
hybridity emphasize a variety of logics, forms, and identities, studies could benefit from
exploring the knottedness of different opposing logics (e.g. profit and progress), forms
(hierarchical and less hierarchical) and identities (public and private), as tensions are
interconnected.

**CONCLUSION**

As hybrid organizations become more integrated, approaches to studying them needs to adapt
to fit the phenomenon, and a paradox lens can help us do that. A recent analysis of trends in
the evolution of hybrid organizations (Litrico & Besharov, 2018), for example, suggests
progressive attention towards more balance and integration rather than pole dominance, a
process that may be supported by a paradox lens. A paradox theory, more fully articulated through the integration of both a dynamic equilibrium model and permanent dialectics model, can help advance this movement in hybridity research, especially in the extreme cases characterized by “deep fusion” of logics (Litrico & Besharov, 2018) as well as in the “occasional eruption of tension” (Perkmann, McKelvey & Phillips, 2018). We hope the ideas in this paper can help do so.
REFERENCES


Table 1. The logics of dynamic equilibrium and permanent dialectics

<table>
<thead>
<tr>
<th></th>
<th>Dynamic Equilibrium</th>
<th>Permanent Dialectics</th>
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<tbody>
<tr>
<td><strong>Overarching logic</strong></td>
<td>Logic of balancing</td>
<td>Logic of opposition</td>
</tr>
<tr>
<td><strong>Philosophical underpinnings</strong></td>
<td>Greek philosophy</td>
<td>Greek philosophy</td>
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<td></td>
<td>Taoism – Yin/Yang approaches</td>
<td>Dialectics</td>
</tr>
<tr>
<td><strong>Overall emphasis</strong></td>
<td>Managerial implications</td>
<td>Descriptive insight</td>
</tr>
<tr>
<td></td>
<td>Navigating paradoxes toward long-term sustainability</td>
<td>Understanding paradoxes and their associated power, conflict</td>
</tr>
<tr>
<td><strong>Source of tensions</strong></td>
<td>Tensions are inherent in organizations.</td>
<td>Tensions are inherent in organizations.</td>
</tr>
<tr>
<td></td>
<td>Tensions becomes salient as a function of context (plurality, scarcity, change) and cognition (individual differences to surface tensions).</td>
<td>Tensions are magnified through the ongoing interactions between poles, which morph over time</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td>Relationship between opposing poles foster ongoing cycles that are either vicious or virtuous cycles. The process shifts over time depending on managerial approaches.</td>
<td>Processual dynamics such as conflict and power impact the poles Poles shift over time as a function of the process.</td>
</tr>
<tr>
<td><strong>Impact</strong></td>
<td>Tensions live in ongoing balancing; instantiation of the poles shift, morphing into new instantiations, but the underlying inherent tensions (today::tomorrow; self::other; individual::collective; integrated::differentiated) sustain over time.</td>
<td>Tensions morph and shift as through the ongoing relationship between conflict and transformation – forces support one another.</td>
</tr>
<tr>
<td><strong>Core similarities</strong></td>
<td>• Contradictory and interdependent poles</td>
<td></td>
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<tr>
<td></td>
<td>• Processual, ongoing, dynamic interactions between poles</td>
<td></td>
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<tr>
<td><strong>Common implications for research on hybridity</strong></td>
<td>• Conflicting demands as persistent</td>
<td></td>
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<td></td>
<td>• Conflict as beneficial and detrimental</td>
<td></td>
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<tr>
<td></td>
<td>• Addressing dualism</td>
<td></td>
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<td></td>
<td>• Hybridity as prevalent across organizations</td>
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</tbody>
</table>
Table 2. How paradox perspective attunes scholars with specific aspects of hybridity

<table>
<thead>
<tr>
<th>Relationship between oppositional demands</th>
<th>Hybridity elements</th>
<th>Paradoxical contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contradictory</td>
<td>Contradiction is inherent and contradiction may involve interdependence between elements</td>
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<tr>
<th>Source and permanence of tensions</th>
<th>Hybridity elements</th>
<th>Paradoxical contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unstable and temporary</td>
<td>Inherent and persistent, i.e. hybridity implies the embrace of tension as source of novelty in an ongoing basis. Tension is valuable, not a nuisance to be solved.</td>
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</table>

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<thead>
<tr>
<th>Temporal expectations and processual focus</th>
<th>Hybridity elements</th>
<th>Paradoxical contributions</th>
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<tbody>
<tr>
<td></td>
<td>Short term approaches emphasizing solving the problem</td>
<td>Long-term approaches emphasizing change and ongoing navigation of tension.</td>
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