

A Work Project, presented as part of the requirements for the Award of a Master's degree in  
**Master in Management** from the Nova School of Business and Economics.

# **Organizational Ambidexterity in Practice**

## **An Exploratory Study to Examine the Implementation of Selected Organizational Design Dimensions**

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## **Abstract**

Organizational Ambidexterity (OA) is increasingly coming into the focus of researchers and practitioners due to increasing market dynamics. Yet, questions about its practical implementation remain largely unanswered. Therefore, the main objective of this paper is to fill this research gap by developing a research framework based on existing literature that includes design dimensions at the organizational level. The dimensions of *Strategy* and *Structure and Processes* enable a holistic view from the organizational perspective of OA. Drawing on expert interviews and subsequent qualitative content analysis, the study findings add to existing knowledge by shedding light into how OA design dimensions are implemented in practice.

**Keywords:** Organizational Ambidexterity, Ambidexterity, Exploration, Exploitation, Innovation, Qualitative Research

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# 1 Introduction

## 1.1 Relevance of the Research Topic

*“Change is the law of life and those who look only to the past or present are certain to miss the future.”* (John F. Kennedy 1963)

What former President John F. Kennedy already acknowledged back in his days is more present today than ever before: whether in private or professional life, continuous change is unavoidable and requires taking action. Fueled by digitalization and technological progress, companies in all industries and markets are exposed to increasing pressure and intensifying market dynamics (Schumacher 2020). Across the globe, organizations are competing with numerous rivals for market share and technological advancements are giving rise to new entrants that bring substitutes to the market or pose the threat of disruptive change. As a result, many companies are increasingly forced to question their current business model, test their existing products and services, and enter new markets to survive in the competitive business landscape (Schumacher 2020). Young innovative companies, on the other hand, face the hurdle of becoming profitable once they have established products. Simultaneously with the pressure to innovate, the intensely competitive environment also increases cost pressure, requiring ever greater operational efficiency to be able to market products and services cost-effectively to withstand competition (Raisch et al. 2009; Turner et al. 2013). It is therefore essential for companies to optimize their day-to-day operations, make processes efficient and reduce internal costs. The balance between innovation and efficiency, the ability to both exploit current capabilities and explore new ones, puts companies in a dilemma every day (Duncan 1976; March 1991; Raisch et al. 2009). The challenge lies in the contradiction between exploration and exploitation, first highlighted by March (1991): "Both exploration and exploitation are important to organizations, but they compete for scarce resources. As a result, organizations make explicit and implicit choices between the two" (71). To drive innovation, resources are required to invest in new technologies

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and digital business models in good time and under a company's own steam. Organizations often fail in this reconciliation of day-to-day business and innovation work; instead, they encounter a trade-off between optimization and further development. Furthermore, research suggests that the simultaneous pursuit of exploration and exploitation goals requires structures and actions that are fundamentally opposed, making it difficult to pursue both goals simultaneously (March 1991; Tushman & O'Reilly 1996). A term that is becoming increasingly relevant in this sense is Organizational Ambidexterity (OA), describing the ability of companies to both preserve their core business by continuously increasing efficiency and to identify future market trends and shape them through their innovation activities. While trade-offs between these two goals were often considered insurmountable, research on organizational ambidexterity has demonstrated that the simultaneous pursuit of efficiency- and innovation-enhancing activities is both feasible and associated with positive effects on company performance, ultimately making a significant contribution to ensuring long-term competitiveness (among others Gibson & Birkinshaw 2004; He & Wong 2004; Lubatkin et al. 2006).

## **1.2 Objective of the Research**

Due to the increasing interest in ambidexterity in recent years, a growing body of scientific work has accumulated on this topic. However, there is no consensus on what this concept entails exactly and how it can be achieved in practice (Cao et al. 2009; Gupta et al. 2006; Raisch et al. 2009). O'Reilly and Tushman (2011) agree that an understanding of the mechanisms required to enable ambidexterity is needed: "what is missing is a clear articulation of those specific managerial actions that facilitate the simultaneous pursuit of exploitation and exploration" (8). The overarching objective of this thesis is to address this research gap and to expand the existing literature by fine-grained insights into how OA dimensions are implemented in practice. For this reason, the wealth of literature on ambidexterity is reviewed and synthesized into a research framework that encompasses different organizational design dimensions. With the help of

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qualitative expert interviews, the framework is reviewed and consequently contributes to the discourse on how OA is managed in practice and to what extent tensions between exploration and exploitation can be mitigated or even resolved. Finally, the goal is to develop managerial implications regarding the implementation of OA, taking into account the role of dimensions at the organizational level to ultimately promote the simultaneous pursuit of exploratory and exploitative activities.

Summing up, the following research questions (RQ) were derived:

*RQ1: How is the concept of “Organizational Ambidexterity“ conceived in practice?*

*RQ2: How are selected organizational-level design dimensions implemented in practice?*

### **1.3 Structure of this Work**

This thesis is divided into a total of seven chapters. After the relevance of the research topic has been demonstrated and the objective of the thesis has been derived in the first chapter, the following chapter provides an overview of the theoretical background and serves to create a uniform state of knowledge. In addition, a research framework is developed based on existing research findings, which are to be reviewed by empirical investigations. Chapter 3 addresses the empirical study by first explaining the research methodology, the process of the data collection, and subsequently the data analysis using appropriate evaluation methods. After the results are elaborated on in Chapter 4, the following Chapter 5 is dedicated to discussing the findings, including a derivation of theoretical and managerial implications. This is followed by an explanation of the limitations of the study and possible starting points for further research in Chapter 6, as well as a final conclusion in Chapter 7.

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## **2 Theoretical Background**

The primary objective of this chapter is to delineate the theoretical frame of reference that has been drawn upon in order to establish a common understanding of the theoretical considerations and empirical findings to date. For this purpose, it is first explained what is meant by the concept of organizational ambidexterity. Furthermore, the characteristics of exploration and exploitation are contrasted. In addition, research from widely cited publications by recognized experts (among others Duncan 1976, O'Reilly & Tushman 2008, Raisch & Birkinshaw 2008; March 1991) will be consulted to derive a research framework.

### **2.1 Definition Approaches of Organizational Ambidexterity**

After the term organizational ambidexterity was initially used by R. Duncan (1976), the concept gained increasing interest in empirical and theoretical research. Against this background, a considerable number of definitions and conceptualization approaches corresponding to the different perspectives of research fields (such as innovation, change, learning, and strategy) accumulated. Yet they are similar in essence, as it is invariably a matter of pursuing two strategic goals simultaneously (Tushman & O'Reilly 1996; He & Wong 2004; Raisch & Birkinshaw 2008; Simsek 2009). For instance, Hill and Birkinshaw (2014) frame OA as “the capacity to capitalize on an existing set of resources and capabilities while at the same time developing new combinations of resources to meet future market needs” (1899). Gupta et al. (2006) argue that “ambidexterity refers to the synchronous pursuit of both exploration and exploitation” (693). Thus, the specific paradoxes that are at the center of the discussion around the term ambidexterity can be described as exploration, i.e. the discovery of new things and the development of new alternative knowledge, and exploitation, i.e. the efficient use and optimization of existing and already known knowledge (March 1991). By reconciling exploration and exploitation activities, companies attempt to simultaneously meet current business needs and anticipate potential future changes in requirements (Gibson & Birkinshaw 2004; Raisch et al. 2009). The argument

advanced by scholars, however, is that tensions are created by the fact that exploitation and exploration compete for scarce resources, place conflicting demands on management, and build on different capabilities (He & Wong 2004; O’Reilly & Tushman 2008). Exploration strategies serve to anticipate future changes in the corporate environment and to seize corresponding opportunities (March 1991). However, considering the large investment and uncertainty associated with exploration, focusing exclusively thereon can be detrimental to business performance (Levinthal & March 1993). Contrastingly, exploitation enables the capitalization of previously made investments and the creation of value (Choi & Shepherd 2004). Although it seems particularly tempting for firms since exploitation allows for relatively predictable, short-term performance improvements and returns, focusing only on existing opportunities at the expense of identifying new ones, may sacrifice long-term firm performance (Gupta et al. 2006; Levinthal & March 1993). Hence, balancing both exploration and exploitation is crucial (Birkinshaw & Gupta 2013; He & Wong 2004; March 1991).

### 2.2 Types of Organizational Ambidexterity

Although mostly mixed forms occur, OA scholars propose structural, sequential and contextual approaches (see Figure 1) for attaining “an appropriate balance“ (March 1991, 71) between the opposing activity patterns (Raisch & Birkinshaw 2008).

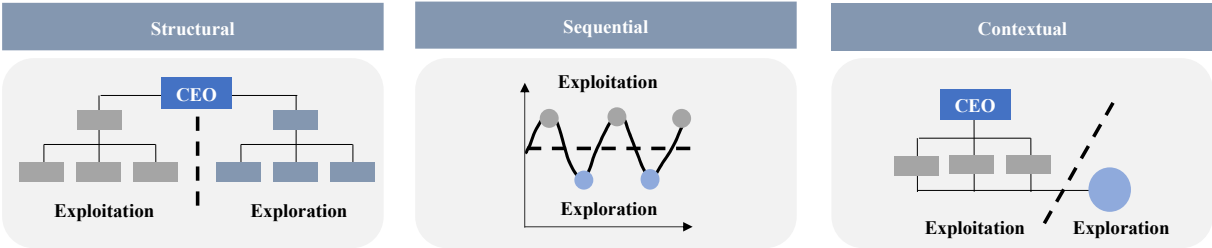


Figure 1: Implementation Approaches of Exploration and Exploitation  
 (Own illustration based on Schimpf & Olivan 2019)

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Initially described by Duncan (1976), the concept of *structural ambidexterity* addresses the balance between explorative and exploitative activities through dual organizations. As a result, exploration and exploitation take place in distinct organizational units that either exploit or explore (Tushman & O'Reilly 1996). Hence, the underlying mechanism is the organizational (typically spatial) separation, for example when explorative actions are pursued in the R&D department and exploitative actions in production. This separation into two subunits is reflected not only in different concepts, tasks, processes and subcultures but also in incentive and control systems (Tushman & O'Reilly 1996).

As an alternative balancing approach, *sequential ambidexterity* refers to a temporal separation between both exploitation and exploration. In comparison to the remaining two modes of ambidexterity, explorative and exploitative activities are not pursued simultaneously but balanced by taking place one after the other. Thus, the underlying mechanism is temporal separation. Organizations must switch between the exploration and exploitation modes and alter their strategies, structures, and processes to attain sequential ambidexterity (Duncan 1976). Additionally, this calls for managers to change their priorities over time, from stabilizing or pursuing incremental innovation to radical innovation, or conversely (Mom et al. 2007).

Lastly, *contextual ambidexterity* is realized by organizations establishing an environment that enables employees to coordinate both exploration and exploitation independently. Thereby, individuals are encouraged to use their own judgment in deciding how to divide their time between the conflicting demands of adaptation (i.e., exploitation) and adaptability (i.e., exploration) (Gibson & Birkinshaw 2004). With its 80/20 rule, one of the most-cited examples of implementing the idea of contextual ambidexterity is Google LLC, whose employees are allowed to devote 20% of their working time to innovative topics away from day-to-day business (Chen 2017).

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### 2.3 Antecedents of Organizational Ambidexterity

Besides the before-mentioned types of ambidexterity, numerous theoretical papers as well as empirical studies shed light on design dimensions and factors that contribute to the implementation of OA in organizations (among others O'Reilly & Tushman 2008; Schneeberger & Habegger 2020; Junni et al. 2015; Simsek 2009, Simsek et al. 2009; Fojcik 2015). After reviewing the literature, this paper focuses on two dominant publications to derive central design dimensions. These are utilized as a basis for the research framework of this thesis, which then serves as an instrument for further verification based on qualitative research. The two publications referred to for this purpose will be discussed in the following:

- (1) In the pioneering work of O'Reilly and Tushman (2008), OA implementation requirements were examined through interviews in 15 chosen sample firms that either adopted OA effectively, only after going through a relearning process, or unsuccessfully. They identified five requirements that must be satisfied for the successful application of ambidexterity:

***Strategic intent:*** First of all, a compelling formulation of the strategic intent including the importance of both exploration and exploitation is imperative, given that otherwise short-term needs will mostly prevent management from devoting sufficient time and resources to exploration activities. Further, without the rationale of strategic purposes for explorative activities, financial metrics would serve as the only performance measure.

***Common vision and values:*** An overarching vision and values are intended to counteract the question of why disparate entities should work together rather than compete. Thereby, a common identity and connection amongst different units can be established and collaboration enhanced. Furthermore, O'Reilly and Tushman (2008) found that a long-term mindset, as a basis for exploration, is reinforced by a common vision and shared values.

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**Consensus on strategy:** Coherent communication and a leadership team that is uniformly aligned are essential. Indeed, the lack of a clear consensus about the significance of both exploration and exploitation runs the risk of reduced information sharing, the sending of conflicting messages, and several avoidable controversies.

**Separate aligned units:** According to O'Reilly and Tushman (2008), separate units for exploration and exploitation are preferable when resources are distributed and controlled by an integrated leadership team. This is due to the risk associated with disparate units, that is, units are not aligned, organizational advantages are exploited, and ineffective resource utilization and unclear coordination occur.

**Leadership:** As the organization will inevitably confront resource allocation disputes and trade-offs, it is critical to have a leadership team being able to tolerate contradictions, foster discussion, and take action while resolving possible resulting tensions.

(O'Reilly & Tushman 2008)

- (2) A more recent study was carried out by Schneeberger and Habegger (2020), who used qualitative research to set up a five-stage maturity model to measure the maturity of ambidexterity in organizations. The model takes into account five specific characteristics: Management and Leadership, Strategy, Organizational Structure, Resource Allocation, and Corporate Culture, each with three integration mechanisms. The design elements are measured using the following research questions:

**Management:** Does management think and behave in accordance with the ambidextrous concept's principles? The researchers found that the highest ambidexterity maturity stage is evident if, throughout the management team, the balance of exploitation and exploration is highly valued and measures to that aim are in place. Moreover, managers demonstrate their readiness to change and the importance of change is transmitted to employees.

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**Strategy:** Does the corporate strategy reflect ambidextrous principles? In addition to specifically anchoring both exploration and exploitation in the strategy, the strategy formulation is clear, straightforward and simple. Further, it is conveyed frequently throughout a mature ambidextrous organization.

**Organizational structure:** Are the fundamentals of organizational ambidexterity covered by the organizational structure? Schneeberger and Habegger (2020) classify an ambidextrous company as having a high maturity level, when structural ambidexterity is routinely used, but also when exploration is integrated and knowledge sharing among all personnel is encouraged.

**Resource allocation:** Are resources handled in such a way that organizational ambidexterity can be applied? The researchers found that resources need to be distributed top-down and flexibly based on the likelihood of success and the necessity.

**Corporate culture:** Is the corporate culture beneficial to the effective application of organizational ambidexterity? According to Schneeberger and Habegger (2020), the transition to an ambidextrous firm must be represented in the norms and values. Furthermore, incentive structures must be fundamentally linked with ambidexterity, whilst not necessarily through monetary incentives but rather through soft rewards such as praise.

(Schneeberger & Habegger 2020)

These two repeatedly cited publications of O'Reilly and Tushman (2008) and Schneeberger and Habegger (2020) proved to be adequate to serve as the foundation for deriving relevant design dimensions for this study. Due to the page limit, the study focuses only on the organizational design dimensions which are **Strategy** and **Structure and Processes**.

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### **2.3.1 Organizational-Level Design Dimensions**

**Strategy.** This design dimension refers to what kind of strategy should be developed and how it should be communicated to employees. First of all, Management must develop a clear vision to justify an ambidextrous approach. In a study of 211 branches of an European bank, Jansen et al. (2008) demonstrated the value of an ambidextrous vision by finding a positive correlation between the creation of a common vision and the successful pursuit of OA. Based on this, management at the organizational level must make sure that there is an integrated, clear strategy for the simultaneous pursuit of exploration and exploitation, highlighting the significance of both activity patterns. It ought to explain the organization's motivation for implementing OA. To convince employees of the ambidextrous approach and to build an understanding of the resulting changes, it is also crucial to convey the strategy and vision to the workforce in a transparent manner (Schneeberger & Habegger 2020).

**Structure and Processes.** The first part of this design dimension illuminates the extent to which exploration and exploitation are anchored in terms of organizational structure, for example through a structural separation of the two activity patterns. The opinions of ambidexterity researchers in this respect are diverse and suggest that there is no optimal solution. While some authors favor the structural separation of exploitation and exploration (e.g. O'Reilly & Tushman 2008; Schneeberger & Habegger 2020), others argue for contextual ambidexterity (e.g. Adler et al. 1999; Gibson & Birkinshaw 2004). According to Schneeberger and Habegger (2020), when pursuing structural ambidexterity, it is often preferable to create a formal structure rather than an informal structure. Accordingly, they suggest dedicated organizational units for either exploitation or exploration. For instance, designated R&D departments or innovation labs can facilitate innovation. The decisive factor is that management deliberately involves the exploratory units to leverage their potential for value creation. If, on the other hand, contextual ambidexterity is pursued, the working time of employees should be divided between exploratory

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discovery of new ideas and everyday exploitation tasks (Gibson & Birkinshaw 2004; Häusling & Fischer 2020). This requires not only a very flexible structure that allows employees autonomy, self-organization and flexibility but also an appropriate culture and leadership (Häusling & Fischer 2020).

The second aspect of the dimension *Structure and Processes* takes into consideration how certain processes should be designed in an organization, with a focus on resource allocation, knowledge integration and Human Resources (HR). While exploratory units or task packages should be characterized by creative and variable processes, the processes for exploitative activities should be strongly structured and predetermined (Benner & Tushman 2003). Moreover, companies need to ensure sufficient exploitation for profit generation and thereby the provision of financial resources on the one hand, and sufficient exploration for the long-term survival of the organization on the other hand. Therefore, top management should decide how to allocate financial and time resources between exploitation and exploration (O'Reilly & Tushman 2013). This should serve the day-to-day decision-making processes of employees to enable them to work in a self-directed way and to allocate their time freely (Gibson & Birkinshaw 2004). In addition, central HR processes are of major significance when it comes to the development of OA, as they allow organizational workflows to be improved and collaboration between different departments to be optimized (Junni et al. 2015). Through joint training or learning of individuals from different functions (e.g. from exploitative or explorative business units) as well as methods such as job enrichment or job rotation, OA may be promoted (Renzl et al. 2013; Adler et al. 1999). While the creation and dissemination of new knowledge have great effects on exploration, the storing and transmission of existing knowledge favorably influences exploitation (Wollersheim 2010).

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### **3 Methodology**

Based on the research topic, the empirical approach is outlined in the following. The first sub-chapter begins with the justification and description of the selected research design, followed by an elaboration of the data collection. Finally, this chapter concludes with a description of the applied data analysis approach.

#### **3.1 Research Design**

In order to address the research gap mentioned in Chapter 1.2, a qualitative research technique is chosen. Qualitative designs are especially preferable for establishing new theoretical approaches, enhancing established ones and for gathering in-depth information (Edmondson & McManus 2007). Since the main objective of this study is to investigate how organizational ambidexterity is entrenched and implemented in practice, exploratory research is being undertaken (Blumberg et al. 2014). In addition, Agostini et al. (2016) state that given its inherent complexity, organizational ambidexterity necessitates a qualitative research methodology and cannot be encompassed by any other research design. The expert interview is one specific technique of qualitative research that considers an informant in his or her specialized function in a defined study setting (Gläser & Laudel 2006; Pfadenhauer 2009). Against the backdrop of this research interest, the specific form of the semi-structured expert interview based on a guideline is decisive. In particular, this is characterized by the interviewee's openness and freedom in terms of answer alternatives, as the interviewee is not constrained by established answer criteria (Mayer 2013). The partial standardization provided by the underlying interview guideline allows for flexible adaption to the interview circumstances while still ensuring comparability of the interview outcome (Döring & Bortz 2016). Since each company has a distinctive organizational setup, partial standardization facilitates to understand the different perspectives of the companies concerning the design of the dimensions under investigation. In summary, this methodological approach proves to be the

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most fitting to enable the generation of new understanding about how concepts are entrenched in real-world business contexts, why they operate the way they do, and how they build on the ambidexterity theory (Eriksson & Kovalainen 2016).

### **3.2 Data Collection**

*Interview guide conception and pre-testing.* The first stage in preparing for the expert interviews is to create the underlying guideline. In research practice, Helfferich's SPSS technique, i.e. sampling, proofreading, sorting and subsuming questions, has demonstrated its value in ensuring a systematic approach to guideline conception and is therefore used (Helfferich 2011). The initial phase in this process is to gather all questions that are of relevance with respect to the research object. The questions are critically reviewed in the second stage based on prior knowledge, openness and relevance. After filtering out the most relevant questions, the final step is clustering them into a meaningful order (Helferrich 2011).

The structure of the interview guideline adopts a deductive approach and builds on the dimensions that emerged from the literature analysis. The questions are organized into different thematic sections and are predominantly open-ended to allow the respondents to share in-depth insights while still focusing on the research objectives. The first thematic section focuses on the familiarity and usage of the terminology in the work environment. The second section examines how the two activity patterns of exploration and exploitation are anchored in the organization, as well as the extent to which the balance leads to tensions. The following sections focus on the derived design dimensions at the organizational level, namely *Strategy* and *Structure and Processes*. The interview guide concludes with a question intended to enable the interviewee to voice any questions or further thoughts.

To check for inconsistencies among the questions and the completeness of the topics asked, the guide is subjected to a pre-test prior to the expert interviews (Mayer 2013). After minor adjustments, the interview guide was finalized (see Appendix 4). Furthermore, an internal

guideline, being more extensive and including an introductory text as well as prepared follow-up questions and notes, was set up (see Appendix 5).

***Selection of experts.*** After developing and testing the interview guide, the goal of the sample selection is to identify a particular group of interviewees who are suitable to provide insights into the topic under investigation (Meuser & Nagel 2009). In the context of this study, purposive sampling is chosen as the sampling method and experts are interviewed who possess special experiential knowledge about the research topic (Döring & Bortz 2016; Patton 2015). To ensure that the recommendations for action to be developed for companies have high practical relevance and present different perspectives, the following criteria were defined for the selection of experts: Employees working in companies that pursue organizational ambidexterity, whose positions are in the broader field of innovation management, business or corporate development or innovation strategy and who belong to the company for at least one year. In addition, the study aimed to deliberately include different industries and company sizes to gain comprehensive insights. Finally, to find suitable interview partners for this study, a direct research technique was adopted (Kruse & Schmieder 2015). Table 1 provides an overview of the 12 experts along with their expertise. For the purpose of anonymity, the interviewees are abbreviated “I” and named “I1” to “I12” in line with the interview sequence.

ID	Position	Industry	Length of service with the company	Company size (number of employees)
I1	Corporate Development Consultant & Executive Assistant to the CEO	Automotive	1 year and 3 months	530 employees
I2	Project Manager Corporate Innovation	Automotive Supplier	5 years and 3 months	72,000 employees
I3	Innovation Manager	Automotive	2 years and 10 months	300 employees
I4	Senior Vice President & Plant Manager	Technology and Services	20 years and 11 months	402,600 employees
I5	Corporate Development Manager	Automotive IT-Services / IT-Consulting	2 years and 10 months	100 employees
I6	Innovation Manager & Head of Smart Farming	Mechanical Engineering	4 years	9,500 employees
I7	Head of Innovation Strategy	Athletic Sportswear and Equipment	7 years and 6 months	79,100 employees
I8	Executive Assistant to the CEO	Medtech	1 year and 5 months	53 employees
I9	Team Lead Digital Innovation & Partnerships	Automotive	3 years and 9 months	173,000 employees
I10	Process Transformation & Innovation Manager	Software Development	7 years and 11 months	107,400 employees
I11	Head of Product Aftersales	Automotive	1 year and 7 months	500 employees
I12	Innovation Manager	Digital Services for TIC-Branche	2 years and 3 months	83 employees

*Table 1: Overview Expertpanel*

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***Interview procedure and transcription.*** The 12 interviews were conducted via Microsoft Teams between October 18 and November 04, 2022 and lasted between 50 and 70 minutes. All interviews were conducted in English, except for one interview as the interviewee felt more comfortable speaking the native language. The risk of a possible translation error is considered low due to the researchers' language skills. The residual risk was accepted to gain as many insights as possible that would otherwise not be available due to the lack of specialized vocabulary. Prior to the interviews, a written declaration of consent to participate in the interview including permission to record was obtained. The interviews began with a mutual introduction as well as a brief explanation of the research objective and the interview procedure. Furthermore, to avoid knowledge asymmetries (Brinkmann & Kvale 2015), the researchers defined key terminologies such as exploitation and exploration. Subsequently, the questions of the interview guide were asked and dependent on the situation complemented with follow-up questions. The audio recordings were then transcribed for further data analysis. The transcription was performed manually according to the procedure of Kuckartz (2010). Finally, the transcripts were anonymized by removing any personal or organizational data that may have been used to identify the interview partners or associated organizations.

### **3.3 Data Analysis**

To analyze the material gathered from expert interviews, qualitative content analysis in the form of content structuring is applied (Mayring 2015). The procedure aims to analyze the material systematically and to filter out the most essential aspects. At the center of this analysis is a category system, with the help of which the material is classified according to themes. Categories can be defined inductively or deductively, whereby a mixed form is also conceivable (Mayring 2016). Since the objective of the research is explorative in nature and the subjective perspectives of the interview partners are to be taken into account, a deductive-inductive approach was chosen for this study (Mayring 2015). In the first step, the main categories were

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deductively developed based on the research question and the research framework. Subsequently, all coded text passages with similar statements were inductively formed into subcategories based on Mayring's three-step procedure (Mayring 2015). To ensure a clear structuring of the material as well as intersubjective comprehensibility, a coding guide was developed (see Appendix 6). In a final coding process, the entire material was revised (see Appendix 7). The table in Appendix 8 provides a comprehensive overview of the developed category system.

## **4 Results**

The results of the expert interviews are presented in the following sections utilizing the established category system and concise reference examples. Due to the scope of this work, only the most relevant results are provided.

### **4.1 Terminology Organizational Ambidexterity**

In order to find out whether and to what extent the term "Organizational Ambidexterity" finds use in working environments, the interviewees were asked if they were already familiar with the terminology before the interview, whether the term is used within the workplace and if there are other equivalents for the concepts.

Table 2 illustrates that eight out of the twelve interviewees did not know the terminology before the interview (e.g. I1, 29-30; I9, 16). However, the approach itself, exploration versus exploitation, was known to three of those respondents (e.g. I2, 14-17). Half of the respondents do not use the terminology or synonyms within the company (e.g. I3, 13-14). One expert pointed out that with "most things that are academic or theoretical models, the concept is used frequently, but the terminology is not used frequently" (I7, 45-47).

Nr.	Category	Expressions	Frequency
<b>C1</b>	<b>Terminology Organizational Ambidexterity</b>		
C1.1	Familiarity of the terminology	Term unknown	8
		Methodology familiar	3
		Comparison to other strategic model	1
		Term known	4

*Table 2: Category System Excerpt - Familiarity of the Terminology  
(Own illustration)*

## 4.2 Exploration vs. Exploitation

To get a first impression of the extent to which the two activity patterns are represented in the company, it was asked to what degree exploration and exploitation are implemented within the company and how the allocation of resources to the two activity patterns behaves. In only two of the twelve companies surveyed, the pursuit of the two activities is balanced (I1, 62-65). Only one interviewee stated that both objectives were pursued, but that they are “doing mainly explorative work” (I5, 41-42). According to the experts, eight of the twelve companies pursue both goals, but the focus is on the area of exploitation (e.g. I4, 52-53; I10, 54-70). Two of the interviewees have indicated that their organizations had focused rather on exploration in the past but are now moving to a more exploitation-focused approach (I9, 58-60; I12, 221-233). While a clear separation of activities is present in three of the companies (e.g. I3, 27-29), in two companies the separation is not possible (I12, 49-51). One interviewee stated that its organization concentrates first on exploration and then on exploitation, whereas two other companies combine several ways of implementing both activities. This result already gives a first impression of the forms of OA implementation (structural, sequential or contextual), which will be discussed in the following sub-chapter regarding organizational-level design dimensions.

The finding that the majority of organizations focus on exploitation is also reflected in the distribution of resources, as the majority of companies allocate more of the available resources

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for exploitative work (e.g. I3, 111-115). While some companies have a fixed budget for explorative work that is clearly separated from the rest of the core business, yet not all companies reported this separation and distinct budgeting (e.g. I5, 120-127). In addition, one of the interviewees noted that while more resources are devoted to exploitation, the exploratory work generally takes more time (I2, 127-128). According to one of the twelve experts, the allocation of resources also varies according to the level of the hierarchy. Thus, at higher hierarchical levels, more budget is allocated to innovations, while the lower hierarchical levels tend to take on a more executive role (I4, 105-112).

In addition to resource allocation, the study also examined whether other metrics are used to balance the two activity patterns. Overall, a clear picture emerged regarding the difficulty of measuring the two activity patterns, such that in practice different metrics are used for both (I8, 117-128). Five interviewees reported using a mix between soft targets and key figures (e.g. I4, 161-166). One form of measuring corporate goals used by most companies surveyed is the tracking of Objectives and Key Results (OKR) (e.g. I3, 130).

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### 4.3 Organizational-Level Design Dimensions

*Strategy.* In order to gain insights into how companies' strategy in the context of OA is designed and communicated in practice, and thus to partially answer RQ2, four questions of the interview guide (see Appendix 4) were dedicated to this topic.

First, the study examined how both exploratory and exploitative goals are embedded in the strategy, which yielded mixed results. On the one hand, it was noted that anchoring both goals was imperative. For instance, I4 stated that the two activity patterns must be anchored, "otherwise it won't work" (I4, 161). This observation was also supported by three other experts interviewed, reporting that both goals are clearly anchored in their corporate strategy (e.g. I10, 142-143). On the other hand, four of the remaining experts specified that the ambidextrous approach is embedded implicitly in their corporate strategy, such as: "it's not like the strategy has something that is really naming exploration, but still, [...] it's somehow included in the different pillars where you can see it." (I3, 174-176). Furthermore, the study showed that in three of the companies, the two activity patterns are not anchored in the strategy at all (e.g. I1, 37). Given these findings that the study results vary in terms of anchoring the two activities, one interviewee pointed out how important it is to distinguish between different types of companies. According to I6, "a family-owned company operates different to a big corporation. So these typical mission and vision statements that you have at big corporations is perhaps something you will not find as strongly in family-owned companies" (I6, 163-166).

In addition to anchoring the activities, the study also examined how the strategy is communicated within the companies. According to eight of the twelve experts, regular communication channels are used for this purpose, for example, through company events (I5, 194-196; I11, 195-199) or through online workshops in which all employees can participate (I10, 168-171). Although the study showed that strategy communication is considered "something that is communicated top down" (I2, 192) in most cases, one interviewee

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constituted the exception. In the respective company, the strategy is not dictated from the top down but the employees can actively participate designing the strategy according to the motto “instead of pushing, it’s pulling.” (I5, 205). According to I2, the different approach of communication is to be attributed to the different company sizes. It was highlighted that “every corporation has that problem that communication is diluted across hierarchical levels as soon as you’re really big. But [...] there’s less discussion than within a startup. Because in a startup everyone has an opinion and everyone thinks he has to communicate it” (I2, 206-211). Despite these differences, in summary the interviews indicated that all companies are aware of the importance of regular and comprehensible communication of the strategy (e.g. I4, 195). Closely related to the communication is the awareness of employees about the strategy during their daily work. Thus, given that both activities are anchored in the strategy, the extent to which employees are aware of the ambidextrous approach was determined by another question of the interview guide. Once again, the experts firmly highlighted that the size of the company is a deciding factor. While in smaller companies it is easier to involve all employees and create a general awareness in everyday life through regular communication (I5, 231-236), in larger companies “the lower it gets, so top down, the more you lose in terms of finer points” (I3, 214-215).

In addition to the design of the strategy and its communication, the interviewees were asked about general difficulties related to the strategy and its implementation. The most frequently cited challenge is that companies lack a vision and employees suffer from a lack of purpose which leads to not knowing in which direction the company is developing (I2, 227). In this regard, I1 highlighted that “no matter the communication initiatives, if you don’t know what your purpose as a company is, it’s really hard to narrow down, what is it that you do in order to pay into that bigger picture” (I1, 173-176). Although it was considered essential to give employees direction and show them the bigger picture they are working for every day (I8, 170-

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172), the study revealed that most of the companies do not have a defined vision. Another difficulty that was frequently mentioned throughout the interviews was the general resource limitation regarding time and budget (I4, 227-230). In addition to resource decisions, employee time management in general was mentioned as a challenge as well. Especially when it comes to prioritizing a company-wide effort over the day-to-day work that contributes directly to the business, conflicting interests can lead to difficulties (I5, 212-214).

***Structure and Processes.*** Two further critical factors for the successful implementation of OA that are examined at the organizational level are the organizational structure and the processes, which are mostly interdependent. As a second dimension to answer RQ2, these two areas were explored through five key interview questions (see Appendix 4).

Seven of the twelve experts reported having a hierarchical organizational structure in place, with different hierarchical levels depending on the company size. Additionally, two interviewees reported their experience with the organizational form of Holacracy. In this organizational structure, typical management tasks are divided among several roles and each team is able to create new and remove roles (I3, 210-215). I1 highlighted that due to the division of important tasks among several people, as the size of the company increases, this type of organization “can get really chaotic” (I1, 213-214). Consequently, this led the respective companies to the decision “to introduce more of a hierarchical structure” (I1, 224).

In addition to the general company structure, the interviewees were asked whether there is a structural separation between exploration and exploitation in the company. In total, four different approaches were identified: First of all, more than half of the companies surveyed are following a structural separation in the form of different departments or teams, “like a discovery team that is really focused on exploring” (I5, 314-314). Accordingly, the mode of structural ambidexterity (see Chapter 2.2) is the most frequently represented form based on the empirical data (e.g. I4, 267-268). A second form of separation implemented by two companies, is working

in specific roles that are responsible for exploratory activities. Hence, “within every business unit, there are different innovation people that follow different activities” (I2, 258-259). One company is following the approach of sequential ambidexterity, focusing first on optimizing existing products and processes before starting explorative activities. The last approach, identified in two of the companies, is the contextual ambidexterity. In this form, employees take on both activities depending on the context, thus the two patterns are “blended into the existing structure” (I1, 253-254).

Closely related with the structure, the interviewees were asked to what extent employees have the opportunity to drive their own ideas. As table 3 illustrates, the findings differ between the companies. Six of the twelve experts reported that their company is providing employees with a fixed time contingent for this purpose. For instance, in one company this concept is called “impact time”, where employees can spend 20% of their time on things other than just product work (I1, 88-91).

Nr.	Category	Expressions	Frequency
<b>C4</b>	<b>Dimension: Structure &amp; Processes</b>		
C4.3	Opportunities for employees to drive innovation	Dedicated time for innovation	6
		No dedicated time for innovation	4
		Innovation platform	4
		Incubator program	2

*Table 3: Category System Excerpt - Innovation Opportunities for Employees  
(Own illustration)*

Although providing a dedicated amount of time is a popular method, practitioners reflected on certain challenges. I11 stated that “the question is how to finance that at some point because not every idea can be followed up on. And the other question is also in terms of people management, how to give the people the opportunity to spend that time” (I11, 383-385).

Another reason mentioned for not providing this dedicated time, besides time and financial constraints, is the current economic situation. For example, the pandemic has led to layoffs in many companies resulting in a situation where “everyone is kind of overloaded with work in

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the departments. Even though they should work on innovation, they don't really have time for it" (I2, 318-320). Other forms of giving employees the opportunity to drive forward their own ideas reported were, for example, platforms where employees can submit these ideas (I3, 275-277) or dedicated events that allow employees to pitch their concepts. Furthermore, innovator challenges to subsequently receive financial and practical support for implementation were reported (I5, 353-359; I7, 424-426).

In addition to the structural implementation of OA, the experts were asked whether their companies use specific HR processes to encourage explorative behaviors among employees. The results showed that incentive systems are a method of encouraging exploratory behavior. For example, some of the interviewees referred to the fact that their companies award prizes for the best ideas (I4, 317-319) or incorporate soft metrics into annual employee appraisals (I7, 451-453). However, the study results affirmed rather non-monetary incentives with expert statements such as "it's more based on intrinsic motivation [...] and giving the people first of all the time in terms of their impact time to pursue those interests and those ideas" (I1, 265-267). Also I8 stressed the importance to "support different employees with different interests and skill sets instead of monetary wise incentivizing them to something" (I8, 260-262).

Besides of the incentives, companies are also focusing on processes to optimize information exchange and knowledge transfer between different teams. According to the interviews conducted, organizations reported of well-functioning collaboration and information sharing across departments. This attributes primarily to frequent meetings to exchange central information and communication platforms in which relevant information can be shared. The importance of such a knowledge exchange was highlighted particularly in one interview as it secures "incredibly valuable information around how you might circumvent or overcome challenges that you're facing today, that you've already faced in the past. And we're doing a better job, when being able to make and get those referenceable real-time insights when

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different folks are actually executing on the task of innovating” (I7, 499-504). In contrast, only one of the respondents noted that there are occasional inter-departmental problems in the exchange of information since “it very often doesn’t work because it’s not in the self-interest of an individual to share his knowledge and be made redundant” (I6, 357-359). Besides these communication channels, eight experts reported other HR processes supporting the knowledge transfer within the company and improving employees’ exploratory behaviors. These are for example job rotation programs, job shadowing, mentorships and special recruitment initiatives (I5, 385-387; I10, 397-400). Although these programs offer numerous benefits, I7 noted that such initiatives require careful consideration of each respective candidate. It was mentioned that companies have to filter out those who are interested in innovation rotations or role changes into more exploratory nature from those who actually have the potential to “be successful in this type of environment” (I7, 476).

In addition to specific initiatives, the experts were asked about the general design of the company’s processes. Six of the twelve experts highlighted that flexibility of processes varies depending on the department. For instance, explorative departments usually tend to work with more flexible processes in order to avoid restricting creativity with rigid processes (I7, 520-527). However, the experts also highlighted that focusing only on rather flexible processes can have negative effects, such as inefficiencies and chaotic operations (I1, 333-339). In contrast, experts from the automotive industry in particular have noted that standardized processes are indispensable and increase the efficiency of companies (I4, 357-360). I6 highlighted the benefits of structured processes saying: “When you have a process, you often have certain stages within an opportunity or scouting an opportunity to find. And you have a set of agreed vocabulary that means to everybody the same. And that can really help to focus” (I6, 384-387).

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## 5 Discussion

The main objective of this research is to shed light on how companies shape different dimensions of work practice relevant to ambidexterity at the organizational levels and thus, complementing the current state of research with practical insights of practitioners. In the following, the most important findings obtained through the empirical research are summarized and elaborated on the basis of the research questions defined in Chapter 1.2. Furthermore, it is discussed to what extent these results are in line with the basic theoretical assumptions of this thesis.

### 5.1 Summary of Findings and Discussion

#### 5.1.1 *Integration of the Terminology Organizational Ambidexterity in Practice*

“As with most academic or theoretical models, the concept is used frequently, but the terminology is not” (I7, 45-47). The statement of one interviewed practitioner reflects what Birkinshaw and Gupta (2013) have already phrased with the comment “Practicing managers don’t use the term.” (290). In response to the first research question (RQ1), this thesis’ research revealed that the majority of interviewees neither know nor utilize the term organizational ambidexterity in their respective organizations. Nonetheless, it becomes clear that there is an intuitive understanding of both exploring and exploiting activity patterns within the organizational setting. Even though all the organizations investigated pursue both goals, in some cases, it becomes apparent that the distinction between both activities by means of incremental innovation, which can be classified in the area of exploitation (O’Reilly & Tushman 2008), and radical innovation, which can be classified in the area of exploration (O’Reilly & Tushman 2008), is not clear to some interviewees. Nevertheless, it is generally recognized that the two domains cause certain tensions, yet they are not fundamentally mutually exclusive. Hence, the intensifying frictions are perceived, there is awareness regarding the

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paradoxical demands placed on companies and the need to balance these tensions and establish certain measures to deal with them is recognized. Against this background, it can therefore be concluded that organizational ambidexterity is a theoretically elusive construct, but one that is of high relevance in practice.

### ***5.1.2 The Simultaneous Pursuit of Exploitation and Exploration***

The competition for scarce resources is frequently cited as a fundamental challenge when combining explorative and exploitative activities (March 1991; Hill & Birkinshaw 2014). OA scholars such as He and Wong (2004) and O'Reilly and Tushman (2008) have noted that the conflicts in implementing OA are created by the struggle for scarce resources, place conflicting demands on the management and the fact that they build on different capabilities. This thesis' research indicates that, in fact, scarce resources are a critical factor for organizations in practice, both financially and in terms of time. As suggested by Schneeberger and Habegger (2020), resources should be allocated top-down and flexibly based on the likelihood of success and necessity. This is also evidenced in business practice, where resource allocation is mainly top-down due to the predominantly hierarchical organizational structure. However, some of the companies have dedicated budgets for both exploration and exploitation. Another issue affecting the distribution of resources is the uncertainty associated with large investments caused by exploration. Nevertheless, Levinthal and March (1993) point out that it can be detrimental for companies to focus only on exploration for this reason. The fact that exploitation is financially dependent on exploration is also reflected in remarks made by practitioners. Exploration requires more time, as radical innovations have a lengthy development process and, according to practitioners, always involve many attempts until a final breakthrough. However, since no revenue is generated during this time, financing relies on the core business. This thesis' research makes it clear that in corporate practice, explorative activities are only possible in combination with well-established exploitation activities, which in turn underlines the high

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significance of finding an appropriate balance between both. To support and ensure the right balance between exploration and exploitation, the theory emphasizes the use of proper metrics. Schneeberger and Habegger (2020) found that to achieve the highest maturity stage of ambidexterity, metrics must be in place to support this goal. The expert interviews revealed how difficult it is to find metrics for the right balance of the two activities in practice. While numerous KPIs are used for the core business, for instance by measuring cost efficiency, net sales or profitability, it is more difficult to measure explorative activities. In this case, companies rather look at time, milestones and overall business growth. Despite the difficulties, several companies have indicated measuring activities with both numerical and soft goals, often supported by the use of OKRs. The theoretical recommendations are thus largely reflected in the practical implementation.

Additionally, different demands and especially conflicting interests of the management can cause conflicts in pursuing OA. Nevertheless, the greatest point of conflict occurring from the expert interviews and following the theoretical knowledge is the fact that the two activity patterns build on different capabilities. Thus, combining the different mindsets of the employees is a big challenge for the companies that need to be mastered.

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### 5.1.3 *Organizational-Level Design Dimensions*

**Strategy.** The critical importance of an appropriate strategy for implementing OA is repeatedly highlighted by scholars. Not only the importance of reflecting both activity patterns in the strategy is emphasized (Schneeberger & Habegger 2020) but it is also essential that the strategy is formulated understandably for the employees (O'Reilly & Tushman 2008). Although the study shows that practitioners are aware of the importance of anchoring both exploitative and explorative activities in their strategy, this anchoring could only be found in a small proportion of the companies surveyed. In summary, it can be said that the companies differ greatly from one another in this regard and deviate in part from the theoretically recommended approach. O'Reilly and Tushman (2008) also note that a missing embedding may result in short-term business needs preventing managers from spending enough time and resources on explorative activities. These negative results from a lack of anchoring of both activity patterns, as expressed in the literature, is consistent with the findings from the study. In particular, the negative consequences of a missing embedding, namely the lack of resource and time allocation for exploration, are reflected in the practical insights. For instance, scarce resources were cited as a frequent reason for conflicts in the pursuit of the two goals. Likewise, time is deemed to be generally a challenge when it comes to prioritizing explorative over exploitative behavior that contributes directly to the daily business. As a result, managers are advised to use these negative consequences as an occasion to revise the formulation of their corporate strategy to ensure the reflection of both activity patterns.

In line with previous studies (Schneeberger & Habegger 2020), regular communication of the strategy is considered important by practitioners and is well-implemented in their daily work environment. The companies surveyed communicate their strategy on a regular basis as well as through a variety of communication channels and formats. Despite the communication efforts, the extent to which employees are aware of the strategy in their daily work varies. The findings

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suggest that this variation can be explained by the company size, making it potentially more difficult to adequately reach all employees and ensuring sufficient awareness as the company grows. This implies that companies need to explore new ways of effectively cascading down the corporate strategy through all hierarchical levels.

While the strategy defines basic decisions and draws a path, the vision describes the long-term goal to be achieved. An overarching vision is crucial for unifying seemingly incompatible patterns of activity (Adler et al. 1999). Researchers are highlighting the importance of creating a common identity and a long-term mindset for exploration through a shared vision and values (O'Reilly & Tushman 2008). This is a point where practical implementation lacks behind. Although the importance of giving the employees a bigger picture that they are working towards is acknowledged by practitioners, the present study suggests that most organizations lack a vision or goal. Thus, it can be concluded that it is essential for the management to define a clear vision of where the company is headed in the long term as well as to convey it to employees in a comprehensible manner.

***Structure and Processes.*** Opinions on the optimal design of organizational structure differ among OA researchers (e.g. O'Reilly & Tushman 2008; Adler et al. 1999). Although the study shows that the companies surveyed are predominantly hierarchically structured, the results also suggest that neither agile nor classic working methods on their own are optimal for implementing OA, but that a hybrid solution is preferred in practice. Experts emphasize that exploratory work requires agility and hierarchies can be an obstacle to advancing topics unbureaucratically. At the same time, highly flexible organizational structures such as the holacratic approach can lead to inefficiencies and confusion due to a lack of structure and unclear responsibilities. These fundamental findings are consistent with the findings of OA researchers that there is no one correct structure for OA, and therefore all three types of structural, sequential and contextual ambidexterity can be found in practice, even in

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combination. Nevertheless, the study indicates that most of the companies under investigation follow the mode of structural ambidexterity. Based on the empirical data, O'Reilly and Tushman's (2008) approach is therefore most commonly encountered in practical implementation. Both the literature and the study show that it is much more about choosing the right forms of implementation rather than the structure itself that allows for the simultaneous pursuit of both activity patterns. Hereby, Schneeberger and Habegger (2020) recommend a clear distinction in the form of organizational units when implementing a structural separation. This corresponds to the practical implementation of the interviewed companies where the separation is usually achieved by a clear division of the teams for exploration and exploitation. In addition to the structural separation, some companies are trying to involve all employees in exploratory activities through a contextual approach by dedicating time to explorative work, innovation platforms, or incubator programs. This may improve the overarching understanding of the need for exploration and provides employees with the opportunity to proactively participate. However, this model also confronts companies with challenges. In particular, the economic situation influences the practical implementation of contextual ambidexterity. Therefore, the time allocated for exploration is often not available in practice, due to the lack of human resource capacity. Hence, it seems advisable to carry out both activities in the form of a structural separation to avoid the risk of neglecting exploration in economically difficult times and thus jeopardizing the long-term success of the company.

Moreover, Benner and Tushman (2013) recommend that exploratory units should work with flexible processes while the processes for exploitation should be highly structured. Thus, both types of processes should be reflected in practice. Again, consistent with the literature, the study results show that exploratory departments work primarily with flexible processes which enables spontaneous action and makes innovation work more efficient by reducing bureaucracy. The exploitative departments, on the other hand, work primarily with structured processes. Overall,

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however, the study is in line with the literature, in the sense that both types of processes are represented in companies and that these are dependent on the activity pattern of exploration and exploitation. In addition, the findings of the interviews are in accordance with literature that the design of processes is additionally dependent on the tasks to be performed. To give an example, the processes in the production line of an automotive company would always require a certain structure as well as clear processes to meet the high safety and quality requirements. In summary, the interviews showed that processes can be neither only structured nor only flexible and that their design is highly dependent on the circumstances.

Besides the corporate structure and the general design of processes, another factor influencing the ambidextrous behavior of employees are special HR processes such as incentives. Tushman and O'Reilly (1996) note that these should also vary by the type of activity. However, these differences could not be replicated in practice. In contrast, the results suggest that firms do not grant monetary incentives for exploratory behavior, regardless of department or activity. This may raise concerns about whether the 1996 recommendations can be considered outdated as younger generations pursue different goals and are more likely to be motivated by other incentives rather than financial incentives.

Finally, literature suggests the exchange of knowledge and information within the company to have a positive impact on a company's ability of OA (Wollersheim 2010). Results demonstrate that this is implemented through special platforms used for the transfer of know-how. To optimize knowledge transfer between explorative and exploitative units, the introduction of job rotations and job shadowing could enable the exchange and use of a larger shared knowledge base. The interviews reveal, that some of these methods, such as job rotations or mentoring, are practiced. In summary, it can therefore be concluded that the companies already maintain a high level of information exchange and knowledge transfer by using different channels and methods. The practical findings thus correspond to the recommendations in literature.

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## **5.2 Theoretical Implications**

In previous OA literature, theoretical publications have described distinct design dimensions that need to be considered when implementing OA in organizations. However, according to O'Reilly and Tushman (2011), there is a knowledge gap in understanding how ambidexterity is handled in organizations. As a result, the major contribution of this study is to fill this research need in the present literature by using a qualitative research methodology. Since ambidexterity is a complex and challenging concept to understand in practice, practitioners' perspectives help to clarify the organizational challenges of being ambidextrous and viable measures to overcome them. In light of the numerous influencing parameters that need to be taken into account when implementing ambidexterity, this study contributes a more holistic view of the concept spanning several critical dimensions, thus enriching the perspective of previous empirical research mostly focusing on one dimension or micro-level impact perspectives solely.

## **5.3 Managerial Implications**

Against the background of increasing empirical evidence regarding the positive effect of OA to firm performance (among others Cao et al. 2009; Lubatkin et al. 2006; He & Wong 2004), and the resulting practical relevance of ambidexterity, one objective of this study was to derive helpful implications for practice. Among the wealth of findings, essential managerial recommendations were identified, which can be used by practitioners as an impulse to perceive and address emerging areas of tension more consciously. Due to the limited scope of this work, the following paragraphs focus on three implications for practice deemed most important.

### ***Finding a balance between agility and stability***

The tension between stability and agility is an increasingly common theme not only in the recent literature on OA. The practitioners interviewed also reconcile agility and agile working models with the pursuit of exploration. However, it should not go unnoticed that agility and stability

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constitute mutually dependent poles of tension (Gergs & Lakeit 2020). The findings confirm that the exclusive orientation towards agile organizational forms such as Holacracy leads to far-reaching difficulties, while strongly hierarchical organizations with an abundance of bureaucracy and structures are seen as inhibiting innovation. It is therefore necessary to find an individually adapted balance for each organization. In that sense, management must question traditional systems such as solely numerical KPIs or strict adherence to calendar-based corporate planning and examine the extent to which this rigidity fundamentally collides with the requirements of agility and trying out new things.

### ***Finding a balance between proximity and distance***

It is widely acknowledged that organizations should create a balance between exploration and exploitation, as focusing exclusively on one pattern of activity is likely to keep organizations in a sub-optimal equilibrium. There is, however, no precise answer to the issue of what combination of exploration and exploitation rates constitutes an optimum balance. Since the majority of the surveyed organizations use ambidexterity in a structural separation approach, this managerial implication focuses on the difficulty of managing tensions that arise between exploratory and exploitative teams within the company, i.e. finding an optimal equilibrium between proximity and distance between the two units. While being too proximate to the corporation, for example by means of adhering to predefined structures and exploitative interests, can hinder creativity, being too distant may also be inadequate, as the explorative units are always dependent on existing assets and resources (e.g. human or monetary resources).

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## 6 Limitations and Further Research

The present study made it possible to derive helpful implications for managers on how OA can be introduced more successfully in companies. The research framework (see Chapter 2.4) has proven to be an appropriate approach for providing view of the topic from the organizational perspective.

Qualitative research in the form of expert interviews is, besides the advantages of providing fine-grained insights, also subject to limitations. Due to the experts' individual perceptions of their companies, the interviews are characterized by a certain subjectivity that cannot be avoided (Helfferich 2014). As a result, different personnel perceptions come to the fore, possibly biasing the results of the study. This subjectivity leads to generally limited generalizability of the interviews. Roles within the organization may also influence these perceptions. Since the interviews were conducted with employees in different positions, the perspectives of the experts also vary, and so do the perceptions of particular aspects (Döring & Bortz 2016). Apart from the subjectivity of the interview partners, a subjectivity of the researcher also leads to limitations. In particular, this plays a role during the analysis of the interviews. To reduce this risk, the analysis of the empirical data and the classification into the category system was carried out twice independently.

In addition, the selection of the sample results in limitations for the study. As already described in Chapter 4, certain factors, such as strategy communication, depend on the size of the company. In addition, the interviews revealed differences between industries and between manufacturing and non-manufacturing companies. Even though the inclusion of different company sizes and industries in the study limits comparability, it also allows for comprehensive and cross-industry insights.

Some of these limitations give reason to further extend the present research and to consider individual aspects in more detail in the future. First of all, the choice of sample provides a

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starting point for further research. The limited comparability of the companies due to different industries and sizes can be addressed and thus investigated in greater depth in the form of separate studies. Further studies could examine companies of the same size and in the same industry and subsequently compare them with each other to reveal differences or similarities in the implementation of OA. Secondly, future studies might extend this research by using other research methods such as surveys or focus groups to neutralize subjectivity and achieve greater generalizability.

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## 7 Conclusion

In today's highly competitive environment with increasing cost pressure and the demand to withstand competition, Organizational Ambidexterity (OA) is increasingly coming into focus. However, the question of how ambidexterity is concretely shaped in organizations remains largely unanswered. The present study therefore aimed to contribute to the to-date neglected empirical findings on the concrete understanding and design of ambidexterity in corporate practice and to enrich the current knowledge on how to cope with exploration and exploitation at the organizational level. Using the research framework proposed in this thesis (see Section 2.4), it has been possible to gather first-hand practical insights on the dimensions of *Strategy* and *Structure and Processes* that helped to discuss and to better understand ambidexterity in organizations. As a final conclusion, findings have provided a detailed but demarcated description of how exploration and exploitation occur within twelve organizations and what kind of tensions arise in the practical implementation of OA. The study proved that approaching ambidexterity in an organization is a challenging accomplishment and that the dimensions studied are often closely interrelated. Consequently, looking at one single aspect in isolation is not useful as multiple factors on every dimension are influencing companies' ability to balance both activities. Thus, this thesis pointed to three managerial implications to serve as overarching thought-provoking impulse on how organizations can address the right balance between exploiting current capabilities for the present and exploring new capabilities for the future. For as quoted at the very beginning "[...] those who look only to the past or present are certain to miss the future" (John F. Kennedy 1963). Although the terminology has not yet been fully adopted in corporate practice, the awareness of the need to link exploitation and exploration is ultimately the basis for the continued existence and successful development of companies.

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# Appendices

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## **Appendix 1: List of Abbreviations**

HR	Human Resources
KPI	Key Performance Indicator
OA	Organizational Ambidexterity
OKR	Objectives and Key Results
RQ	Research Question

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## Appendix 4: Interview Guide

Expert interview within the scope of the final thesis on the subject of  
**“Organizational ambidexterity in practice - An exploratory study to examine the implementation of selected organizational- and individual-level design dimensions”**  
 at the NOVA School of Business and Economics

Question category		Guiding questions
C1	<b>Terminology Organizational Ambidexterity</b>	<ul style="list-style-type: none"> <li>• Were you already familiar with the term "organizational ambidexterity" (OA) before the interview?</li> <li>• Is the term OA used in your everyday work within your organization?</li> </ul>
C2	<b>Exploration vs. Exploitation</b>	<ul style="list-style-type: none"> <li>• To what extent does your company pursue the following business objectives: <i>Exploitation</i> (i.e. build on and extend core competencies) and <i>Exploration</i> (i.e. promoting innovation e.g. by entering new markets)?</li> <li>• If you would have to rate on a scale of 0 to 10, how important is each of these goals in your business?</li> <li>• Where do you see conflicts in pursuing the two business goals mentioned above?</li> <li>• How would you describe the allocation of time and resources related to exploration and exploitation activities in your company?</li> <li>• Are there any measures in your organization to balance exploration and exploitation activities?</li> </ul>
C3	<b>Dimension: Strategy</b>	<ul style="list-style-type: none"> <li>• To what extent are the two activity patterns anchored in the corporate strategy and/or vision?</li> <li>• How is the corporate strategy communicated to employees?</li> <li>• What kind of difficulties do you see in implementing the corporate strategy?</li> <li>• To what extent is the corporate strategy present for the employees in their daily work?</li> </ul>
C4	<b>Dimension: Structure &amp; Processes</b>	<ul style="list-style-type: none"> <li>• Please describe the organizational structure in your company.</li> <li>• Is there a structural separation between the above mentioned areas of activity (i.e. focus on core business and innovation activities)?</li> <li>• Please describe the extent to which your employees can drive forward innovative topics away from day-to-day business in their working hours.</li> <li>• How do HR processes look like in your company that encourage explorative and exploitative employee behavior? In terms of:               <ul style="list-style-type: none"> <li>- Incentive systems</li> <li>- Staff selection</li> <li>- Knowledge transfer and management</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>• Do your company's processes tend to be rather flexible or structured?</li> </ul>
<b>C5</b>	<b>Dimension: Culture and Mindset</b>	<ul style="list-style-type: none"> <li>• How would you describe the organizational culture in your company?</li> <li>• Please describe how feedback and failures are dealt with in your company.</li> <li>• Please describe the extent to which the following values are embedded in your company's organizational culture? <ul style="list-style-type: none"> <li>- Independence</li> <li>- Willingness to take risks</li> <li>- Transparency</li> <li>- Self-initiative</li> </ul> </li> </ul>
<b>C6</b>	<b>Dimension: Leadership</b>	<ul style="list-style-type: none"> <li>• Please describe the leadership style in your organization.</li> <li>• Is the leadership style rather task-oriented or employee-oriented?</li> <li>• Is innovation business driven by top management decisions or employee initiatives?</li> </ul>

## Appendix 5: Internal Interview Guide

- **General Introduction**

Thank you for your participation, before we start I would like to introduce myself and then would be happy to also get to know you a bit better, learn more about your current position, etc.

- **Introduction Researchers + Upcoming Interview**

Before we start, let me give you some details about the upcoming hour we have together: Timing about 1h; completely voluntary; recording to transcribe and evaluate the insights; information is treated confidentially; statements will be anonymized and not evaluated with names

### START RECORDING

- Before we start, i would like to share the fundamental understanding of the topic of ambidexterity so that we have a common base of understanding. The concept of an ambidextrous organization describes the ability to simultaneously exploit current competencies (referred to as exploitation) and explore new opportunities (referred to as exploration) and thereby secure their competitiveness in the long run.
- In other words, the aim is to assert oneself in established markets with the core business through efficiency and continuous optimization and rather incremental innovation (exploitation), as well as to develop future business potential for possible new markets in a flexible, experimental and creative way by rather radical innovations (exploration).

Question Category	Guiding questions	Notes / Further Questions
K1	<ul style="list-style-type: none"> <li>• Were you already familiar with the term "organizational ambidexterity" before the interview?</li> <li>• Is the term OA used in everyday work in your organization?</li> </ul>	<p><i>If no:</i> Do you use any other synonyms dealing with both goals in your organization?</p> <p><i>If yes:</i> Would you say dealing with both exploitation and exploration is Organizational Amidexterity in your opinion?</p>

K2	Exploration vs. Exploitation	<ul style="list-style-type: none"> <li>• To what extent does your company pursue the following business objectives: <b>Exploitation</b> (making profits in already developed markets, focusing on core business) and <b>Exploration</b> (promoting innovation and progress, e.g., by entering new markets)?</li> <li>• On a scale of 0 to 10, how important is each of these goals in your business?</li> <li>• Where do you see conflicts in pursuing the two business goals above in your company?</li> <li>• How would you describe the allocation of time and resources related to exploration and exploitation in your company?</li> <li>• Are there other measures in your organization to balance the two activity patterns?</li> </ul>	
K3	Dimension: Strategy	<ul style="list-style-type: none"> <li>• To what extent are the two action patterns anchored in the corporate strategy and/or your vision?</li> <li>• How is the corporate strategy and vision communicated to employees?</li> <li>• What difficulties do you see in implementing your corporate strategy and vision?</li> <li>• To what extent is the corporate strategy and vision present for the employees in their daily work?</li> </ul>	Besides of the strategy, do you have an overarching vision giving an indication for a direction in which your organization should develop?

K4	Dimension: Structure & Processes	<ul style="list-style-type: none"> <li>• Please describe the organizational structure in your company.</li> <li>• Is there a structural separation between the two areas of activity (core business and innovation activities)?</li> <li>• Please describe the extent to which your employees can drive forward innovative topics away from day-to-day business in their working hours.</li> <li>• How do HR processes look like in your company that encourage explorative and exploitative employee behavior? In terms of: <ul style="list-style-type: none"> <li>- Incentive systems</li> <li>- Staff selection</li> <li>- Knowledge transfer and management</li> </ul> </li> <li>• Do your company's processes tend to be flexible or structured?</li> </ul>	
K5	Dimension: Culture and Mindset	<ul style="list-style-type: none"> <li>• How would you describe the organizational culture in your company?</li> <li>• Please describe how feedback and failures are dealt with in your company.</li> <li>• Please describe the extent to which the following values are embedded in your company's organizational culture? <ul style="list-style-type: none"> <li>- Independence</li> <li>- Willingness to take risks</li> <li>- Transparency</li> <li>- Self-initiative</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• How important is it within your organization to adhere to hierarchies?</li> <li>• How important are values such as autonomy, initiative, risk-taking, openness and transparency in your organization?</li> <li>• How do you notice this? (Examples for verification)</li> </ul>

K6	Dimension: Leadership	<ul style="list-style-type: none"> <li>• Please describe the leadership style in your organization.</li> <li>• Is the leadership style more task-oriented or employee-oriented?</li> <li>• Is innovation business driven by top management decisions or employee initiatives?</li> </ul>	<p>Also, e.g., willingness to change, dealing with tension, delegation of responsibility</p> <p>Is the decision of task- vs. employee-orientation something that depends on the situation?</p> <p>Examples:</p> <ul style="list-style-type: none"> <li>• <i>Task-oriented</i>: Directive, delegative, hierarchical, strict following of rules and instructions</li> <li>• <i>Employee-oriented</i>: focused on empowerment of individual employees, self-organization and freedom of action</li> </ul>
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- Which of the discussed topics is the most important in terms of balancing the described activity patterns?
- Which of the discussed topics creates the most tension in your opinion?
- Do you have anything in mind that you would like to add, that seems important for you?
- Do you have further contacts that might be an interesting interview partners for us?

## Appendix 6: Interview Coding Guide

Nr.	Category	Definition	Examples	Coding rules
<b>C1</b>	<b>Terminology Organizational Ambidexterity</b>			
C1.1	Familiarity of the terminology	All statements that provide information about the awareness of the terminology “Organizational Ambidexterity” or synonyms.	“So the word ambidexterity means you can work with both hands, I think. So in an organizational aspect I wasn’t familiar with that” (I3 2022, l. 4-6)	The definition must be applicable.
C1.2	Usage of the terminology or synonyms within the company	All statements that provide information about the use of terminology in everyday work.	„As with most things that are academic or theoretical models, the concept is used frequently, but the terminology is not used frequently.” (I7 2022, l. 45-47)	The definition must be applicable.
<b>C2</b>	<b>Exploration vs. Exploitation</b>			
C2.1	Pursuit of the two activity patterns	All statements that provide information about the pursuit of exploitative and explorative activities.	“We spend a disproportionate amount of our time in that exploratory nature” (I7 2022, l. 81-82)	The definition must be applicable.
C2.2	Conflicts in pursuing the two activity patterns	All statements that provide information about conflicts in pursuing exploitative and explorative activities within the company.	“[...] it is very important to reflect on a sustainable growth because just growing could lead to problems or conflicts with the goal of improving the day-to-day life or our delivery capability [...]” (I11 2022, l. 113-116)	The definition must be applicable.
C2.3	Resource allocation related to the two activity patterns	All statements that provide information about the resource allocation related to exploitative and explorative activities.	“So we have some budget for exploration, but it’s very small compared to what the other departments have for exploitation.” (I3 2022, l. 111-113)	The definition must be applicable.

C2.4	Measures to balance the two activity patterns	All statements that provide information about other measures to balance the two activity patterns.	“I think the metric is business opportunity in terms of not realized sales, when you look at exploration. When it comes to exploitation, then it’s essentially market share” (I6, 2022, 1. 128-130)	The definition must be applicable.
C2.5	Most important dimension for enabling organizational ambidexterity	All statements that provide information about the most important dimension for the implementation of organizational ambidexterity	“So, having this structure in place I think is the most important thing to start.” (I12 2022, 1. 540-541)	The definition must be applicable.
C2.6	Dimension that generates the most tensions	All statements that provide information about the dimension that generates the most tension combining the two activity patterns	“I would say culture and mindset and leadership might be the most challenging dimensions when it comes to the combination of both patterns, in my opinion” (I11 2022, 859-861)	The definition must be applicable.
<b>C3</b>	<b>Dimension: Strategy</b>			
C3.1	Anchoring the activity patterns in the corporate strategy and vision	All statements that provide information about anchoring of explorative and exploitative activities in the corporate strategy and vision.	“So I would say also in strategy, we have kind of a balance between developing new service but also digitalizing services and building digital service.” (I11 2022, 1. 135-138)	The definition must be applicable.
C3.2	Communication of the corporate strategy and vision	All statements that provide information about the communication of the corporate strategy and vision	“I mean we have Intranet, we have different events, internal employee events, where our marketing department of course always communicates what the new strategy is. I mean this is really something that is communicated top down. Everyone knows it pretty well I would say.” (I2 2022, 1. 188-193)	The definition must be applicable.

C3.3	Implementation difficulties of the strategy	All statements that provide information about difficulties in the implementation of the strategy.	“So there are so many entities or little companies so to say within the [ <i>company name</i> ] world doing their own stuff, who are in the regions and providing services so that is always the tricky part to communicate it to also these own little companies, so to say” (I12 2022, l. 186-190)	The definition must be applicable.
C3.4	Employee awareness of the strategy	All statements that provide information on the extent to which the corporate strategy is present to employees in their daily work.	“But I see it as a very important because it gives also the employees kind of meaning and purpose for this daily work if he can identify himself with the company and the company’s goals. So I see that as very important and a topic where I think you are never finished.” (I11 2022, l. 213-217)	The definition must be applicable.
<b>C4</b>	<b>Dimension: Structure &amp; Processes</b>			
C4.1	Organizational structure	All statements that provide general information about the structure of the company.	“[...] we have a matrix organization which was implemented one and a half years ago.” (I3 2022, l. 231-232)	The definition must be applicable.
C4.2	Implementation of organizational ambidexterity	All statements that provide information about the structural implementation of explorative and exploitative activity patterns.	“That is purposefully separated to allow enough of the budget on investing year over year to be able to be funneled towards new products” (I7 2022, l. 377-379)	The definition must be applicable.
C4.3	Opportunities for employees to drive innovation	All statements that provide information to which extend employees have the opportunity to drive innovation topics within their worktime	“[...] employees are allowed to spent 20% on impact projects, which can be something innovative, which can be something other meaningful [...]” (I11 2022, l. 374-377)	The definition must be applicable.

C4.3	HR processes to encourage explorative and exploitative employee behavior	All statements that provide information about HR processes to encourage explorative and exploitative employee behavior	“We don’t have any sort of incentive system yet. It’s more based on intrinsic motivation.” (I1 2022, l. 266-268)	The definition must be applicable.
C4.5	Internal processes	All statements that provide information about company’s processes	“[...] we want to implement more professional processes for sure for certain activities like HR and all stuff. But currently it's really more flexible [...]” (I12 2022, l. 353-355)	The definition must be applicable.
<b>C5</b>	<b>Dimension: Culture and Mindset</b>			
C5.1	Organizational culture	All statements that provide general information about	“I would say that if shifted in the past towards more openness, more open-mindedness, more orientation also towards the customer” (I9 2022, l. 534-536)	The definition must be applicable.
C5.2	Importance of adherence to hierarchies	All statements that provide information about the importance to adhere to hierarchies within the organization	“So everybody will be using hierarchical terms and you can hear it in everyday life, in everyday conversations, that hierarchy plays a huge role.” (I9 2022, l. 561-563)	The definition must be applicable.
C5.3	Anchoring values in the organizational culture	All statements that provide information about the anchoring of certain values in the corporate culture	“[...] we really strive for high level of autonomy and also the teams should be able to take the required risk that that are needed to really drive that way and challenge their problems that they are facing [...]” (I11 2022, l. 605-609)	The definition must be applicable.
C5.4	Dealing with feedback	All statements that provide information about the organization's handling of feedback	“I’d say we have a really good feedback culture. [...] Where we struggle a bit is that people actually have the time for it” (I5 2022, l. 590-600)	The definition must be applicable.

C5.5	Dealing with failure	All statements that provide information about the organization's handling of failures	"[...] [ <i>company name</i> ] is in many regards a safe space or a place of psychological safety. So failure is welcomed and part of every day's business [...]" (I1 2022, l. 392-394)	The definition must be applicable.
<b>C6</b>	<b>Dimension: Leadership</b>			
C6.1	Leadership	All statements that provide general information about the leadership style	"And speaking of leadership, I would say in an agile world it is not the classical one that a lot of firms and also our [ <i>company name</i> ] is used to work and it's more a servant leadership style [...]" (I11 2022, l. 723-726)	The definition must be applicable.
C6.2	Task-oriented or employee-oriented leadership style	All statements that provide information about whether the management style is more task-oriented or employee-oriented	"We are moving toward like a lot more people-oriented leadership" (I5 2022, l. 682-683)	The definition must be applicable.
C6.3	Source of innovation in the company	All statements that give information about innovations tend to be driven by employees or top down by management.	"Now when it comes to new product development or innovations, then this is very much driven by the shareholders themselves, who are very strongly interconnected in the market and with other entrepreneurial families" (I6 2022, l. 54-58)	The definition must be applicable.



## Appendix 7: Category System with Expressions

Nr.	Category	Expressions	Frequency
<b>C1</b>	<b>Terminology Organizational Ambidexterity</b>		
C1.1	Familiarity of the terminology	Term unknown	8
		Methodology familiar	3
		Comparison to other strategic model	1
		Term known	4
C1.2	Usage of the terminology or synonyms within the company	No usage of the terminology or synonym	6
		Using the term partly within the company	1
		Unknowingly following the meaning of the term	2
		Using other term for the meaning	3
		Usage of the terminology	1
<b>C2</b>	<b>Exploration vs. Exploitation</b>		
C2.1	Pursuit of the two activity patterns	Balance exploitation vs. exploration	2
		Sequential ambidexterity	1
		Doing both with focus on exploitation	8
		Doing both with focus on exploration	1
		Separation between both not possible	2
		Separation between both activity patterns	3
		Combining multiple ways of doing both	2
		Focus changes from more explorative to exploitative	2
C2.2	Conflicts in pursuing the two activity patterns	Limited resources	2
		Exploration monetary dependent on exploitation	2
		Different employee mentality	5
		Conflicting interests	2
		Risk of cannibalization	1
		Conflicts perceived as beneficial	1
		Rigid processes hold back innovations	1
		Unsustainable growth	1
		Missing understanding for the relation of the two patterns.	1
		Depending on the maturity stage of the company	1
C2.3		No dedicated budget for innovation	1

	Resource allocation related to the two activity patterns	Exploration takes a lot of time	1
		More resources for exploitation	4
		Dedicated budget for innovation	3
		Dependent on the hierarchical level	1
C2.4	Measures to balance the two activity patterns	No measures	1
		Measured both with figures and soft goals	5
		Difficulties to find metrics for innovation	2
		Different focus in measurement for activity patterns	1
C2.5	Most important dimension for enabling organizational ambidexterity	Structure and processes as basis	4
		Leadership	4
		Environment for ambidexterity	3
		Interrelatedness of multiple dimensions	2
		Strategy	1
C2.6	Dimension that generates the most tensions	Resource allocation	1
		Strategy	2
		Lack of understanding of different departments	1
		Difficulties to change the mindset	1
		Leadership	3
		Structure and processes	5
		Culture and Mindset	1
<b>C3</b>	<b>Dimension: Strategy</b>		
C3.1	Anchoring the activity patterns in the corporate strategy and vision	Clear (explorative and/or exploitative) strategic intent not defined	4
		Focus on sustainable growth	1
		Focus on growth	2
		Both activity patterns clearly anchored	3
		Implicit anchoring of both activities in the strategy	4
		Clear (explorative and/or exploitative) intent not defined in the vision	1
		No defined vision	1
		Clear focus on exploitation only	1
		Importance of regular revision of the strategy	1
C3.2	Communication of the corporate strategy and vision	Improving communication	1
		Application of OKRs	4
		Regular communication measures	8
		Easy communication across hierarchies	1
		Structured top-down communication	3

		Developing the strategy together with the employees	1
C3.3	Implementation difficulties of the strategy	Missing purpose/vision	2
		Less commitment to the strategy due to top-down communication	4
		More discussions about the strategy in smaller companies	1
		Limited resources	2
		Difficulties to implement something new	1
		(Older) Employees stuck in their comfort zone	1
		Different companies within the corporate	1
C3.4	Employee awareness of the strategy	High awareness because of a small company size	1
		Entrepreneurial nature within the company	1
		Less understanding when changing significantly	1
		Depending on the willingness of the employees	1
		Missing overarching purpose	1
<b>C4</b>	<b>Dimension: Structure &amp; Processes</b>		
C4.1	Organizational structure	Missing structure	1
		Hierarchical structure	7
		Matrix organization	1
		Changing the structure because of the company size	1
C4.2	Implementation of organizational ambidexterity	No structural separation	2
		Dedicated roles for exploration	2
		Structural separation by departments	7
		Exploration through development of start-ups	1
		Dependent on the level of seniority	1
C4.3	Opportunities for employees to drive innovation	Dedicated time for innovation	6
		No dedicated time for innovation	4
		Innovation platform	4
		Incubator program	2
		No time for additional innovative work	2
		Employees working together with the innovation department	1
C4.4	HR processes to encourage explorative and exploitative	No monetary incentives for innovations	6
		HR processes focusing on exploitation	2
		Inefficient use of knowledge management platform	1
		Monetary incentives for start-ups	1

	employee behavior	Knowledge management system	8
		Employees don't want variable salary	1
		Difficulties with knowledge management	1
		Incentives through performance measures	2
		Mentorship program to share knowledge	2
		No HR processes focusing on ambidexterity	1
		No knowledge management system	1
		Recruiting process focusing on explorative skills	2
		Ambidexterity anchored in HR processes but not lived	1
		Knowledge transfer through job changes supported	2
		Depends on the manager	1
		HR processes to foster ambidexterity	2
		Job shadowing to foster knowledge exchange	1
		Job rotation to foster open-mindedness	1
		Support rather than incentives	1
C4.5	Internal processes	Flexible processes	3
		Inefficiency due to missing processes	2
		Less bureaucracy due to flexible processes	1
		Lack of data quality	2
		Increasing efficiency due to standardized processes	2
		Different level of flexibility in different departments	6
		Structured processes to be efficient	1
		Very structured processes	1
<b>C5</b>	<b>Dimension: Culture and Mindset</b>		
C5.1	Organizational culture	Commitment to the company	1
		Focus on developing a good organizational culture	1
		Agile mindset	4
		Different mindset depending on the activity pattern	1
		Cultural change within the last years	2
		Changing the mindset takes time	2
		Collaborative culture	1
		Fragmented culture	5
		Entrepreneurial spirit within the organizational culture	1

		Ambition to be the best anchored in the culture	1
		High importance of culture to enable innovation	1
C5.2	Importance of adherence to hierarchies	Different importance depending on the team and people	1
		Not important in innovation team	1
		Important role of hierarchies	2
		No important to adhere to hierarchies	1
C5.3	Anchoring values in the organizational culture	Open mindset anchored in the values	3
		Employees not willing to take risk	1
		Transparency not actively pushed	1
		Self-initiative anchored in the values	2
		Transparency depending on the teams and employees	2
		Importance of leaders serving as role model	1
		Strict consequences for not living the values	1
		Independence actively promoted	1
		Willingness to take risk	2
		Autonomy, self-initiative and risk taking are not anchored in the values	3
		Autonomy, self-initiative and risk taking depend on the employee's willingness	1
		Transparency anchored in the values	1
		Autonomy, self-initiative and risk taking anchored in the values	1
C5.4	Dealing with feedback	Demand for more feedback	2
		Feedback integrated regularly	7
		Dependent on the team/manager	2
		Lack of time for feedback	1
C5.5	Dealing with failure	Failure is welcome	6
		Failure is partly seen as something bad	1
		Events to present recent failures	1
		Failure culture needs to be improved	3
		Failure seen as something bad	1
		Failure needs a sponsor	1
<b>C6</b>	<b>Dimension: Leadership</b>		
C6.1	Leadership Style	Allowance of freedom	8
		Defined leadership principles	1
		No common leadership style	4
		Age as influencing factor for leadership style	3

		Leadership is not a priority	1
		Positive perception of leadership	2
		Transparency to deal with tensions and change	4
		Participating leadership style	1
		Strong top-down leadership	1
		Focus on consistency	1
		Processes to ensure good leadership	1
		Negative leadership experience with Holacracy	1
		Servant Leadership	2
		Focus on trust	3
C6.2	Task-oriented or employee-oriented leadership style	Employee-oriented leadership	3
		Situational leadership	4
		Mixture between task- and employee oriented	3
		Depends on the department	4
		Task-oriented on a higher hierarchical level	1
		Employee-oriented on a lower hierarchical level	1
		Rather task-oriented	2
		Strive for more employee orientation	1
C6.3	Source of innovation in the company	Incremental innovation top-down	2
		Radical innovation bottom-up	2
		Innovation from both ways	3
		Management only giving the budget	1
		Incremental innovation bottom-up	3
		Radical innovation top-down	3
		Innovations driven more bottom-up	1
		Innovation mainly driven by the management	1