

The power of ambidexterity when leading project groups

In the business world, the concept of ambidexterity has emerged as a potent force, especially when it comes to leading project groups toward success. But what exactly does ambidexterity entail in a business context and why is it crucial for effective project management?

Ambidexterity Definition: In essence, ambidexterity means the ability to simultaneously explore new opportunities and technologies while exploiting existing competencies and resources. This balanced approach helps organizations adapt to change and thrive in the long term.

Theoretical foundation: Ambidexterity can be divided into several types:

1. Contextual ambidexterity: balancing exploration and exploitation within specific organizational contexts.
2. Innovative ambidexterity: applying exploration and exploitation to innovation, covering both exploratory and exploitative innovation.
3. Structural Ambidexterity: Organize separate units for exploration and exploitation.
4. Sequential ambidexterity: alternating between exploration and exploitation in a specific order.

Practical Implications: The impact of ambidexterity on the successful leadership of project groups cannot be underestimated. It requires leaders who can balance competing demands and create a culture that values both exploration and exploitation. Successful companies like Procter & Gamble, Google and Amazon have effectively adopted ambidextrous approaches, reaping the benefits.

Implementing Ambidexterity: Organizations can implement ambidexterity by creating distinct units or teams dedicated to exploration and exploitation. Effective leadership is crucial to fostering innovation and motivating employees to strike the right balance.

Benefits of Ambidexterity: Ambidexterity improves adaptability, agility, innovation, and operational efficiency within project groups. It ensures a harmonious coexistence of short- and long-term objectives, helping organizations navigate the ever-changing business landscape.

Conclusion: In the field of project management, ambidexterity changes the rules of the game. It allows organizations to juggle exploration and exploitation effectively, fostering innovation and efficiency. This approach maximizes the potential for project success and paves the way for sustained growth in today's dynamic business environment. However, obstacles such as resource misallocation and mismanagement must be avoided on the path to achieving the notable benefits of ambidexterity.

Figures / Tables

The Scope of the Ambidextrous Organization

Ambidextrous organizations encompass two profoundly different types of businesses—those focused on exploiting existing capabilities for profit and those focused on exploring new opportunities for growth. As this table indicates, the two require very different strategies, structures, processes, and cultures.

| Alignment of: | Exploitative Business | Exploratory Business |
|--------------------------|--|---|
| Strategic intent | cost, profit | innovation, growth |
| Critical tasks | operations, efficiency, incremental innovation | adaptability, new products, breakthrough innovation |
| Competencies | operational | entrepreneurial |
| Structure | formal, mechanistic | adaptive, loose |
| Controls, rewards | margins, productivity | milestones, growth |
| Culture | efficiency, low risk, quality, customers | risk taking, speed, flexibility, experimentation |
| Leadership role | authoritative, top down | visionary, involved |

Ambidextrous Leadership

Different alignments held together through senior-team integration, common vision and values, and common senior-team rewards.

Figure 1. Chart showing the scope of the ambidextrous organization and its different alignments. Adapted from: O'Reilly, C. A., & Tushman, M. L. (2004). The Ambidextrous Organization. Harvard Business Review. Retrieved June 20th, 2023. From: <https://hbr.org/2004/04/the-ambidextrous-organization>

Structural Ambidexterity vs. Contextual Ambidexterity

The traditional view of organizational ambidexterity revolves around a structural separation of initiatives and activities. The notion of contextual ambidexterity, which manifests on an individual level, represents a complementary process.

| | Structural Ambidexterity | Contextual Ambidexterity |
|---|---|--|
| How is ambidexterity achieved? | Alignment-focused and adaptability-focused activities are done in separate units or teams | Individual employees divide their time between alignment-focused and adaptability-focused activities |
| Where are decisions made about the split between alignment and adaptability? | At the top of the organization | On the front line – by salespeople, plant supervisors, office workers |
| Role of top management | To define the structure, to make trade-offs between alignment and adaptability | To develop the organizational context in which individuals act |
| Nature of roles | Relatively clearly defined | Relatively flexible |
| Skills of employees | More specialists | More generalists |

Figure 2. Comparison between the Structural Ambidexterity vs Contextual Ambidexterity. Adapted from: Birkinshaw, Julian & Gibson, Cristina. (2004). Building Ambidexterity into an Organization. MIT Sloan Management Review. 45.

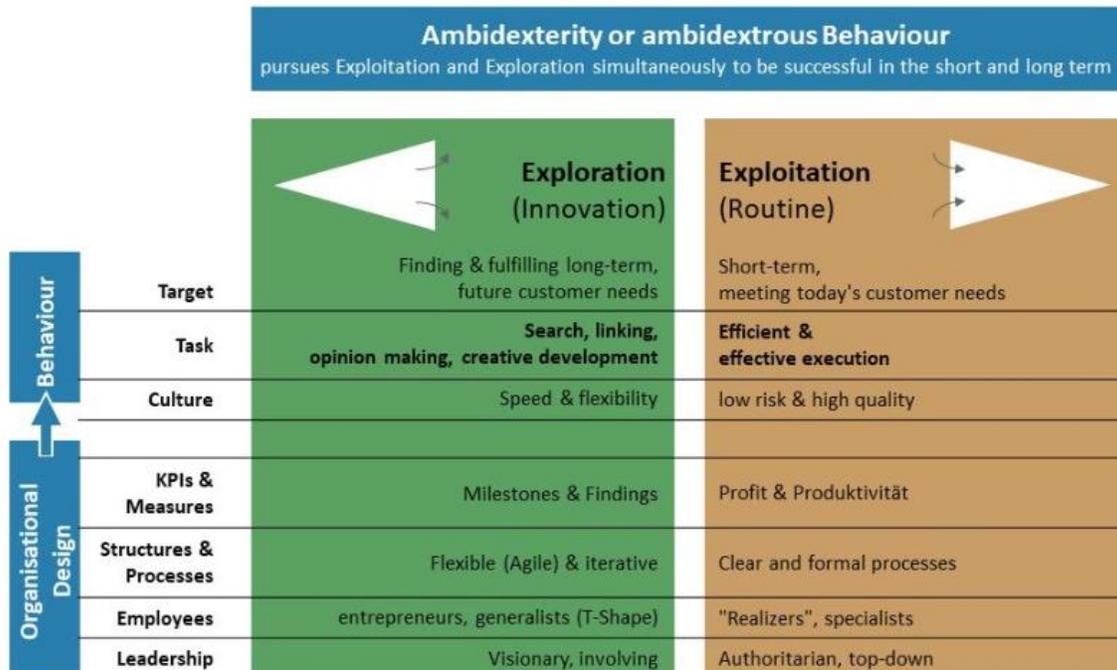


Figure 3. Ambidexterity or ambidextrous Behaviour. Adapted from: O'Reilly & Tushman 2004; Kollmann et al. 2009:304; Olivan 2019:34

References

- Amazon Web Services (n.d) Explore Our Solutions. Retrieved June 22,2023, from: <https://aws.amazon.com/es/>
- Benner, M. J., and Tushman, M. L. (2003). Exploitation, exploration, and process management: the productivity dilemma revisited. Acad. Manag. Rev. 28, 238–256. doi: 10.5465/amr.2003.9416096
- Birkinshaw, Julian & Gibson, Cristina. (2004). Building Ambidexterity into an Organization. MIT Sloan Management Review. 45.

- Boston Consulting Group – Henderson Institute. (2023). Ambidexterity. Retrieved June 19, 2023, from: <https://www.bcg.com/publications/collections/your-strategy-needs-strategy/ambidexterity>
- Dieffenbacher, S. (2023) Ambidextrous Organization: Examples, Definition, Levels & Benefits. Retrieved June 22, 2023, from: <https://digitalleadership.com/blog/ambidextrous-organization/#:~:text=Google%20is%20a%20technology%20company,and%20its%20ambidextrous%20organizational%20structure.>
- Duan Y, Liu W, Wang S, Yang M and Mu C (2022) Innovation ambidexterity and knowledge redundancy: The moderating effects of transactional leadership. *Front. Psychol.* 13:1003601. doi: 10.3389/fpsyg.2022.1003601
- Kortmann, S. (2012). Organizational Ambidexterity. In: The Relationship between Organizational Structure and Organizational Ambidexterity. *Betriebswirtschaftliche Studien in forschungsintensiven Industrien.* Gabler Verlag. https://doi.org/10.1007/978-3-8349-3630-1_3
- Lin, C., and Chang, C. C. (2015). A patent-based study of the relationships among technological portfolio, ambidextrous innovation, and firm performance. *Technol. Anal. Strateg. Manag.* 27, 1193–1211. doi: 10.1080/09537325.2015.1061119
- M.S. Rao, PhD (2021) Don't Make the Same Mistake Leaders at Kodak, Blockbuster and Xerox Made When Disruption Comes to Your Industry. Retrieved June 22th, 2023, from: <https://www.entrepreneur.com/leadership/dont-make-the-same-mistake-leaders-at-kodak-blockbuster/370116>

- O'Reilly, C. A., & Tushman, M. L. (2004). The Ambidextrous Organization. Harvard Business Review. Retrieved June 20th, 2023, from: <https://hbr.org/2004/04/the-ambidextrous-organization>
- Procter & Gamble (2013). P&G Connect+Develop Launches New Open Innovation Website. Retrieved June 22, 2023, from: <https://news.pg.com/news-releases/news-details/2013/PG-ConnectDevelop-Launches-New-Open-Innovation-Website/default.aspx>
- Rhee, M., Kim, T. (2018). Exploration and Exploitation. In: Augier, M., Teece, D.J. (eds) The Palgrave Encyclopedia of Strategic Management. Palgrave Macmillan, London. https://doi.org/10.1057/978-1-137-00772-8_388
- Rosing, K, Frese, M, Bausch, A. (2011). Explaining the heterogeneity of the leadership-innovation relationship: ambidextrous leadership. The Leadership Quarterly, 22(5), 956–974.
- Sailer, P. (2019) "Project management methods as a way to ambidexterity", International Journal of Managing Projects in Business, Vol.12 No. 4, pp. 1061-1078. <https://doi.org/10.1108/IJMPB-05-2018-0>
- Task Management Guide (n.d) What is Project Group. Retrieved June 22, 2023, from: <http://www.taskmanagementguide.com/glossary/what-is-project-group.php#:~:text=Project%20Group%20is%20a%20collection,other%20as%20their%20project%20develops>.
- Vocabulary.com. (n.d.). Ambidextrous. Retrieved June 20, 2023, from <https://www.vocabulary.com/dictionary/ambidextrous>

- X – The Moonshot Factory. (n.d). Retrieved June 22, 2023, from: <https://x.company/>

Sobre el autor:

Rodrigo Bonet Galaz. Estudiante de la Licenciatura en Administración de Negocios Internacionales en la Universidad de las Américas Puebla (UDLAP). Realizó estudios en el extranjero en la Facultad de Administración de Empresas de la Universidad de Munich (LMU) en Alemania como parte de un intercambio académico en 2023. Temas de interés: negocios, globalización y finanzas en general. Es afán de la escritura académica y de la investigación.

Contacto: rodrigo.bonetgz@udlap.mx