

Key enabling factors for organizational ambidexterity in the public sector

Klas Palm and Johan Lilja

Department of Quality Technology and Management, Mechanical Engineering and Mathematics, Mid Sweden University, Östersund, Sweden

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Abstract

Purpose – The capability of an organization to perform not only incremental quality improvements to the existing processes and products but also innovative or radical improvements that explore new opportunities is referred to as organizational ambidexterity. Research indicates that the long-term success of organizations demands a dynamic balancing of and excelling at both perspectives. However, there is considerably less clarity as regards how this can be achieved. The purpose of this paper is to empirically explore enabling factors for organizational ambidexterity in the public sector.

Design/methodology/approach – This study is a qualitative study based on interviews with managers at two public organizations in Sweden. The analysis is conducted using a soft system methodology.

Findings – Nine enabling factors for organizational ambidexterity are identified and presented in two pictures inspired by the Soft System Methodology. The study indicates that it above all is important to create leeway for exploration to achieve organizational ambidexterity in the public sector. The study strengthens the belief that some quality movement values and tools can be considered important, whereas others can counteract the ability to achieve organizational ambidexterity in public administration.

Practical implications – Practitioners and scholars can use the identified enablers and the Soft System Methodology presented in this study to examine and develop the organizational ambidexterity of other public organizations.

Originality/value – This study explores empirically the concept of ambidexterity in the public sector, a perspective that few previous scholars have studied.

Keywords Innovation, Exploration, Quality management, Exploitation, Customer value, Organizational ambidexterity

Paper type Research paper

Introduction

There is an ongoing discussion about whether today's application of quality tools meets the needs of our time. It has been frequently argued that the challenges of today's society require new forms of quality management based on greater flexibility and agility (Williams *et al.*, 2006; Steiber and Alänge, 2012). Wilkinson *et al.* (1997) argue more specifically that the quality tools used today lead to systematic measurement and control of the work process, ensuring conformance to performance standards. At the same time, however, they risk leading to an overly rationalistic and narrow approach to the task of management, making it too bureaucratic and rigid, and hence stifling personal initiative and creativity. Ng (2009) conceptualizes the mechanisms of this problem when he states that improved customer value can be achieved through the two basic strategies referred to as "quality improvement" and "innovation improvement". See Figure 1.

The organizational capacity of managing and actively balancing these two strategies at the same time can be related back to the theoretical ideas of March (1991), who argued that organizations should both work with development of existing operations and develop new



products. This insight is much in line with the managerial breakthrough approach proposed by Juran (1964). He argued that all managerial activities could be seen as either those directed at holding the resulting gains, (that is control and prevention of change) or those directed at breaking through into new levels of performance. March (1991) argued that organizations which failed to deal with these two perspectives risked being left behind and being ousted. March used the terms “exploration” and “exploitation” to describe these two basic strategies or perspectives. The capability to perform exploration and exploitation simultaneously is referred to as “organizational ambidexterity” and has developed into a distinct research field.

Furthermore, Smith and Umans (2015) conclude that the main focus of the research on organizational ambidexterity that has actually been implemented has primarily been on the private sector. This can be seen as problematic as Stentoft *et al.* (2015 p.14) note:

They are so different that it is problematic to transfer modern management tools from the private sector to the public sector without further reflection.

There is evidently a need to extend the empirically based knowledge of how organizational ambidexterity can be enabled in the public sector. Consequently, the purpose of this paper is to empirically explore enabling factors for achieving this.

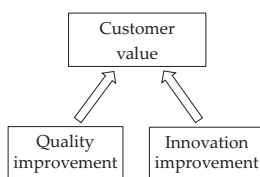
Theoretical framework

This section presents a number of relevant and important perspectives and concepts.

Exploration and exploitation

There is a relatively large consensus among scholars on what exploration and exploitation represent. Exploration is created by variety and experimentation and a curiosity for testing new ideas. It is about generating novel combinations of knowledge (Taylor and Greve, 2006; Wadhwa and Kotha, 2006; Simsek, 2009). Exploitation, on the other hand, is created by refinement, efficiency, convergent thinking and continuous improvement of products (March, 1991; Simsek, 2009). However, Gupta *et al.* (2006) also point out that the definition of exploitation is less clear than that of exploration.

Since March’s pioneering article, these concepts have come to play an important role in the growing understanding of what creates robust organizations and customer value. The concepts have appeared in analyses of innovation, organizational development, agencies’ learning and organizational survival (Gupta *et al.*, 2006; Benner and Tushman, 2003; Tushman *et al.*, 2010; Hill and Birkinshaw, 2014). Raisch *et al.* (2009) conclude, for example,



Notes: Sometimes there are contradictions between these perspectives

Source: Inspired by Ng (2009)

Figure 1.
Two basic strategies for reaching the overall objective: “quality improvement” and “innovation improvement”

that an organization's long-term success often depends on its ability to exploit its current capabilities while simultaneously exploring new opportunities. Gupta *et al.* (2006, p. 694) summarizes the scientific literature thus:

There is near consensus in the [business management] literature that organizations must learn to excel at both tasks.

Organizational ambidexterity

Tushman and O'Reilly (1996, p. 8) define an ambidextrous organization as one that is:

[...] able to implement both incremental and revolutionary changes.

That is, able to be both exploitative and exploratory. Smith and Tushman (2005, p. 524) describe ambidextrous organizations as those that can both explore and exploit and Lubatkin *et al.* (2006, p. 2) define them as firms:

[...] capable of exploiting existing competencies as well as exploring new opportunities with equal dexterity.

Similarly, Aagaard (2011, p. 5) concludes:

Most researchers define ambidexterity as the simultaneous pursuit of exploration and exploitation. Empirical studies of the phenomenon indicate that organizational ambidexterity has a positive effect on organizational excellence. This is seen, for example, in Geerts *et al.*'s (2010) study of more than 500 firms over a four-year period, where they conclude that ambidexterity had a positive effect on corporate growth. At the same time, previous research also shows and argues that organizational ambidexterity is tricky to achieve in practice. March (1991) argues, for example, that the challenge of every organization is to find an appropriate balance between the two, but at the same time, he notes a conflict between the two phenomena. Several other researchers have also looked on the balance between exploration and exploitation as conflictual (Auh and Menguc, 2005; Smith and Tushman, 2005; Sidhu *et al.*, 2007).

Within the framework of research on how organizations can achieve ambidexterity, there are different thoughts about whether it is best to work with sequential ambidexterity or simultaneous ambidexterity. Likewise, there are different thoughts about whether it is best to work with integrated or separated ambidexterity (Gupta *et al.*, 2006; Raisch *et al.*, 2009; O'Reilly and Tushman, 2013). The concept of organizational ambidexterity in this paper means the capacity to simultaneously manage exploration and exploitation in the same organization. This is also in line with Raisch *et al.* (2009) who note that more recent research describes ambidextrous organizations as being capable of simultaneously exploiting and exploring. Aagaard (2011) also argues that mixing the different approaches (exploration and exploitation) is the key.

However, despite the previous research conducted on the phenomenon of organizational ambidexterity, Simsek (2009, p. 598) concludes that:

Organizational ambidexterity remains an undertheorized, underconceptualized, and, therefore, poorly understood phenomenon.

In the same vein, Gupta *et al.* (2006, p. 697) summarize thus:

[...] although near consensus exists on the need for balance [of exploitation and exploration], there is considerably less clarity on how this balance can be achieved.

Private–public sector

Smith and Umans (2015) state that it is hard to find studies exploring the concept of ambidexterity in public sector organizations. This is clearly problematic as research simultaneously has shown and argued that the private and public sectors have different conditions to achieve organizational ambidexterity (Cunningham and Kempling, 2009; Lee *et al.*, 2012). The main distinction between public and private organizations seems to be their ownership. Private firms are owned by shareholders or individuals; public agencies are owned collectively by citizens in political communities (Rainey *et al.*, 1976). Niskanen (1971) argues that public agencies are funded largely by taxation rather than fees paid directly by customers and that public sector organizations are controlled predominantly by political forces, not market forces. However, Boyne (2002, p. 97) concludes that there is evidence for only three differences:

[...] public organizations are more bureaucratic; public managers are less materialistic; and public managers have weaker organizational commitment than their private sector counterparts.

Taken together, these circumstances change the conditions of ambidexterity in the public compared to the private sector. Furthermore, one may of course ask whether public organizations in general can be ambidextrous. Bryson *et al.* (2008) argue that government agencies can function ambidextrously. They believe that government organizations can have the capacity and opportunity to adopt ambidextrous structures and cultures.

Previous research on organizational ambidexterity in the public sector

Like Smith and Umans (2015), for example, we can conclude that there are not many previous studies exploring the concept of ambidexterity in public sector organizations. However, Bryson *et al.* (2008, p. 16ff) have made a list of propositions for how public agencies are more likely to succeed with organizational ambidexterity. They argue that higher levels of the following conditions will increase the possibility for organizational ambidexterity:

- effective relations with oversight authorities (legislative, executive and judicial), which includes that senior management teams must be given both the support and leeway to pursue ambidexterity;
- responsive autonomy in relation to political oversight and influence;
- a statement of strategic intent that justifies ambidexterity;
- strong organizational culture, linked to mission;
- effective strategic leadership;
- strong planning and decision-making system;
- ambidextrous organizational architecture;
- effective relations with partners and suppliers; and
- effective utilization of technology, which includes that sustaining and disruptive technologies will be managed effectively.

An additional enabling factor is highlighted by Aagaard (2011) in his working paper on how the public sector can be both innovative and efficient. He notes that public employees need to be empowered to have a stronger decision-making authority.

In studies not specifically focused on the public sector, we can see that O'Reilly and Tushman (2007) argue that an important factor for the achievement of simultaneous organizational ambidexterity is how senior management manages the issue. O'Reilly and Tushman (2007, p. 31ff) present five propositions – based on existing empirical evidence –

that summarize the conditions under which organizational ambidexterity is likely to be successful:

- (1) The presence of a compelling strategic intent that justifies the importance of both exploitation and exploration increases the likelihood of ambidexterity.
- (2) The articulation of a common vision and values that provide for a common identity increase the likelihood of ambidexterity.
- (3) A clear consensus among the senior team about the unit's strategy, relentless communication of this strategy and a common-fate incentive system increase the likelihood of ambidexterity.
- (4) Separate aligned organizational architectures (business models, competencies, incentives, metrics, and cultures) for explore and exploit subunits and targeted integration increase the likelihood of successful ambidexterity.
- (5) Senior leadership that tolerates the contradictions of multiple alignments and is able to resolve the tensions that ensue increases the likelihood of ambidexterity.

Further, there is an ongoing discussion regarding whether it is an enabling factor to have separate organizational subunits for exploration and for exploitation. The question is whether and when exploration and exploitation should be handled in separate organizational units or integrated into the same organizational unit (O'Reilly and Tushman, 2013; Raisch *et al.*, 2009; Gupta *et al.*, 2006; Adler *et al.*, 1999). One way to deal with the balance is described by Jansen *et al.* (2009) who argue that organizations can operate through social inclusion through senior teams and develop formal organizational integration mechanisms. However, there does not seem to be any conclusive research showing that one method would be better than the other. Thus, we still have a reason to agree with Raisch *et al.* (2009, p. 687) when he states:

[...] it is still unclear how the tensions between differentiation and integration should be managed.

Quality movement core values

Values are generally considered as the basis of quality management (Lagrosen, 2006; Ingelsson, 2013; Åslund, 2013). The similarities in definitions of the core values provided by different researchers are striking. Bergman and Klefsjö (2010) have chosen to describe the values as a cornerstone model that describes the core values well. Lagrosen and Lagrosen (2003) also note that these values accurately describe several other writers' opinions on core values. The core values are focus on processes, improve continuously, base decisions on fact, let everybody be committed, focus on customers and a committed leadership. See Figure 2.

However, it is not clear how these values affect the ability to achieve organizational ambidexterity. Moreno-Luzon *et al.* (2014) argue that the cultural context, created by process management practices applied in a total quality management framework, acts as a platform for developing organizational ambidexterity. In contradiction to this, other studies show that

Figure 2.

Illustration of the core values as cornerstones according to Bergman and Klefsjö (2010, p. 38)



the culture created by total quality management (TQM) and process management practices favours exploitative activities at the expense of explorative activities and is not a good ground for organizational ambidexterity (Lund Stetler, 2015; Cole and Matsumiya, 2008). Lilja *et al.* (2016) conclude that quality movement initiatives might impede firms' ability to innovate.

These various findings can possibly be attributed to what Jinhui *et al.* (2011) describe, namely, the organization's context is crucial for the results of the different organizations' choice as to how to work to manage the balance between exploration and exploitation. Another important perspective within quality movement is the importance of having a holistic perspective, that is to see the system's components and how they fit together. The ability to see how the different parts interact with each other was something that Senge (1990) worked on when he introduced the system image with positive and negative feedbacks. Even Deming (1993) commented that a system thinking is one of the four cornerstones of improvement management. Deming (1993) also argued that the system approach was fundamental to the work of TQM.

Customer value

Shewhart (1931) notes that quality is ultimately about satisfying people's desires. The purpose of satisfying these desires has more recently been described as raising customer value. However, the research literature offers various interpretations of what customer value is. Woodruff (1997) argues that even customer-oriented management practice provides only a vague sense of what customer value means. One possible key aspect of the definition of customer value is that the value is something perceived by customers rather than being objectively determined by the service or product provider. This resulted in Woodruff (1997, p. 142) defining customer value as:

A customer-perceived preference for and evaluation of those products' attributes, attribute performances, and consequences arising from use that facilitate (or block) achieving the customer's goals and purposes in use situations.

Woodruff (1997) notes that this definition adopts a customer perspective on value derived from empirical research into how customers think about value. Woodruff's (1997) definition of customer value is used in this paper.

Methodology

To empirically explore enabling factors for organizational ambidexterity in the public sector, interviews were conducted with the manager staff at the two regional organizations Region Halland and Region Jämtland Härjedalen in Sweden. These regional public organizations have the responsibility to provide health care and support for regional growth.

The selection of respondents was based on a structured selection of people who have experience from the development of explorative ideas and projects and who have insight and are responsible for maintaining a high degree of exploitation in the organization. The interviewees have also at various levels been responsible for different initiatives aimed at driving radical innovative development processes. In both the organizations, the sample consists of two managers, five project managers for innovative projects and two politicians both involved in strategic development at a concrete level and who thus have important experience at the managerial level. A total of 24 interviews were conducted. Twelve interviews were conducted in Organization 1 and 12 were conducted in Organization 2. The selection of respondents is based on the idea that learning should be based on knowledge among those who work daily with these issues. This is in line with the quality management principle of "go to gemba", where gemba stands for "the real place" (Dombrowski and Mielke,

2013). It refers to the actual service operations, service delivery or rather the place of value-adding. This means that the empirical data in this article are based on experiences from those working in public administration involved in the development of simultaneous organizational ambidexterity.

The study is based on semi-structured interviews. The interviewer asked for experiences from processes where the interviewee thought that they had managed to fully combine exploration with exploitation. Follow-up questions were then asked about what actually enabled the successful combination of exploration and exploitation. Questions were also asked about how the different enabling factors for organizational ambidexterity are related to each other.

Based on these basic questions, the interviewees had the opportunity to steer the conversation towards aspects which they considered to be important. The interviews were characterized by flexibility from the interviewer. The order of the questions varied depending on how the interviews developed, and additional questions were used to explore the research questions and purpose. The questions and process used during the interviews were inspired by the concept and methodology of Appreciative Inquiry, using a narrative analysis of success stories, and the systematic identification of root enabling factors for capturing and driving change in systems (Cooperrider *et al.*, 2008). Each interview took between 30 min to 1 h. The interviews were conducted between March and September 2015. The interviews were either recorded or notes were taken directly during them.

Methodology of analysis

A thematic analysis inspired by Braun and Clarke (2006), Silverman (2010) and Ritchie *et al.* (2013) was used. It was done in three steps. In the first step, the information from the respondents was sorted out in relation to the research objective. In the second step, the relevant interview material was analysed to identify the most prominent views. Each interview was analysed separately, and respondents' statements about enablers for organizational ambidexterity were sorted and written down in a matrix. The statements from the various respondents were compared, and statements of the same type were put in a common category. When new types of statements occurred, they formed new categories, and thereby the number of categories expanded. An example of the link between statements and categories is that a respondent's statement "It is vitally important to create compensation models that enable the health service to work with development processes, it must not burden the operational budget. You need a separate budget for exploration" is one of several statements that led to the summary enabling factor that the organization needs to allocate a budget for quality work through exploitation as well as through exploratory processes.

However, it is also vital to look at how these categories interact as a system. It often turns out that the whole is more than the sum of the parts (Arbnor Bjerke, 2009; Jackson, 2003). A system analysis enables us to gain a richer picture of the studied phenomenon and might improve the fulfilment of the research purpose. Therefore, an analysis of different categories' relation to each other was conducted in the third step. This was done by a systematic review of recorded interviews to identify how respondents described interconnections between the different categories. Various respondents have described the relationships in different ways. However, it has been possible in the analysis to identify certain relationships that are portrayed as being stronger and clearer than others. It is these relationships that are described in the rich pictures. Thus, it was possible to map out enabling factors for ambidexterity and these factors' mutual relationships.

This is necessary to analyse human systems where the narrative discourse, culture and politics are more important than the logical components. Soft system methodology is an appropriate organized way of tackling messy situations. Checkland and Scholes (2007)

describe the soft system methodology as a system thinking based on the assumption that there is no absolute truth to be described and the soft system model is flexible in use and broad in scope. Jackson (2003) argues that the analysis in soft systems approaches should consist of building up the richest possible picture of the problem situation and that it is not necessary to describe the phenomenon under study in a single system model.

This means that the images in the system analysis in this paper do not claim to show the absolute truth, but to show a possible interpretation and description of enabling factors as respondents describe them and as the authors of this article interpret the respondents' opinions in the interview situation. Checkland and Scholes (2007) argue that by generating a system image, one obtains a visual tool that – when lifted from the system level to the real world – can be used to create systems' understanding about the real world and trigger development of various tools for the development of the real situation.

We can even allow ourselves to produce several possible interpretations and images. This will enable us to get around what Arbnor and Bjerke (2009) highlight, namely, that there is a risk that every system picture becomes relatively limited. Also Checkland and Scholes (2007) argue that there is a certain value to describing alternative systems. This is because different images can give different descriptions of complex systems and thus contain different messages.

The analysis in the study behind this article has been inspired by what Jackson (2003) describes as the best-known analytical tools from the soft system methodology. The system analysis has hence been conducted with an application of two of Checkland and Scholes's (2007) most used tools, namely, to:

- (1) formulate a root definition of the studied phenomenon; and
- (2) describe key enabling factors of organizational ambidexterity and their relationships in a rich picture.

The root definition for the system analysed in this study can be defined as:

- a system for the political majority;
- leaders and staff in a public regional organization; and
- to successfully enable organizational ambidexterity in the public sector.

This takes place in a context characterized by demographic changes and new opportunities to use technology and new knowledge.

In this study, we have made two images, one image per organization. Because the organizations have many similarities, the different images can be perceived as alternative images for a similar situation.

Results and analysis

To fulfil the purpose of the study, our data collection has strived to obtain descriptions of enabling factors for organizational ambidexterity in the public sector. The data collected during the 24 conducted interviews contain many different answers and opinions. These answers and opinions are reported and condensed into the most prominent ones in this section. The answers and opinions are presented separately for Organization 1 and Organization 2.

Organization 1

The most prominent views from the people interviewed in Organization 1 have been condensed into seven opinions. These are listed below complemented by a number of illustrative quotes (shown as extracts):

- (1) *Focus on implementing innovations.* The organization needs to focus on creating structures and setting aside resources to be able to implement change. Coming up with ideas for change is not enough.

It is important to see the big picture and not just focus on the creative phase. We need to create environments where ideas can be scaled up and developed.

- (2) *Allowing mistakes.* Several respondents indicated that it is risky to work with explorative processes. To achieve a balance between exploration and exploitation, the organization must therefore develop a culture in which employees feel they are allowed to make mistakes:

We have to accept that we don't know where it will all end or what the process along the way will look like.

Being able to take risks, daring to change back if something doesn't work.

- (3) *Developing a system view.* The organization needs to develop a system view. What people do in one unit affects other units. The organization's staff need to understand how change affects both their own unit and what consequences the change will have on the other parts of the organization. The system view is so important that it has become a factor for the employee's individual salary level, in the sense that employees considered to have a high level of system understanding can earn better salaries than those considered not to have that understanding:

We built a culture around meetings. We could not allow ourselves to get stuck in silos. We ensured that people from different departments took joint responsibility for solving problems together.

We must have a holistic approach that transcends the operational boundaries of the organization, and establish work groups for different issues.

You have to talk about system competency. The co-workers must understand that this is important. Everyone has to understand how their jigsaw pieces fit in with other people's. It is difficult, however. You can understand it in theory but when we are faced with a difficult issue, it is very hard to apply. We still go wrong. We work in such a complex organization.

- (4) *Dialogue between those involved in exploration and those involved in exploitation.* Dialogue seems to be a very important tool in ambidexterity development processes. The respondents express the opinion that the organization in particular needs to create a system for dialogue between people who work with exploration and those who work with exploitation. It is important to constantly explain why and how organizational development processes work:

It's a question of the ability to lead processes, to get people to see other pictures. It's about communication. Creating common pictures.

Getting this to work has been a cultural journey: it was an incredible culture shock when we merged into one organization. Conflict was almost inevitable. It was a very difficult meeting of different cultures and attitudes. We now sit in the same building and work and take lunch together. When we meet now, it's no longer conflict-ridden. It is very much about dialogue.

- (5) *Both the explorative and the exploitative processes have to be based on customer needs.* The respondents comment that many development processes are based on the organizational conditions more than the customers' real needs and conditions. To achieve better ambidexterity, organizations need to be better at actually involving and asking for the customer's perspective. It is also important that these perspectives reach the managers of those who are responsible for both the explorative and exploitative processes:

When we work with the customer to help define their particular needs, things will turn out well.

We have to show that we are making changes for the user's best interest, that this is ultimately the reason for the changes we make. Then the coworkers will think that it is a good change.

- (6) *Budget for exploration and exploitation.* The organization needs to allocate a budget for quality work through exploitation as well as through exploratory processes:

The most important part of the system is the compensation, i.e. that expenses created by explorative processes are covered.

It is vitally important to create compensation models that enable the health service to work with development processes, it must not burden the operational budget. You need a separate budget for exploration.

- (7) *Insight on the need for organizational ambidexterity.* It is important that the organization's management team realizes the need for both exploration and exploitation and is able to lead change processes. A management team is needed that can encourage the staff not only as regards continued development of ongoing processes but also when it comes to radical development. This factor is described by the respondents as the foundation on which other enabling factors rest. All other factors are dependent upon it, thus giving it a unique position in the overall picture:

We have politicians who dared to take risks and invest in development. It is only when they demonstrate that there is room to be radical that things can happen.

It is very much up to us, as leaders for the organization, to infuse courage and insight about the development steps needed. Only when we feel committed can all other enabling factors be implemented.

System analysis of Organization 1

To further increase understanding of the studied phenomenon, the opinions can be visualized and put in relation to each other in a system analysis. The results can be interpreted and visualized in a picture, as seen in [Figure 3](#). In the figure, the arrows indicate how the respondents express different enabling factors' influence on each other.

Organization 2

Organization 2 is presented in the same way as Organization 1 with a summary of the respondents' most prominent opinions about factors that enable organizational

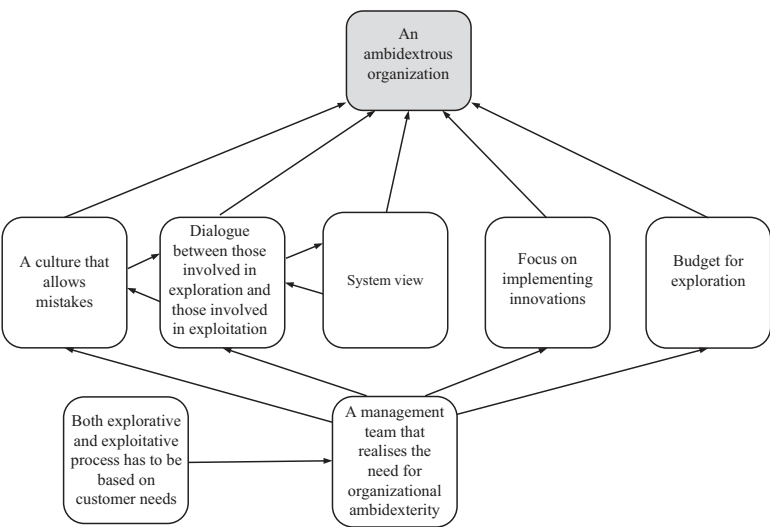


Figure 3.
A rich picture of
enabling factors for
organizational
ambidexterity derived
from Organization 1

ambidexterity in the public sector. These prominent opinions from Organization 2 have been condensed into five opinions illustrated by representative quotes:

- (1) *Dialogue.* Respondents in Organization 2 emphasize the importance of dialogue. Above all, the importance of planned and well-considered communication for explaining and dealing with the co-workers' questions about exploration and how explorative ideas shall be implemented in ordinary processes. In this process, it is important to get all the organization's professions to be represented in the exploration as well as exploitation process:

You must always have the doctors on board as a professional body. It is not possible to avoid this group. As long as exploration doesn't affect this profession's way of working, it's okay.

We gather together those who will be affected by the newly created processes and we then talk about what the change entails. This allows us to resolve many issues.

For many, there is a reluctance to introduce new processes in relation to the degree of novelty, i.e. the more innovative a process is, the greater the resistance. This can only be resolved by time for dialogue.

- (2) *Development based on customer needs.* In both exploratory and exploitative activities, it is important that the development processes are based on the user's needs and circumstances. Respondents point out that they do this already in the exploitative activities but argue that it is not done to the same extent in the explorative activities:

You must anchor all solutions in the user's day-to-day life and activities.

Sometimes the new processes we develop are about simplifying our own internal processes rather than creating better results for the user. To succeed, we must invite users into the explorative processes.

- (3) *Ambassadors.* One enabling factor seems to be identifying individuals who can act as ambassadors for the incorporation of exploratory elements into existing work processes. Those ambassadors are considered as an important part of the dialogue:

One important method is to involve an important opinion builder and to establish a good relationship with that person. You have to get this person to support the change you wish to achieve, preferably a leader whom others look up to, but not necessarily a manager.

There were people who were our trustees, in whom the local community had confidence.

- (4) *Leadership with insight about the need for exploration.* The organization needs a management team that realizes and can communicate the need for exploration. A leadership that creates a sense of trust and confidence among staff. The organization's management team must give positive feedback to those pursuing exploration. The management team needs to be constantly present in the exploratory processes. Also in Organization 2, the management perspective is described as a fundament for the other enabling factors to rest on:

A culture that is strong prevails and the employees have strong self-confidence. You then have to meet the various professions where they are, using their culture as a departure point. This is true of the health service as well as regional development work.

Then it is a question of being constantly present at the beginning of an exploratory process. As soon as the process gets stuck, you have to be there to take decisions and get the process going again. The manager needs to be present: you can then solve some problems immediately.

You have to change the leader's profession from leader to organizational developer, not just an organizational administrator. It's pure luck these days if you get leaders who have the right prerequisites for organizational development. You need a new profession that can work with innovation and development in public administration. It is not at all certain that administration managers have this skill.

- (5) *Incentives for both exploration and exploitation.* Several respondents mention the need to formulate objectives, indicators and systems for evaluation not just for exploitation but also for exploration. The respondents argue that only when activities are guided by goals and are evaluated, they are regarded as important:

It is important to collect statistics and evaluation data that show the results of the exploratory work.

You must give feedback to those who generate ideas for exploratory development. Only when we evaluate do we show that we care about that particular perspective.

System analysis of Organization 2

As was done in Organization 1, the respondents' most prominent opinions can be visualized in a picture. See [Figure 4](#). The direction of the arrows indicates how the respondents express influence between various enabling factors.

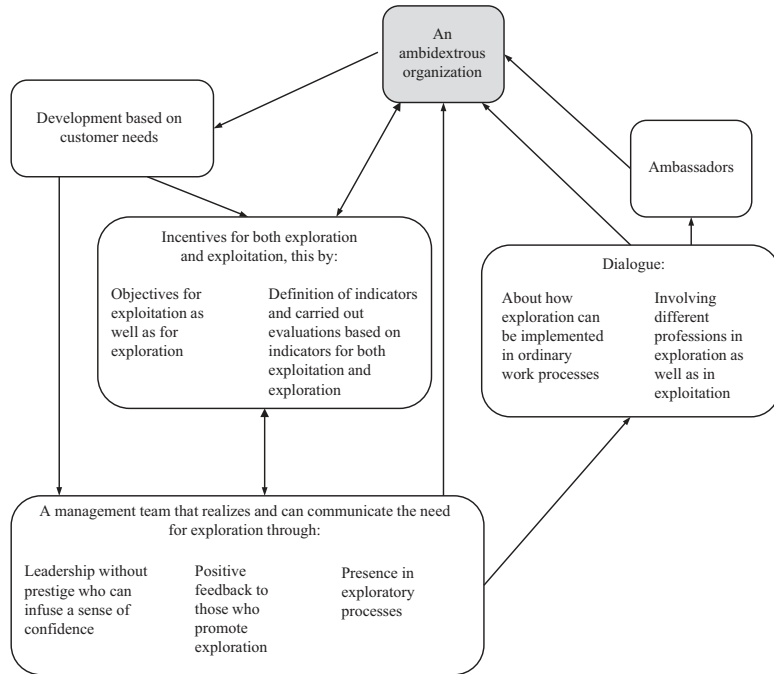


Figure 4.
A rich picture of
enabling factors for
organizational
ambidexterity derived
from Organization 2

Conclusion and discussion

The purpose of this paper has been to empirically explore enabling factors for organizational ambidexterity in the public sector. The purpose has been achieved by a qualitative interview study and an analysis inspired by the soft system methodology. The results reported in this study shed light on the ongoing debate regarding the exploration–exploitation dilemma faced by organizations in the context of organizational ambidexterity. This study provides empirically grounded indications that enablers, as presented in Figure 5, are essential for organizational ambidexterity in the public sector. These identified factors are further described below.

The results also show that the prevailing opinion among the respondents is that, above all, it is necessary to work on exploration to achieve organizational ambidexterity in the public sector, that is, that the balance can be achieved when exploratory abilities are developed. Therefore, factors that support exploration are often raised as key enablers for organizational ambidexterity.

- *Organize for good understanding of user needs and situation.* It is important that the management team ensures that the exploratory and exploitative processes are based on a user perspective. This creates legitimacy and enables high quality in both explorative and exploitative processes.
- *A management team that realizes and can communicate the need for exploration.* It is important to have a management team that realizes the need for organizational ambidexterity. The management team is seen as the supportive factor underpinning other positive contributors so they can be concretized.

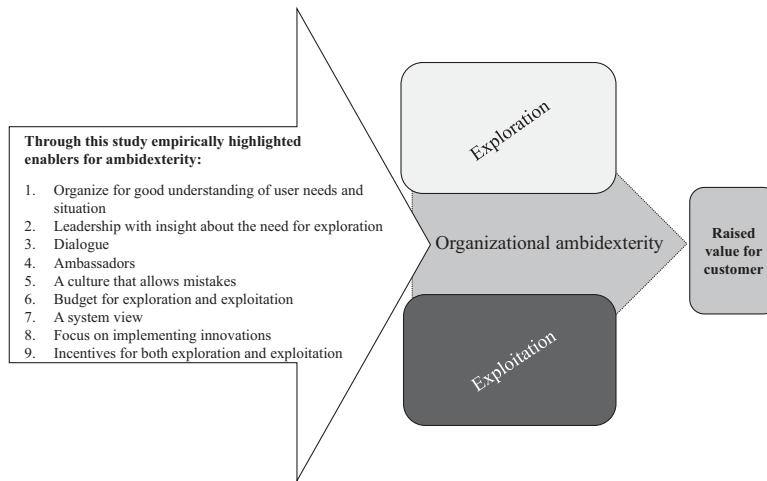


Figure 5.
The white arrow indicates enablers, which increase the ability to combine exploration with exploitation and thereby raise value for customers

- *Dialogue.* An important enabler is the ability to stimulate a good dialogue. In the internal management process, it is important to have a close, well-planned and regular dialogue between those involved in exploration and those involved in exploitation processes. All different professions in the organization need to be involved in the dialogue and an important thematic focus therein seems to be about how the outcome of exploration processes can be implemented in ordinary work processes.
- *Ambassadors.* Ambassadors of novel products, processes or services have been pointed out as very important enablers in the process of taking innovative ideas from idea generation to implementation. These ambassadors, as enabling factors, are closely related to the above-mentioned enabler, dialogue. The ambassadors are individuals who promote exploratory elements and support incorporation of those elements into existing work processes.
- *A culture that allows mistakes.* Management must allow employees to take risks and possibly make mistakes. The exploration process needs a forgiving culture. Also this enabling factor is closely related to the dialogue factor. It is through dialogue that the management can develop a tolerant culture in which employees feel empowered and not afraid to make mistakes.
- *Budget for exploration and exploitation.* There is a need for a specific budget for exploratory and exploitative activities.
- *A system view.* An enabling factor is that the employees take a holistic approach with an ample understanding of a system approach. Further dialogue is, in this case, described as essential for success in achieving a holistic approach and a system view.
- *Focus on implementing innovations.* To develop the explorative part of the organizational ambidexterity, there is a particular need for moving on from the idea and actually implementing innovations. Too much focus is often put on idea generation and too little on implementation.
- *Incentives for both exploration and exploitation.* Objectives and measurement of results for both exploration and exploitation are seen as an enabling factor for achieving organizational ambidexterity. When the organization formulates objectives and

evaluates, explorative as well as exploitative activities can both be considered as equally important.

This study contributes to the literature on organizational ambidexterity by clarifying that some but not all core values of the quality movement's values, tools and ideas can be considered useful for achieving organizational ambidexterity in public administration.

When comparing the empirically identified factors with [Bergman and Klefsjö's \(2010\)](#) core values of the quality movement, it seems as though two values are important to achieve organizational ambidexterity. First, it regards the organization's ability to organize themselves so they have a good understanding of user needs and situation, that is, to have the user as a starting point in the processes. This has also been identified in recent research as a key factor by, for example, [Jinhui *et al.* \(2011, p. 272\)](#) who note that organizations:

[...] pursuing quality management practices without a clear understanding of the need of customization could not meet their performance improvement expectation.

The second quality movement core value that according to the results is important for organizational ambidexterity is a committed leadership. This is in line with previous research by, for example, [O'Reilly and Tushman \(2007\)](#) and [Bryson *et al.* \(2008\)](#) who argue that a committed leadership is central and that the management needs to communicate why it is important to both explore and exploit. The study does not give any indication that process management practices constitute enabling factors for ambidexterity. The findings are thus in line with [Lund Stetler's \(2015\)](#) findings.

Furthermore, the study reinforces [Deming's \(1993\)](#) argument that a system perspective is important to achieve an ambidextrous organization. The management must have knowledge at the system level and identify key elements and their mutual relations to manage a successful quality improvement process. This is also in line with [Senge \(1990\)](#) who argues that the system perspective is central for understanding complex interactions. Perhaps, this is especially important in the public administration where [Eggers and Singh \(2009\)](#) recognize that these organizations have difficulties in dealing with cross-sector problems and a main obstacle is silo-thinking. We see also the convergence between this study's identified need for a holistic approach and [O'Reilly and Tushman's \(2007\)](#) identified need for common vision and values providing a common identity.

Furthermore, the result of the study seems to support what [Aagaard \(2011\)](#) identifies as the enabling factor: that public employees should be empowered to have a stronger decision-making authority. This is the case if the interpretation of "stronger decision-making authority" means that public employees need more leeway to deviate from standards and rules to test and scale up new ideas. The result of the study is also in line with [Jansen *et al.*'s \(2006\)](#) description that centralization negatively affects exploration and thereby reduces the possibility of organizational ambidexterity. The coherence is in this case based on the argument that centralization leads to less leeway for individual decisions, that is, less leeway for deviations from norms.

This study gives no indication on whether differentiation and integration should be managed as separate or integrated processes. The study is then in line with [Raisch *et al.*'s \(2009\)](#) finding that this perspective still is unclear.

Implications

The article identifies nine empirically perceived factors important for achieving organizational ambidexterity in the public sector. Through these factors, public organizations can more successfully analyse and get perspectives on their specific conditions and enablers for organizational ambidexterity. Through their analysis, organizations can

choose to develop enablers where they have identified a potential for development. It is also possible for practitioners and researchers to develop the methodological tool, soft systems methodology and make their own rich pictures of how they work with organizational ambidexterity, and through these images create greater understanding and thus better tools to develop their organizations. The organizations can achieve an increased organizational ambidexterity and thereby develop their capacity to deliver improved quality and value for the customer.

Limitations and future research

This study has a limitation in that it is based on only two sample organizations in one country. Previous research shows that enabling factors often are highly contextually dependent, and it is therefore unlikely that identified success factors highlighted in this article can be applied in all organizations. Another limitation of this study is that enabling factors discovered in earlier research and literature in some cases are described at a high level of abstraction. The interpretation of the research findings of this study thereby becomes dependent on the definition and interpretation of those abstract concepts. This implies that it has sometimes been a challenge to compare the empirical findings of this study with previous quality and ambidexterity research.

Regarding future research, there is clearly a need for more empirical studies within the context of the public sector to further increase the collective knowledge of the phenomenon organizational ambidexterity. Further analysis as to how public administration should manage the balance between separation and integration of the organization of exploration and exploitation is of great importance both for the scientific community and practitioners. It is also paramount to further deepen the analysis of whether the practical use of quality movement values and techniques hinders or supports organizational ambidexterity.

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Corresponding author

Klas Palm can be contacted at: klas.palm@miun.se