How Paradoxes Shape Members and the Member–Organization Relationship: An Identity Threat Perspective

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Abstract. Organizations and their members not only respond to paradoxes, but also can be shaped by paradoxes in potentially profound yet highly heterogeneous ways. In our study, we adopt an identity threat perspective to explicate how paradox dynamics can affect members' sense of self as professionals and their organizational identification as a key facet of the member–organization relationship. The transformational change of a leading public university launching a for-profit business school in Europe in 2017 provides a particularly fertile setting for this purpose. Our in-depth, longitudinal case study spanning 75 months from January 2016 to March 2022 serves as the empirical basis for a novel process model that helps to explain why the same set of paradoxes may have vastly different identity and identification effects not only among members of the same organization, but also within individual members over time. We can trace some of these differences back to boundary conditions related to members' identity and paradox perception, which jointly shape how members recognize, attribute, and respond to paradoxes as threats to their identity. Overall, our study provides a new lens into the multifaceted process through which paradoxes can shape members and member–organization relationships as exemplified by members' organizational identification.

Introduction

Paradoxes are "interdependent elements" (Schad et al. 2016, p. 6) that "seem logical individually but inconsistent and even absurd when juxtaposed" (Smith and Lewis 2011, p. 382). Paradoxes pervade organizational life but often remain in the background. They tend to linger below the surface and emerge when change disrupts the fragile equilibrium between opposing poles (Smith and Lewis 2011, Smith 2014). Organizations and their members, for instance, need to fulfill existing demands and enable future innovation—known as the exploitation–exploration paradox. More generally, organizations and their members grapple with long-term objectives and respond to myriad short-term fires that flare up daily in uncertain, changing conditions (Miron-Spektor et al. 2018, Pradies et al. 2021). Organizational survival and long-term performance critically depend on organizations and their members to engage with both poles of each paradox (Smith 2014, Schad

et al. 2016). Indeed, the capacity to manage paradoxical tensions is described as the "ultimate advantage and challenge for organizations" (Andriopoulos and Lewis 2009, p. 709; Berti and Simpson 2021).

It is, thus, not surprising that much prior research emphasizes the behavioral effects of paradoxes, that is, the *doing* of organizations and their members, with the objective of reconciling, managing, or navigating the paradoxes at play (Lewis and Smith 2022). At the macro level of the organization, research uncovers distinct paradox response strategies, including turning tensions into novel synergies (Eisenhardt and Westcott 1988), differentiating and integrating tensions to understand alternatives (Smith and Tushman 2005, Andriopoulos and Lewis 2009), and accepting paradoxes as necessary and learning to work through them (Lüscher and Lewis 2008). At the micro level of the individual member, research examines how leaders respond to paradoxes,

showing, for instance, that some adopt synergistic approaches that value each pole of the paradox (Smith and Lewis 2011, Pradies et al. 2021), whereas others engage in defensive strategies that emphasize one of the poles at the expense of the other (Smith and Berg 1987, Vince and Broussine 1996). As a result, there is now a substantial body of knowledge on the various patterns of paradox response with a focus on the shorter term efforts of organizations and their members to reestablish some equilibrium even if only dissipative in nature (Weiser and Laamanen 2022).

Far less is known, however, about the longer term and potentially more fundamental effects of paradoxes on the *being* of organizations and their members as exemplified by members' sense of self and the member–organization relationship. As Bednarek and Smith (2023, pp. 8–9) put it, "actors working through paradoxes are themselves meaningfully changed as part of these interactions," calling for paradox research to move beyond "seeing people as unchanging carriers of different paradoxical poles." Instead, when faced with paradoxes and the persistent disequilibria often associated with them (Weiser and Laamanen 2022), members are likely to revisit—explicitly or implicitly—deeply held beliefs about themselves as professionals and the relationship with their organization. Who are we as an organization? What is my purpose in this organization? Will the organization and what it stands for still be compatible with my self-concept? As such, paradoxes can lead members to reevaluate what is deemed valuable and desirable in their organization. This may trigger members to reexamine the extent to which there is congruence between the identity of their organization and their sense of self as a professional (Mael and Ashforth 1992). The relationship between paradoxes on the one hand and members' professional identity and organizational identification on the other hand, however, is likely to be subtle given the manifold ways in which members may perceive and make sense of paradoxes in their organization. As a result, when faced with paradoxes, members might either disidentify with the organization to protect their individual identity or identify with it even more strongly to defend and shape the organizational identity: identification outcomes with notably distinct long-term implications for member engagement and beyond (Piening et al. 2020).

It is against this backdrop that our study examines the underexplored yet theoretically and practically relevant question of how paradoxes can affect members' sense of self as professionals and their organizational identification as a key facet of the member–organization relationship. We advance an identity threat perspective to explicate the subtle process through which members make sense of paradoxes and come to revisit their professional identity and organizational identification (Petriglieri 2011, Piening et al. 2020). We ground our theorizing in an in-depth, inductive case study of a public university in Europe establishing an initially for-profit business school and experiencing multiple coexisting paradoxes in the process. We draw on rich qualitative data from participant observation, interviews, and archival documents collected over the 75-month period from January 2016 to March 2022. For our purposes, this case provides a particularly fertile setting in that the transformational change brought to the surface a set of paradoxes (path breaking versus path following, doing versus planning, relating versus transacting, and integrating versus separating) with the potential to shape members' professional identity and organizational identification. Importantly, the identification and subsequent behavioral effects of paradoxes we observed varied profoundly between individuals. Whereas some members disidentified entirely and even left the organization, others identified more strongly and showed increased engagement in some—albeit not all—aspects of the change initiative.

Such differences between members can be traced back at least in part to the process through which members recognize, attribute, and respond to paradoxes as threats to their identity (Piening et al. 2020). We found that only those members who saw a paradox as a threat to their professional identity changed their organizational identification in noticeable ways. Among those, members were most likely to disidentify when they saw paradoxes as interdependent and enduring, triggering individual efforts to avoid them. Conversely, members were most likely to identify more strongly in the face of paradoxes when they saw them as independent and temporary, triggering collective efforts to overcome them. Members who reduced or shifted their identification visibly disengaged from the change initiative or even left the organization, whereas those who identified more strongly stood together and demonstrated continued commitment to the change initiative. Simply put, members' threat recognition processes served as a mechanism that triggered a link between paradox dynamics and changes in organizational identification, whereas members' threat attribution processes shaped the direction and strength of the paradox–identification relationship with notable implications for members' threat response.

We synthesize these patterns in the form of a new process model that complements prior paradox research in several important ways. First, our study shows that organizations and their members not only respond to paradoxes, but also can be shaped by paradoxes in potentially profound yet highly heterogeneous ways. Second, our identity threat perspective enables us to trace some of these differences back to boundary conditions related to members' identity and paradox perception, which jointly shape how members recognize, attribute, and respond to paradoxes as threats to their identity. Third, our focus on how paradoxes shape members and the member–organization relationship helps to bridge macro and micro perspectives in paradox research and opens meaningful research opportunities in this space. Overall,

our study helps to better understand—and to some extent anticipate—why the same set of paradoxes may have vastly different identity and identification effects not only among members of the same organization, but also within individual members over time.

Theory
Paradoxes and Change

Organizational life is replete with tensions in which "opposite concepts or behaviors push and pull against one another" (Putnam et al. 2014, p. 416) in a "clash of ideas or principles or actions" (Stohl and Cheney 2001, p. 353). Organization scholars increasingly depict organizational tensions as paradoxes, arguing that paradoxes and the way organizations engage with them are key determinants of organizational success and survival (Smith 2014, Schad et al. 2016, Raffaelli et al. 2021). Organizational paradoxes are composed of "contradictory yet interrelated elements that appear simultaneously and persist over time" (Smith and Lewis 2011, p. 382) in organizational life. These opposing elements are interdependent, meaning that simultaneous links bind each of the opposing poles (Hahn and Knight 2021). For example, managers must display decisiveness in addressing existing demands yet welcome doubt in enabling tomorrow's innovations to navigate the well-known exploitation–exploration paradox (Miron-Spektor et al. 2018). Employees need to fuel radical innovation and astutely manage the bottom line (Bledow et al. 2009, Farjoun 2010, Miron-Spektor et al. 2011b). Individuals at all levels experience pressure to emphasize individual and collective accomplishments (Smith and Berg 1987, Keller et al. 2017), achieve performance and learning goals (Dobrow et al. 2011), demonstrate creativity and efficiency (Miron-Spektor et al. 2011a), and combine long- and short-term goals (Pradies et al. 2021). Often, such paradoxes are latent. They tend to be in the background and are visible only to some and at certain periods of time.

Paradoxes intensify and surface especially under conditions of change (Smith and Lewis 2011). Increased environmental dynamism and complexity sharpen the experience of paradox (Schad et al. 2016). As Quinn and Cameron (1988) note, paradoxes are perceived more frequently in turbulent times. In fact, during change, organizations are exposed to emerging logics that might challenge existing ones (Waeger and Weber 2019, Raffaelli et al. 2021, Visnjic et al. 2021). Change requires creating a future distinct from the present, inciting conflict between current practices and future opportunities (Schad et al. 2016). This may explain the proliferation of paradox research across the organizational sciences, especially as a way to understand what organizations do during organizational change to respond to the tensions that move to the foreground (for extensive reviews, see Putnam et al. 2016, Schad et al. 2016; see also Quinn and Cameron 1988, Smith and Lewis 2011, Fairhurst 2019).

Responding to Paradoxes

Even though paradox research has received greater attention in recent years, existing studies typically center on responses to paradox, namely, on what organizations and their members do to address paradoxical tensions (Das and Teng 2000, Raisch and Birkinshaw 2008, Andriopoulos and Lewis 2009, Klarner and Raisch 2013, Smith 2014, Panayiotou et al. 2019, Visnjic et al. 2021). Slawinski and Bansal (2015), for example, focus on managerial responses to tensions generated by climate change and find that firms that juxtapose the short- and long-term also confront the tension between business and society for business sustainability. Jarzabkowski et al. (2019) propose techniques to address the contradictions that emerge and dynamically persist in interorganizational interactions facing grand challenges. Also, Visnjic et al. (2021) propose a process model of how organizations transition successfully from a single focus to a dual orientation by developing sophisticated practices to manage emergent tensions over time. Research at the organizational level (Smith and Tracey 2016, Waldman et al. 2019) is increasingly complemented by a small but growing stream of literature that focuses on paradox responses of individual members. Several studies start to explore employees and leaders—those most responsible for managing paradoxes in their organization (Schad et al. 2016)—and their short-term, behavioral responses when confronted with paradoxical tensions (Beech et al. 2004, Miron-Spektor et al. 2018, Ernst and Schleiter 2021, Hahn and Knight 2021, Raffaelli et al. 2021). Hahn et al. (2023), for instance, examine how employees frame—and respond to—corporate social responsibility tensions. Pradies (2022) explores how emotions shape the way in which individual doctors perceive—and deal with—the care–cost paradox in veterinary work. Research also zooms in on senior leaders (Smith and Tushman 2005, Smith 2014), general managers (Fiol 2002), and middle managers (Leonard-Barton 1992, Huy 2002, Lüscher and Lewis 2008) and their behavioral ability to address organizational paradoxes. Raffaelli et al. (2021), for example, show how leaders engage with the preservation–modernization paradox for strategic reorientation through individual practices and relational exchanges. Managerial behavioral responses to paradox are further categorized according to whether they fuel virtuous and synergistic approaches, thus supporting creativity (Miron-Spektor et al. 2011a), ambidexterity (Raisch and Birkinshaw 2008), sustainability, long-term performance (Smith and Lewis 2011), and learning (Lüscher and Lewis 2008) or vicious and conflicting cycles (Miron-Spektor et al. 2018), leading to paralysis (Smith and Berg 1987, Vince and Broussine 1996, Sundaramurthy and Lewis 2003, Schad et al. 2016, Pradies 2022). Overall, there is now a rich literature on the *doing* of organizations and their members in an attempt to reconcile, manage, or navigate the paradoxes at play (Lewis and

Smith 2022). Whereas this research has started to explore how individual members experience tensions, including the role of passion and emotions (Besharov 2014, Miron-Spektor et al. 2018, Pradies 2022), we still miss an understanding about how paradoxes shape the *being* of organizations and its members, not least in terms of members' sense of self and the member–organization relationship (Bednarek and Smith 2023).

Being Shaped by Paradoxes

Research recognizes that paradoxes that emerge and escalate during transformational change can affect the organization and its members in profound and lasting ways (Bednarek and Smith 2023). Paradoxes have the potential to shape not only members' sense of self as professionals, but also various facets of the member–organization relationship. In particular, paradoxes may shape members' organizational identification, that is, the sense of oneness members feel with their organization (Yuan et al. 2019) and the extent to which members adopt into their self-concept "the same attributes as those in the perceived organizational identity" (Dutton et al. 1994, p.239). As such, paradoxes may raise questions about members' self-concept (who am I?) and organizational identity (who are we as an organization, and who should we be?) (Ashforth et al. 2008). Discrepancies between expected and current organizational identity (Dutton and Dukerich 1991, Elsbach and Kramer 1996, Howard-Grenville et al. 2012) can drive a wedge between members' sense of self and their sense of what the organization is, damaging their organizational identification (Brickson 2012). In this way, paradoxes may trigger members to reassess, explicitly or implicitly, the extent to which their organization still matches their own sense of who they are (Branscombe et al. 1999, Ellemers et al. 2002). At one end of the spectrum, paradoxes might enhance members' self-concept, increasing their organizational identification. At the other end of the spectrum, paradoxes might be experienced as identity threats that can disrupt members' sense of oneness with the organization (Petriglieri and Devine 2016, Piening et al. 2020). Accordingly, paradoxes—and especially members' perceptions of them—might induce changes in organizational identification, resulting in behaviors that can vary greatly both between members within the same organization and within individual members over time.

To better understand the mechanisms that link members' paradox perceptions and their organizational identification, the process through which members make sense of paradoxes that surface in their organization needs to move center stage (Piening et al. 2020). As with other potential identity threats, such as negative press, paradoxes first need to be recognized as threats to members' identity. This is the case when members see paradoxes as threatening the perceived congruence between the current organizational identity on the one hand and

members' expected organizational identity and/or personal identity on the other, thereby ultimately threatening members' perceived value of organizational membership (Brickson 2012). When members perceive paradoxes as identity threats, they are likely to engage in deeper sense-making regarding questions of responsibility for the threat and options to mitigate the threat (Petriglieri 2011). In this attribution phase, members may seek answers especially regarding the locus of causality (i.e., whether paradoxes were triggered by internal or external factors), causal controllability (i.e., whether the paradoxes and their causes are within the control of the organization or beyond it), and/or causal stability (i.e., whether paradoxes and their causes are stable or changeable) (Piening et al. 2020). Differences in how members make sense of paradoxes may then explain why paradoxes shape members and their organizational identification in potentially heterogeneous ways.

Paradoxes differ from other identity threats, such as negative press or corporate scandals, in ways that are likely to be consequential for threat recognition, attribution, and response. Four distinguishing attributes are particularly relevant in this regard (Hahn and Knight 2021): paradox salience, latency, ambiguity, and persistence. First, paradoxes are often highly salient in that members' experiences of interdependent yet contradictory elements in organizational life can challenge established norms and assumptions and trigger members to reevaluate their role and place within the organization. As such, paradoxes can act as powerful identity threats with potentially even more profound implications for organizational and personal identity than other identity threats, such as negative press. Second, paradoxes are latent in that they tend to be in the background and (re)surface only temporarily. Despite the salience of paradoxes, members might, therefore, find it particularly challenging to notice and fully recognize paradoxes as identity threats. Third, paradoxes tend to be ambiguous in that they often surface for multiple reasons, which makes it more challenging for members to identify their causes and possible remedies compared with other identity threats with clearer causes and solutions. Fourth, paradoxes tend to be persistent in that they are typically "impervious to resolution" (Schad et al. 2016, p.11). They are often grounded in deep-rooted structural, cultural, or strategic tensions that are immune to straightforward solutions and persist over time, whereas other identity threats might be more situational or temporary in nature. This makes singular responses ineffective, requiring members to engage in ongoing balancing of competing demands and continuous adaptation to enduring disequilibria (Weiser and Laamanen 2022). Jointly, these four attributes of paradoxes are likely to profoundly shape the process of threat recognition, attribution, and response, making the link between members' paradox perception and their organizational identification more complex compared with other identity threats.

However, both paradox and identity research are surprisingly silent about this multifaceted relationship between paradoxes and members' organizational identification. Having a better understanding of this critical link would be highly beneficial for organization science and practice as paradoxes are ubiquitous in organizational life and resulting changes in members' organizational identification can have long-term impacts on member motivation, organizational citizenship behavior, and turnover. These long-term effects may prove at least as significant as the shorter term paradox responses that have been at the center of extant research (Kreiner and Ashforth 2004). We, therefore, sought to advance our knowledge on paradox by building new theory and evidence on how paradoxes shape the being of organizations and their members with a focus on identity and the member–organization relationship as exemplified by members' organizational identification.

Methods

To address this research question, we conducted an inductive longitudinal case study (Eisenhardt 1989, Langley 1999) at a public university going through a transformational change in the form of establishing a business school. As we sought to understand how members perceive the emerging paradoxes and how they shape members' professional sense of self and their organizational identification over time, we adopted an exploratory stance. We traced the evolution of our case organization for 75 months to identify the main phases of change, the paradoxes that members perceived during each phase, and the effect that members' paradox perceptions had on their professional sense of self and their organizational identification.

Research Design

Given our interest in developing process theory (Langley 1999), a longitudinal case study seemed most appropriate. Case studies enable processes to be traced in their natural context (Eisenhardt 1989). The uniqueness of our case represented the most important aspect of our theoretical sampling strategy (Eisenhardt and Graebner 2007). It was, indeed, a unique opportunity to study a transformational change in one of the largest public universities in Europe, which launched a business school that aimed to expand executive education in the context of prevailing public education. This setting not only was a revelatory case for our research purposes, but it also provided access to in-depth longitudinal information on the organization and its key actors.

Research Setting

The academic organization in our study (the public university) is a well-known German university (for a detailed description of the distinct features of public universities within the German higher education system as well as the case entities, see the online supplement). One core characteristic of public universities in Germany is that they are public-sector entities that do not charge tuition fees. Instead, public universities receive much of their funding from the state and federal governments. To address changing demands, public universities are increasingly engaging in executive education: a move that has triggered transformational change in our case organization and beyond. By law, executive education needs to be organized into dedicated entities that operate on a cost-covering basis and charge tuition fees. Professors at public universities are allowed to be involved in private activities, such as teaching in executive programs, outside their public-sector duties and within a legal limit of 20% of their time in return for additional personal income.

In 1999, in cooperation with its alumni association, the public university founded what we call the executive academy, a half-private, half-public, not-for-profit entity with the mission of offering education for professionals with an initial focus on engineering. In late 2016, the executive academy founded a for-profit, private business school (the business school) with the support of the faculty of business and economics (the public faculty) at the public university. The public faculty and the executive academy closely collaborated in founding the business school, which was launched officially in 2017. The public faculty plays an evolving strategic and academic role in the daily operations of the business school because its academic staff organize and deliver the curricula.

The foundation of the business school can be located within a broader institutional movement in the European higher education sector. Executive education in Europe is embedded in a general rethinking of public education in the context of lifelong learning recommended by European policymakers, which has led to more business schools being established in Europe in recent years. The European Union has highlighted the need to reduce the skills mismatch in labor markets. Market and technological changes force employees to renew their knowledge and competencies on an ongoing basis (Council of the European Union 2011). However, the introduction of lifelong educational services in public universities requires not only flexible study concepts, but also structural organizational changes that include new legal boundaries and financial frameworks, including options for special public funding and the introduction of tuition fees for professional education offered by public universities. Against this backdrop, the current political will in Germany and many other European countries is to increase the postgraduate and continuous professional education offered by public universities.

Data Collection

Data from the longitudinal case study (Stake 2000, Yin 2009) were gathered from January 2016 to March 2022, covering a period of 75 months. The data-collection process started in January 2016 when the transformational change was initiated. We collected data from multiple sources, including ethnographic observations, interviews, and secondary data. Whereas the principal and most important source of data was ethnographic observation, 36 in-depth, semistructured interviews provided additional information on key analytical themes (Eisenhardt 1989). Additional secondary data helped us triangulate insights derived from our primary data. We summarize our data sources in Table 1 and provide further details as follow.

Participant Observation. Participant observation was a key element of our data collection. Given our focus on paradox perceptions and how they shape the professional sense of self and members' organizational identification, we focused on observing how and why members of our case organization and the associated entities communicated and acted during this episode of transformational change. Observational data were collected by two of the authors, who together covered the entire 75-month period from the initial discussions about founding the business school in early 2016 to its opening ceremony in early 2017 to its fifth anniversary in 2022. Participant observation included routine interactions with key actors and a broad set of people directly or indirectly affected by the business school's launch as well as dozens of formal and informal meetings and conversations with faculty members and scientific and administrative staff from all the entities involved. The insights gained during our participant observation were formulated as personal field notes, which we subsequently extended and analyzed (Silverman 2016). We complemented the field notes with written documents in the form of emails, personal statements, and expert reports on selected issues. The direct observations amounted to around 236 hours.

Interview Data. To complement evidence from participant observation, we conducted 36 formal, semistructured interviews with individuals who were involved in different aspects of the case. These interviews lasted between 45 minutes and one hour. All interviews were fully transcribed, yielding a total of 522 pages. These interviews focused on key analytical themes with special emphasis on members' perception and sensemaking of emerging paradoxes and possible effects on members' professional identity and organizational identification. Twenty-two interviews were conducted in the period during which the business school was formally launched (May–June 2017). At that point, many of the interviewees tried to make sense of the ongoing transformational change and revisited their positions regarding it. Fourteen additional interviews were conducted in later stages (June 2018–March 2022) to go deeper into the process through which members recognize, attribute, and respond to paradoxes as threats to their identity and effects on members' professional sense of self and organizational identification. Our interviewees included a broad range of members, including professors, executive managers, project managers, industry relation managers, and PhD students. Our interview protocol was

Table 1. Data Sources and Structure

Type	Details		Duration/pages
Observational data	Offsite strategy workshops		About 236 hours
	Boundary definition workshops		
	Faculty meetings		
	Formal meetings		
	Informal meetings		
	Conversations with academics		
	Conversations with scientific and administrative staff		
Interview data	Professors	18	970 minutes
	Academic program managers	1	65 minutes
	Executive managers	5	250 minutes
	Project managers	2	105 minutes
	Industry manager	1	75 minutes
	PhD students	9	435 minutes
	Total	36	1,900 minutes
Secondary data	Brochures		325 pages
	Websites		704 pages
	Local newspapers		42 pages
	Regional governmental regulations		31 pages
	Local and national discourses		127 pages
	Total		1,229 pages

built to gather in-depth information on four main areas: the actors' general stance on public and private education, the challenges the actors faced during the different phases of the business school's launch, the strategies the actors employed to overcome those challenges, and the ways in which they defined and redefined themselves and the relationship with their organization over time.

Secondary Data. To adequately contextualize our understanding of the case, we also triangulated the ethnographic and interview data with secondary data. These included the public university and business school's brochures (325 pages) and websites (704 pages), local newspaper reports on the business school's launch (42 pages), regional governmental regulations on higher education (31 pages), and local and national discourses on public and private education (127 pages). These data enabled us to appreciate more fully the institutional pressures to which the public faculty was exposed as well as how the public university, the public faculty, and the business school communicated. We collected and analyzed a total of 1,229 pages of secondary material.

Data Analysis
We analyzed our data inductively, combining two complementary analytical approaches: temporal bracketing and grounded theory approaches (Langley 1999).

Temporal Bracketing Analysis. Our first analytical approach aimed at identifying a series of discrete but connected temporal phases within the process of transformational change in the public university with a focus on members' paradox perceptions (Langley 1999). We identified four distinct chronological phases in this transformation journey. Each phase had to demonstrate some internal consistency and continuity in the main actions of organizational members and the paradoxes prevalent at the time, exhibiting discontinuity from other phases. These temporally bracketed phases became our main unit of analysis and enabled us to engage in "the explicit examination of how action of one period leads to changes in the context that will affect action in

subsequent periods" (Langley 1999, p. 703). In Figure 1, we depict the four phases and their key events.

This first analytical approach was critical in that it helped us to unearth the most prevalent paradoxes and the associated organizational struggles as perceived by members over time. The temporal bracketing analysis provided the analytical foundation for our subsequent grounded theory analysis that focused on the main themes of theoretical interest.

Grounded Theory Analysis. For our second analytical approach, we embraced grounded theory (Glaser and Strauss 2017) as elaborated by Langley (1999). We sought to (a) conceptualize the relationship between members' paradox perceptions and the professional sense of self; (b) explicate the underlying threat recognition, attribution, and response processes; (c) trace the changes in members' organizational identification and their behavioral consequences; and (d) identify key boundary conditions that help explain possible differences between members even within the same organization. Our grounded theory analysis proceeded in four steps.

In our first step, notes from participant observation and transcripts of the interviews were analyzed using an open coding approach to develop labels with a focus on paradoxes and members' identity and organizational identification. As Langley (1999) and Meyer (1991) recommend, we developed visual maps to theoretically frame and organize the vast amount of data. At this stage, 254 specific codes were generated. All the transcripts, field notes, and associated codes, were imported into NVivo to facilitate retrieval of data by code during later analytical steps.

In our second analytical step, we synthesized each of the four phases we identified with temporal bracketing with a focus on each member's perceptions and sensemaking of the paradoxes at play. Our syntheses of the four phases were structured to report on the same issues in each phase but were left sufficiently flexible to include anything else that seemed important in explaining members' sensemaking of paradox dynamics and their implications for members' organizational identification.

Figure 1. Case Timeline and Key Events
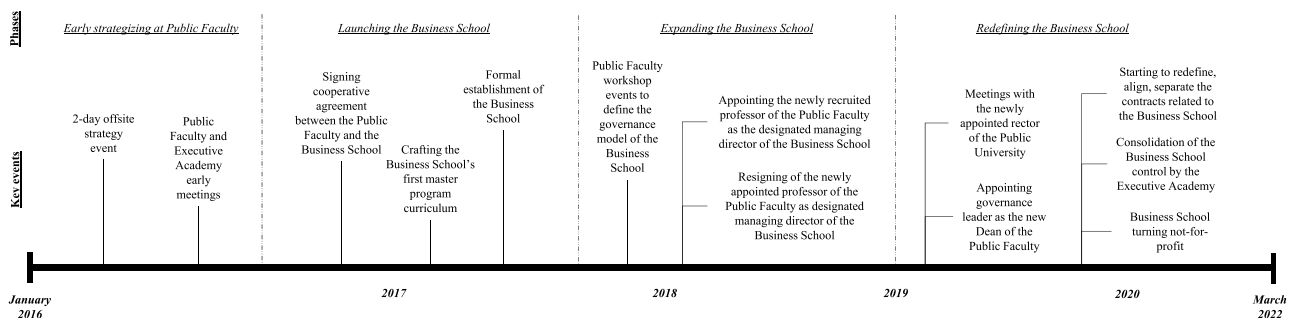
In our third analytical step, we iterated back and forth between these summaries and our initial codes and associated transcripts in NVivo. Using axial and selective coding procedures, we identified connections among the codes identified by open coding and assigned them to more abstract, higher level codes. As an example, the codes convincing others the need to create opportunities for growth outside of the boundaries of the public faculty were assigned to the code "path breaking vs path following" (a second order code). This allowed us not only to aggregate the 254 codes identified in the first step into 15 more abstract codes, but also to explicate the nature of the differences in paradox perception and identification effects across individual members and time.

In the fourth and final step, we further refined our emerging theoretical model on the relationship between members' paradox perceptions, members' sensemaking, and their organizational identification until we reached theoretical saturation. We triangulated our emerging findings across our data sources and discussed any remaining open questions in our author team (Strauss and Corbin 1990). In the end, we obtained five aggregated theoretical dimensions that are linked to the literature on paradox and identification. Throughout our analysis, we searched the literature for concepts and insights that would help us better understand our data and the emerging patterns therein. We constructed a variety of provisional models and refined them until we arrived at what we think is the most parsimonious one. Figure 2 depicts our data analysis process.

Findings

We map our findings onto three interrelated themes: (1) members' paradox perceptions along the business school journey, (2) implications for members' organizational identification and behavior, and (3) members' sensemaking process as the mechanism that connects members' paradox perceptions and changes in members' identification and behavior. We present each in turn.

On Members' Paradox Perceptions Along the Business School Journey

As we show, members of both the public faculty and the business school noticed—and tried to make sense of— distinct fundamental paradoxes that surfaced along the business school journey. Four paradoxes were seen as particularly salient: path breaking versus path following, doing versus planning, relating versus transacting, and integrating versus separating.

Phase 1 (2015–2016): The Path Breaking vs. Path Following Paradox in Early Strategizing. In 2015, the idea of launching a business school to consolidate and expand the executive education activities was discussed broadly within the public faculty. The early proponents of the business school presented the initiative in a two-day strategy event in June 2016 in the following way:

> We have made considerable progress in recent years in terms of not only our teaching and research quality, but also our reputation within the university and beyond as reflected in external rankings. However, any further progress is likely to be constrained by the comparatively small size of our faculty. We hence need a game-changer—one that allows for future growth inside or outside the boundaries of our faculty. (reconstructed based on field notes, 2016)

This narrative implied an important element of discontinuity with the existing activities, structures, and boundaries of the public faculty. Whereas the early proponents saw such path breaking in the form of the business school as an essential precondition for moving the public faculty to the next level in terms of faculty size, research output, and overall reputation, others were less enthusiastic and advocated for strategic continuity and path following:

> From what I understand, the business school idea is framed as a necessary strategic move for the public faculty. But, personally, I cannot buy the whole idea and I think the public faculty should focus completely on its public mission. […] From my foreign experience, I knew how this can go wrong. [A foreign business school] started executive MBA programs, and this was offered to high-caliber managers, who came with their large limousines and staff. […] They were customers, not students. (interview with a professor, June 2017)

This paradox between path breaking and path following initially lingered somewhere in the background, but it gradually moved to the surface. After all, the stakes were high and the threat of path breaking seemed substantial to some. Reconciling the path following versus path breaking paradox seemed unfeasible. Legal requirements and the role of the executive academy as the coordinating entity of professional education across the university precluded the option of offering executive education within the established boundaries of the public faculty. Disruption and conservation, therefore, coexisted side by side. Members of the core group sought to overcome the path breaking/following duality and build support for the business school idea. To normalize and legitimate the idea, core proponents not only referred to other public faculties in the country, but also argued that professors were already actively involved in commercially oriented academic activities, including contract research, executive education, consulting, and entrepreneurship. The missions of the public faculty and the business school could, hence, be seen as potentially synergistic rather than substitutive. They argued,

> I believe there's a lot of synergy between [the public faculty and the business school]. So it makes sense

Figure 2. Data Aggregation
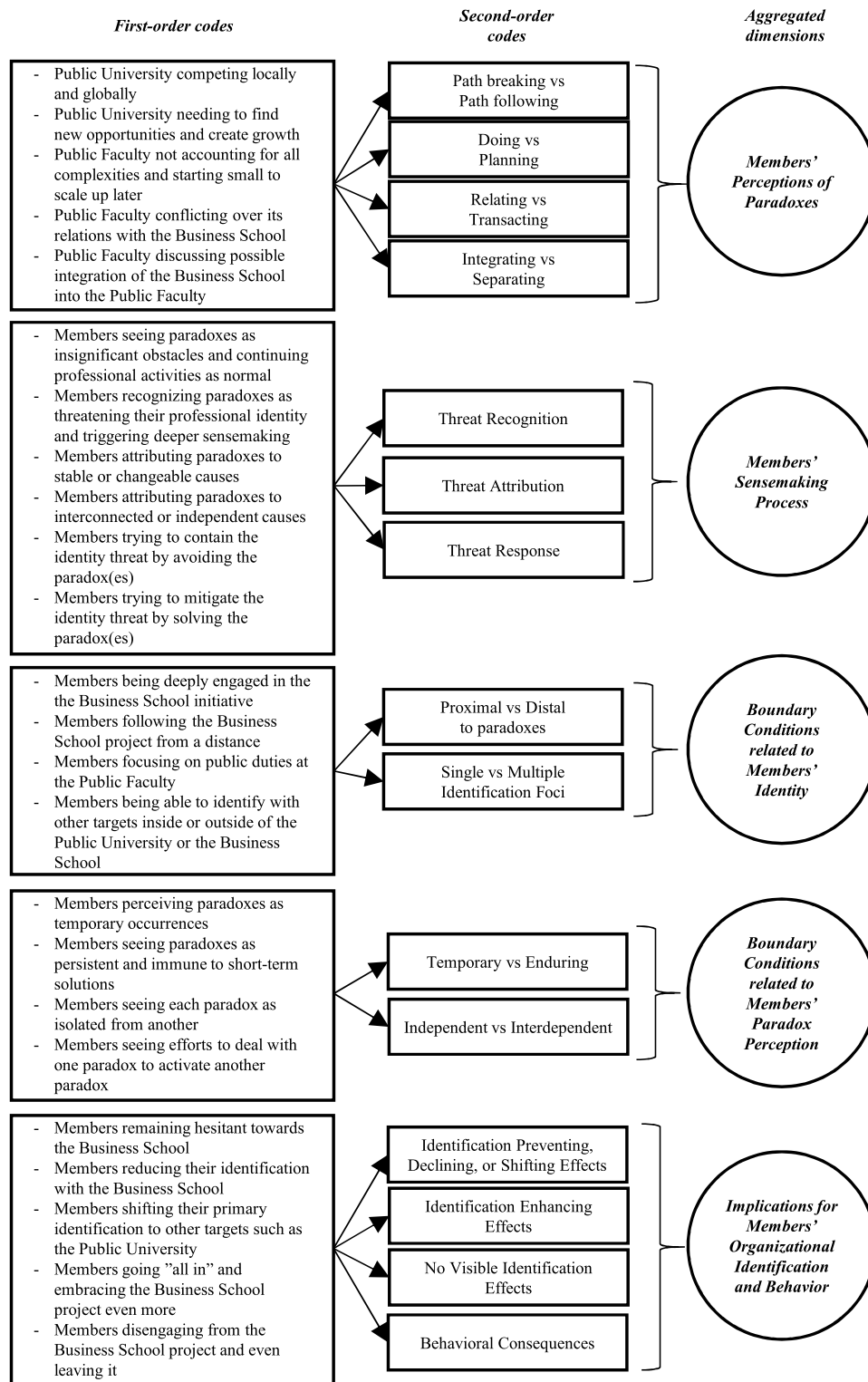
somehow to involve the business school in the public faculty, so it must be some type of balance between the two [...] we call it 'a business school that is part of our faculty.' It is part of the faculty and not the same thing. (interview with a professor, May 2017)

Whereas the path breaking versus path following paradox persisted in the eyes of many, a confrontation was avoided until mid-2016 with the momentum clearly moving in favor of launching the business school as a strategic initiative of the public faculty.

Phase 2 (2016–2017): The Doing vs. Planning Paradox in Launching the Business School. To seize the positive momentum, the core proponents accelerated their efforts to launch the business school and sought to mobilize available resources from both the public faculty and the executive academy. The public faculty contributed a core group of professors, who invested time to set up the formal organization, craft the strategic positioning, develop new study programs, and push more operational topics (e.g., website, marketing, PR). The executive academy, in turn, set up a new legal entity as the formal owner of the business school and allocated several experts to the informal launch team to join the core professors in cocreating the first new master's program and the business school as whole. This cooperation took the form of an informal, hands-on joint venture and led to rapid and clear progress. In late 2016, the business school was formally founded as a 100% for-profit subsidiary of the executive academy, formally headed by the managing director of the executive academy. One professor described the spirit of this as follows:

> We [the launch team] are big believers in learning through experiments. That is, you start small, you run a first experiment with a little program, you see how it works, you receive feedback for the business school and then you are very open for discussing the lessons learned. Then you move to the next step very quickly because it is quite easy to get lost in the complexities of the different mental models of higher education. […] Obviously, you can think through things ex ante, but you learn through doing. We are very much involved in the doing part to have high speed and dynamism. With this approach comes a great learning opportunity but also higher risk of people feeling left behind to some extent. (interview with a professor from the program subgroup, June 2017)

This pragmatic learning-by-doing approach enabled rapid operational progress. However, not all members of the public faculty shared this enthusiasm. First, the path breaking versus path following paradox from phase 1 remained unresolved with the speed of progress now shifting the balance even further and, thus, threatening the advocates of continuity. Second, the doing notably outpaced and disconnected from the planning during the launch phase. Indeed, the governance working group put forward high-level guidelines regarding management structures (e.g., the founding dean, the steering committee), transparency requirements, and possible incentives, including distinct compensation models for professors and the public faculty. A cooperation contract between the public faculty and the business school was signed but later proved invalid for formal reasons. Key questions around ownership, decisions, and monitoring rights as well as the actual implementation of the high-level guidelines, thus, remained unanswered at this stage. The implications of this governance vacuum were profound. Some members began to see the planning and the doing, especially regarding governance, as decoupled and out of sync. As one professor who had been deeply involved in the launch activities reflected,

> I could not believe it. For a year now, we have been involved deeply in the strategic and operational activities of the business school, assuming that this would be legitimate given the spirit of the cooperation agreement. Now it turns out that we had no right whatsoever to do that, as the business school is fully owned and controlled by the executive academy. The public faculty simply does not have any ownership, decision, or even information rights outside of the purely academic domain of curriculum design and student admission. This was painful, and I kept wondering how this could have happened. (interview notes with a professor from the program subgroup, October 2017)

This recognition marked the beginning of a fundamental divide among the core group of professors with the distance between the program subgroup and the governance subgroup increasing noticeably, thereby making visible the doing versus planning paradox that deeply shaped this phase of the business school project.

Phase 3 (2017–2018): The Relating vs. Transacting Paradox in Scaling the Business School. Despite the looming tensions, the business school's operations were fully established, and the first students were welcomed in mid-2017. The new master's program exceeded all expectations, thus attracting the attention of some members not involved in or benefiting from the new program. To involve more members from the public faculty and help scale the business school, the program subgroup began to develop two additional master's programs. Despite these efforts, tensions grew. Discussions intensified among members of the public faculty around the sharing of resources, the informal ways of working, and the compensation models and were further accelerated by the persistent ambiguity in the governance of the business school. At the core of these discussions was the relating versus transacting paradox.

First, much of the core group of professors saw the business school as being more about relating than transacting. These individuals, who invested time and energy into the business school, had long considered the business school to be a joint venture, shaped by shared objectives, close working relationships, and risk sharing. In this spirit, they even opted for a compensation model partly tied to the success of the program. Second, on the transacting side, the idea of a joint venture proved elusive from a governance standpoint, and the legitimacy of the relating side was challenged: most fiercely by the governance leader from the public faculty, who had just returned from a sabbatical and now accused the teachers

of seeking personal gains at the expense of the public faculty:

> You [the core proponents leading the first new master's program] have violated prior faculty board decisions and have turned the business school into a project for your personal benefit rather than for the strategic benefit of our faculty. […] You have more than one foot in jail. (reconstructed based on field notes, December 2017)

In response, those attacked sought legal advice and decided to share key details, including contracts and remuneration information, during a formal presentation with all professors at the public faculty. They clarified that:

> The compensation model fully complies with applicable law and the (invalid) cooperation contract. All higher level informal roles, including the work in the informal launch teams, were performed without compensation to establish the business school. […] The [new program] is currently the only major program that generates positive contribution margins. Without it, the business school would not be economically viable. The key to success at the program level is to keep a close cooperation based on mutual trust and appreciation. (letter sent by a subset of core professors, January 2018)

Despite this defense of the relating mode, the momentum moved toward a transacting mode of cooperation between the public faculty and the business school. The governance leader managed to build support for closely overseeing all transactions between members of the public faculty and the business school. These efforts culminated in escalating confrontations between the governance and the program subgroups as well as an attempt by the governance leader to establish a newly appointed public faculty professor as managing director of the business school. However, the new professor failed to gain the necessary support of the university rector, stepped down from all duties, and left the public faculty soon after. Despite the open confrontation and social costs incurred, a solution to the relating versus transacting paradox remained elusive as the business school continued to expand, relying on close collaboration with core professors at the program level.

Phase 4 (2018–2021): The Integrating vs. Separating Paradox in Redefining the Business School. In the aftermath of the open confrontation and the failed attempt to establish the new managing director, the shape of the business school and its relationship with the public faculty were more ambiguous than ever before. Although the business school remained fully owned and controlled by the executive academy, the public faculty considered the following three options: (1) renew the spirit of the business school as a joint venture, (2) buy the business school from the executive academy under the new ownership of the public faculty or its members,

or (3) found a new business school through the public faculty using the existing brand if possible. The discussions surrounding these options took place at all levels of the public university and brought to the surface the integrating versus separating paradox.

The governance subgroup intended to endow the public faculty with full strategic, operational, and financial control of the business school. Members of the program subgroup considered these ambitions to be problematic as the hoped-for strategic and financial control would stand in contrast to the initially proposed "healthy distance" and legal and operational realities at the time. A member of the program group wrote in an email to colleagues:

> Why should the executive academy as the current owner of the business school support such plans? Why should they agree to let a third party decide on how to use their resources? […] Would we not be lacking the independent outside entity needed to establish remuneration models and sign contracts? Clearly, it should not be us ourselves. (informal communication, January 2018)

In early 2018, the public faculty agreed to hire a law firm to develop a new governance model with two main objectives: the greatest possible strategic influence of the public faculty on the business school and the highest possible participation in its financial success. In mid-2018, the former governance leader was appointed as the new dean of the public faculty and announced a model that involved the buyout of the business school by an incorporated foundation partly controlled by members of the public faculty. However, the new university leadership, appointed in the summer of 2018, preferred the existing institutional arrangement for executive education, thus strengthening the role of the executive academy. Given the lack of support for the integration proposal from the university leadership, separation came into vogue again by 2019. Indeed, the executive academy increasingly exercised its full decision-making rights on all legal and strategic issues. Resource sharing was further contained and formalized, notably through contracts.

In early 2020, the executive academy considered going one notable step further, planning to remove the business school as a separate legal entity and fully absorb it as one of its business units. The plans, however, faced resistance. In the end, the business school kept its legal independence but moved its legal status from for-profit to not-for-profit. These developments substantially eased tensions for the first time and allowed the growing base of active business school proponents within the public faculty to refocus on academic program development with new programs being developed and launched in 2020 and 2021:

> My view is that these conflicts are decreasing more and more and somehow the two institutions have found a way that works. (interview with a professor, January 2022)

Table 2. Paradoxes and Paradox Responses During the Business School Launch

Phase(s)	Paradox	Response	Case signals
Phase 1 (strategizing)	Path breaking versus path following	Legitimating	• Business school framed as "game changer" by proponents • Business school seen as threat to current public mission and proven ways of working by others
Phase 2 (launching)	Doing versus planning	Mobilizing	• Program subgroup focused on quick operational progress in the launch phase • Governance subgroup focused on the more abstract planning of governance guidelines
Phase 3 (expanding)	Relating versus transacting	Confronting	• Program subgroup focused on close hands-on collaboration with business school staff in the spirit of a joint venture • Governance subgroup focused on overseeing the transactions between public faculty and business school
Phase 4 (redefining)	Integrating versus separating	Delineating	• Program subgroup focused on integrating the business school into the public faculty • Ultimately, the executive academy tightened its control of the business school, keeping it strategically and financially separate from the public faculty

Table 2 summarizes the four phases with their dominant paradoxes and paradox responses along with the corresponding case signals.

On Implications for Members' Organizational Identification and Behavior

Members' experiences of the four paradoxes that surfaced during the business school journey profoundly shaped both their professional sense of self and their organizational identification as a key facet of the member–organization relationship. This had important implications for members' behavior during the change initiative and beyond. One professor observing the initiative and surrounding tensions reflected,

> It was always said, 'Well, we have to keep the faculty together now, we can't have this discrepancy, so to speak,' which for me were all just pretextual elements. I believe that this [the business school] initiative deeply shook the identity of various colleagues because it was a different understanding of what a faculty can achieve […]. So the power distribution within the faculty would shift, and afterward, another faculty would come out of there that certain people would not want to have. (interview with a core professor, March 2022)

In the eyes of some members, the paradoxes surrounding the business school initiative called into question what kind of organization the public faculty was or would become and ultimately challenged members' professional sense of self. One professor in the core group stated,

> For many, the business school initiative and the tensions surrounding it were triggering fundamental questions regarding their role as university teachers and administrators. What kind of knowledge is valuable? How should that knowledge be conveyed most effectively? How should we connect the worlds of public

and private education, or should we keep them separate? What would that imply for my personal role and skills? What would continue to be valued? (reconstructed from field notes from a conversation with a core professor, March 2022)

Interestingly, the implications of members' paradox perceptions for their organizational identification strongly differed between individuals. Whereas paradoxes reduced or prevented organizational identification for some, they strengthened identification for others. We elaborate on the (1) identification-declining, (2) identification-preventing, and (3) identification-enhancing effects of paradoxes in turn.

Identification-Declining Effects. Organizational identification declined or shifted perhaps most visibly among some of the core professors who initiated the business school. Whereas they were initially perceived as "really putting their soul into that business school […] and putting a lot of their time, a lot of their effort into their own programs and into the establishment of the business school" (interview with a doctoral researcher, February 2022), the mounting tensions gradually eroded their identification with both the business school project and the public faculty. This first became apparent in phase 3 when the paradox between relating and transacting contributed to the core group of professors breaking up into those who developed the business school's programs and those who took the lead on the business school's governance. Members "noticed some kind of alienation" (interview with a professor in the public faculty, December 2021) among those professors who drove the business school's programs. Indeed, members of the public faculty reported signs of disidentification with the business school:

When tensions escalated at all levels and our influence at the business school became increasingly limited to academic issues, the initial vision of a second professional home gradually eroded. At the same time, the mounting conflicts had created a substantial divide within the public faculty. I was deeply frustrated and not willing to continue my engagement for the benefit of all. (interview with a core professor, March 2022)

A core member even stated that the business school "became much more boring" as it turned into "a separate administrative unit no one is really taking care of" (interview with a professor in the public faculty, January 2022).

Given the fundamental conflict among the professors, disidentification was not limited to the business school initiative, but extended to the public faculty itself. As one core professor said,

They [the tensions] definitely undermined my identification with the faculty. How could it not have done that? [...] If we can't do that [develop the business school], what are we going to do? So what? What is it then? What is this organization capable of? Apparently, it's not capable of much. And that made me very disillusioned at that time. If we can't do this, what can we do? What's the point of being involved in this organization [the public faculty] anymore? (interview with a core professor, March 2022)

This decline in identification levels was observable in several ways, including decreased involvement in the ongoing development of the business school, lower attendance rates at faculty board meetings, and less leadership of—and commitment to—other faculty initiatives. Disidentification shaped not only which initiatives the core members continued to pursue but also how they pursued them. As highlighted by the same professor:

But what's permanently ingrained in me is that I'm not a team player now. So, in a sense, I'm quite willing to do something, but it's my way or the highway. [...] I do it alone or I don't do it at all because I knew that this faculty constellation is so annoying, this group logic, and if I do it alone, then I usually know exactly how I want it. [...] That means we have to keep moving forward as lone wolves. And that is disastrous, catastrophic, inefficient, and not goal-oriented at a very complex entity like the public university. (interview with a core professor in the public faculty, March 2022)

This statement clearly illustrates the far-reaching behavioral implications of disidentification and shifting identification foci among those who once considered themselves the engines of organizational development at both the public faculty and the business school. Notable changes in identification were also observed among professors who were members of the governance subgroup. For example, the potential managing director of the business school—who joined the public faculty as a professor in the middle of the establishment of the business school—quickly identified with the initiative and took ownership, especially of governance, but also increasingly of operational topics. However, when her candidature for managing director was not approved by the university in the middle of the integrating versus separating paradox, she stepped back from all roles at the business school, visibly disidentified with the initiative, and left the public faculty within a year.

The professor who initially led the governance workstream, in contrast, kept his primary focus of identification with the public faculty. This is illustrated by his attempt to move the public faculty toward having full strategic and financial control of the business school, thereby contributing to the integrating side in the integrating versus separating paradox. When it became apparent that such integration would remain elusive, he appeared to shift his secondary focus of identification from the business school to the executive academy as the entity that not only continued to fully own the business school, but was also tightening its strategic and financial grip on it. This surprising shift became apparent, for instance, when he orchestrated a much stronger involvement of public faculty professors in executive academy programs and began to speak about—and even address—business school students as students of the executive academy.

Identification-Preventing Effects. Whereas the paradoxes triggered some to reduce or shift their identification, they prevented others from identifying with the business school in the first place. We observed that many of those who were less involved at the beginning of the business school initiative struggled to identify with it given the prevailing tensions. One professor, who was not involved in the project but had initially been somewhat open to it, explained why he did not engage with it further:

I distanced myself from the project discussions. It [the business school initiative] did not feel right, and I became disappointed with the public faculty on this matter. I know that they can separate the resources, but I did not want to be part of it [the business school]. I have this fear of [...] shifting away from the public mission. But I like our public faculty and it is more than the business school project. (interview with a professor in the public faculty, June 2017)

This statement shows that some members increasingly perceived the business school and the paradoxes with which it was associated as a fundamental threat to the identity of the public faculty and eventually to themselves as faculty members, which slowed down or even halted their identification trajectories. Even though a rapidly growing number of professors began to teach in

the business school, many felt that something prevented them from fully embracing it. One professor with an important teaching role in several business school programs vividly described this conundrum:

> I thought it was just like a regular contract, right? But maybe there's something that was missing. I didn't identify myself with the organization [the business school], which is typically what happens. If you are employed, let's say, by some organization, you will form some identity with that organization. This is what gets you through stormy weather in times. And I think that maybe the linkages and the struggles that occurred in 2017 kind of made me a little bit suspicious and a little bit more careful about what to say and what to do. (interview with a professor in the public faculty, February 2022)

Although a growing number of doctoral researchers at the public faculty assumed teaching responsibilities at the business school, most of them—such as the professor quoted—did not build a true sense of professional identification with the business school and did not envision themselves doing so in the future. Rather, the individual research institutes within the public faculty firmly remained their primary focus of identification.

Identification-Enhancing Effects. Somewhat surprisingly, we observed that perceived paradoxes also triggered explicit identity work among some members, who subsequently reported a stronger level of identification with the business school. This pattern was especially visible among the business school staff responsible for running the business school's operations and programs. They saw the tensions surrounding the business school initiative as an opportunity to shape the business school's identity as well as to demarcate their own professional boundaries. As a long-standing business school staff member put it,

> In the beginning, […] we didn't really know who we were, what kind of entity we were. And now I can firmly say that we are an organizational entity, that we are organizing study programs and also recruiting students for study programs. […] I think it's all part of a process, this is how it feels. There always have to be tensions in order to understand what your profile is and where you belong. (interview with a business school staff member, February 2022)

The ambiguity regarding the organizational identity expressed in this quote clearly challenged the business school staff's sense of belonging and sense of self as professionals. Whereas some staff members, including the initial chief operating officer, decided to leave the business school, most staff members of the business school decided to stand together. Even though the business school staff were perhaps most profoundly affected by the paradoxes at play, their experiences did not lead to

the team falling apart. On the contrary, the paradoxes they experienced fueled the construction of their professional identity, contributing to even greater identification with the business school and strong social cohesion.

On Members' Sensemaking Process
As we show, the profound differences in how members' paradox perceptions shaped their sense of self as professionals as well as their organizational identification and behavior during the change initiative can be traced back at least in part to differences in how members attempted to make sense of the paradoxes they experienced along the business school journey. We elaborate on the three successive stages of this process, (1) threat recognition, (2) threat attribution, and (3) threat response, and identify important boundary conditions for each of these stages.

Members' Threat Recognition. Paradoxes seemed to shape members' organizational identification and engagement with the change initiative only when members recognized the paradoxes as personally threatening. In absence of such threat recognition, however, members' identification and behavior remained largely unaffected by the paradoxes at play. As the following quote illustrates, this was even the case, when members were aware of the tensions:

> So there were these conflicts. They did never really change my approach to the business school, and they have not done so until now. […] But I also had a workload as a nontenured professor. So, at some point, I think I didn't care. (interview with a nontenured professor, February 2022)

Our analyses suggest that threat recognition was more likely when members saw the paradoxes as proximal as opposed to distant to their professional identity, that is, their sense of self as a professional in higher education.

Paradoxes Proximal to Members' Identity. Overall, members with a professional identity proximal to the change initiative and its paradoxes tended to see the paradoxes as threatening the core of their personal identity. This was perhaps most visible among the professors in the public faculty:

> Many colleagues felt threatened in their existence or in their self-image. What constitutes a professor? What distinguishes him? I have my teaching. I have my publications. I have my quiet life. And suddenly a few people came along, as we did back then, and shake the whole thing up and say, 'Well, what else is possible in this construct?' (interview with a core professor, February 2022)

The pathbreaking versus pathfollowing paradox that shaped the first phase of the business school journey brought many such existential questions to the foreground and created growing uncertainty, not least regarding the future skill set professors would need to

successfully navigate the worlds of public and private education. Later, during the doing versus planning (phase 2) and relating versus transacting (phase 3) paradoxes, the core members leading the operational and program development of the business school saw their own deeply held convictions regarding pragmatism, learning by doing, and close collaboration with the business school team profoundly challenged:

> Sure, our pragmatic approach has allowed us to accelerate quickly and get the business school up and running. However, it has also opened the door for others to criticize it and push for more clearly demarked boundaries and formal contracts. This certainly did not help and contributed to this mess. I know we even teach effectuation and other entrepreneurial approaches in our courses. But I really wonder whether this works in complex settings and change projects like ours. (reconstructed from field notes from an informal conversation among core professors, June 2018)

The business school staff were somewhat shielded from the surfacing paradoxes in the initial phases of the business school journey, but they were then deeply affected by the separating versus integrating paradox with regards to both their personal identity and their perceived organizational identity. As a leading business school staff member recalled,

> We faced one or two years of not really knowing where we belong and who we are as an entity. […] And then I think in 2018 or 2019, there was this change of the entity into a nonprofit organization, but before that, we were supposed to be integrated back into our mother company. And this caused a lot of insecurities with everybody who was employed, including me, and it was a moment when I felt that maybe I need to quit my job because I did not want to. I don't consider myself as part of our mother company. I am a business school employee. […] I didn't want to be integrated back into our mother company as just simply a department. I was so focused on preserving our own brand and preserving our own entity that this […] felt threatening to what we believed we could achieve with the business school as a brand. (interview with a business school staff member, February 2022)

As illustrated by this statement, business school staff saw the separating versus integrating paradox as fundamentally threatening their view of the business school as an independent entity, fully absorbed by neither the public faculty nor the executive academy. The paradox, therefore, called into question their perception of independence as a central and distinctive attribute of their organization and, to some extent, their sense of self.

Paradoxes Distal to Members' Identity. In contrast, members with a professional identity more distal to the change initiative and its paradoxes tended to see the paradoxes as primarily threatening the broader organizational identity. Only some saw implications for their personal identity during later phases of development. This was especially true for many PhD students as well as for some faculty members, who were primarily concerned with preserving the public mission of the public faculty and avoiding mission drift by building and maintaining the business school and its programs. As one member highlighted, "I think the origin of tensions is related to public and private separation. I think the public faculty should not be even doing this" (interview with a public faculty member, February 2022).

Many PhD students shared this sentiment and saw key attributes of the public faculty and its public mission under threat. However, such concerns regarding the organizational identity were unlikely to cascade down to the level of their personal identity as doctoral researchers. This tended to be the case as the defining characteristics of their professional identity primarily pertained to their research projects and research groups, which remained largely shielded from the broader public–private tension and the four paradoxes. This applied to most PhD students who were less involved in the business school initiative and the associated discussions. Some PhD students with closer ties to the business school, however, noticed moderate threats to their personal identity as the organizational identity continued to diverge from their expectations, thereby reducing their perceived value of organizational membership.

Overall, our findings reveal a consistent pattern with regards to threat recognition. Recognizing a paradox as personally threatening appears to serve as a switch that sets off not only subsequent threat attribution and threat response activities, but also possible changes in members' organizational identification and engagement later in the process. A paradox is more likely to be recognized as a personal threat the more proximal it is to a member's professional identity. In absence of such threat recognition, however, paradoxes are unlikely to affect members' identification and behavior in noticeable ways.

Members' Threat Attribution. Our participant observation and interview data indicate that only those members who perceived the paradoxes as a significant personal identity threat engaged in deeper sensemaking. In this attribution stage, these members searched, explicitly or implicitly, for answers to two key questions regarding the responsibility for the identity threat (why did the paradox(es) emerge?) and ways to mitigate the identity threat (what can we do to 'solve' the paradox?). Answers remained tentative at best given the ambiguity of paradoxes, which rarely have a singular cause and solution. One doctoral researcher involved in the business school project framed this struggle as follows:

It was really difficult for me to estimate whether this would be only the beginning of a long period of tensions and issues or whether this would only be like, one fight now, one battle, and afterwards we have settled our disagreements when we come to an age of consensus. (interview with a doctoral researcher, January 2022)

Perhaps even more importantly, the answers and the provisional attributions made varied notably across members and, in some cases, even within members over time. We found that some of these differences can be explained by differences in members' paradox interpretations. As shown, those members who saw the paradoxes as temporary (i.e., dissolving over time) and independent (i.e., unrelated to each other) exhibited notably different attribution patterns and subsequent identification and behavioral effects than those who saw the paradoxes as enduring (i.e., persistent over time) and interdependent (i.e., one paradox triggering another).

Paradoxes Seen as Temporary and Independent. At a broad level, members who saw paradoxes as temporary and independent were generally optimistic that they could control and eventually overcome them. This attribution pattern had important positive implications for members' attitudes and behaviors and was perhaps most visible among the business school staff. This group had some awareness of the earlier paradoxes, especially regarding path breaking versus path following and doing versus planning but lacked deeper insights into the underlying causes and interdependencies. They, therefore, approached the integrating versus separating paradox, which threatened the core of their professional identity, with a sense of openness and confidence. In this regard, one staff member, involved from the beginning of the business school journey, shared the following reflection:

> I just kept working until the moment that I found out that we're going to be integrated back into our mother company because that was for me something that I didn't want. I wanted to stay in the business school and work on the brand and work on the vision. […] I can't give you any details with regard to what really happened in the faculty and who was, you know, like the dirty details. […] I didn't have any clue about that, which is good. (interview with a business school staff member, February 2022)

Here, the lack of insight into the inner workings of the integrating versus separating paradox is seen as beneficial, helping staff members not just to remain focused on the business school initiative, but also to interpret the emerging paradox (and possible future ones) as temporary and possibly solvable, not least by clarifying boundaries and roles. The same staff member expressed this as follows:

> So, we've done a really good job in the past to overcome that situation. Will there be something coming

up again in the future? Probably, because, of course, the more we grow and we are quite successful and there might be probably again something. I mean, at the end, it's about reputation, power, and politics. […] But the thing is that there were always insecurities in between. So it's always in these transition times, you don't really know what's going to happen and also how the future is going to look like. (interview with a business school staff member, February 2022)

Similar attribution patterns were visible among core professors in earlier phases of the change initiative. Indeed, our observations of informal and formal meetings showed that the core group and official committees initially tended to address only one paradox at a time, considering each paradox as temporary and independent of the other paradoxes. This was evident among core members of not just the program subgroup, but also the governance subgroup as shown in the following statement:

> I see the criticism. I see that some parts didn't work out well and they had to be readjusted, set to be reconfigured to some extent, right? It's a process. I see it as a natural thing to go on with. It requires, you know, some pushing and pulling, you know, some negotiating between the parties involved. […] There should be a good performance measurement system of both, the faculty and the business school, and it's also important to observe the process and to think about it, and, as I said, managing it wisely is an important task, not just going with the numbers but really look at potential problems and […] I don't see any problems which cannot be solved. (interview with the professor leading the governance group, June 2017)

At that time, little attention, though, was dedicated to the issue of whether paradoxes might persist even after corrective actions were taken or, even worse, whether the responses to the paradoxes might unintentionally trigger additional paradoxes. A public faculty professor observing the business school project from a distance described the far-reaching implications of this early attribution pattern as follows: "For me, I think, the discussions about the governance structure have always had the character of fixing the problem, a structural problem which was not addressed. So, it was more like patching" (interview with a professor, February 2022).

Paradoxes Seen as Enduring and Interdependent. Whereas most people involved in the business school initiative considered the initial paradoxes as independent and temporary occurrences to be overcome, some members began to see paradoxes as enduring and interdependent. These members gradually came to understand that paradoxes and their causes might be more interconnected and, hence, less controllable than previously assumed. As such, they might be immune to straightforward, short-term solutions. This

was particularly evident among the core members of the program subgroup, some of whom exhibited a drastic change in their attribution pattern during phases 3 and 4 when they faced the relating versus transacting and even more so the integrating versus separating paradoxes. As one professor recalled,

> The tensions were high, and this felt like a never-ending story. The moment that the new group [leading the governance] started to formulate scenarios challenging the current integration approach in the form of long workshops, it became clear that this debate was going to continue and be tiring, and it was not going to be solved any time soon. I was really worried that I could lose my passion for the business school project. (interview with a core professor, June 2018)

Another faculty member deeply involved in the change initiative shared this interpretation of paradoxes and clearly articulated his belief that they were there to stay:

> The conflict within the faculty, so that was not temporary and it's not temporary. […] Many philosophies or principal considerations clash there: not just what makes a faculty, but also what constitutes my individual role as a professor? I think many felt threatened by that. […] These worlds collided. And I think that will persist over time. (interview with a core professor, February 2022)

In this view, the paradoxes and their causes were seen as difficult to solve and as moving from the foreground to the background, retaining their potential to resurface. Similarly, whereas most saw little connection between successive paradoxes, some core members gradually came to uncover interdependencies among them. A professor with strong operational involvement in the establishment of the business school described how his focus gradually shifted from singular paradoxes to interconnected paradox dynamics:

> When the first tensions emerged, I was relaxed and confident that we would be able to address them. After a while, however, I began to realize that whenever I thought we had solved one of the tensions, at least one other emerged somewhere else. Even worse, the path became ever more unpredictable, and the business school began to drift into directions that were strongly deviating from the kind of business school I wanted to help build and lead in the first place. (interview with a core professor, February 2022)

Here, paradoxes were seen as interconnected in the sense that the response to one paradox had the potential to activate others. As the statement indicates, paradoxes and paradox responses could then be perceived as mutually constitutive, triggering each other in successive cycles of paradox and paradox response. Even worse, responding to one paradox might activate more fundamental paradoxes elsewhere. In this context, members

find it difficult at best and impossible at worst to contain paradoxes within a well-defined subset of the organization. Instead, paradoxes were seen as having the potential to unfold rapidly across all levels in ways that seemed unpredictable to those involved.

These core members of the business school initiative, however, were not the only ones to see paradoxes as enduring and interdependent. Rather, a very small set of public faculty members who were hesitant to embrace the business school idea from the outset also saw paradoxes as hard, if not impossible, to overcome. They believed this for different reasons though. As expressed by one professor, they saw the paradoxes that were visible at the surface as being connected to a shared, deeper level tension external to their organization that had already shaped the broader institutional context for decades and would continue to do so for the foreseeable future: "I think the background is even deeper, because, here in Germany, the question is about free education or not […]. And I think that's the main tension, so that some people are just against paid education" (interview with a public faculty member, February 2022).

Overall, a pattern emerges, and it points to members' threat attribution as a critical juncture in the sensemaking process. Whereas most members interpreted paradoxes as independent and temporary, some saw paradoxes as interdependent and enduring. Whereas the former emerged with a sense of optimism and the intention to overcome the paradox at hand, the latter emerged with much greater skepticism and the intention to avoid rather than to overcome the paradox. This pattern has implications not only for members' threat response, but also for their organizational identification and engagement in the change initiative.

Members' Threat Response. We observed two distinct patterns regarding how members sought to respond to the identity threat they faced and the paradoxes underpinning it. Either members actively joined forces in a collective effort to eliminate the identity threat by overcoming the paradox(es) at play or they made an individual effort to contain the identity threat by avoiding and shielding themselves from the paradoxes.

The first pattern was most prevalent among members who saw the paradoxes as temporary and independent and believed in their joint ability to overcome the paradoxes and contain the identity threat. This was visible, for instance, when core protagonists engaged in systematic legitimating efforts to overcome the pathbreaking versus pathfollowing paradox. Likewise, business school staff members later during the journey joined forces in delineating roles and boundaries more clearly to solve the integrating versus separating paradox that threatened the core of their professional identity. As one of the first business school staff members proudly recalled, "Now, we really wanted to know, we really wanted to show that we

can make it and do it, and we decided to stay and to come out even stronger" (interview with a business school staff member, February 2022).

The second pattern, in contrast, was most prevalent among members who saw the paradoxes and their causes as enduring and interdependent and, thus, practically impossible to overcome. We observed, for instance, that some members tried to protect their professional sense of self by shielding it from the paradoxes: be it by advocating to end the business school initiative, by withdrawing from it psychologically, or by limiting their own engagement to areas such as the actual teaching that were less exposed to the paradox dynamics. These were primarily individual efforts as reflected by this quote:

> I was meeting the strategy group, and I was the only one joining via video. They were really fighting, and I was in another place in the middle of the night. I said let's just stop this all. […] To be honest, I would like to reduce actually my time. And if I would be smart, I would stop all my business school activities. And also other schools pay much better. I see it now just as part of my set of responsibilities as a professor. (interview with a core professor, January 2022)

Our findings suggest that the likelihood of members to embrace one or the other stylized paradox response pattern depended not just on members' attributions, but also on the number of identification options available to them. As we show, members with a single professional identification focus demonstrated significantly different paradox responses and, ultimately, identification and behavior changes than those with multiple alternative identification foci.

Members with a Single Identification Focus. Especially, the professional identity of the business school staff members was uniquely connected to the business school. Few, if any, alternative identification options were available to them as business school staff members were considered members of neither the public faculty nor the public university as a whole. They were, hence, only left with either leaving the business school or trying to overcome the integrating versus separating paradox to mitigate this critical threat to their identity. This threat required staff members to stand together and to engage in identity work as one staff member stated,

> Our new CEO comes like from a more professional background in a company. And that helps us also to understand what a company does, what is it like. Not this unclear, who are we? Are we a faculty or academic organization? We didn't really understand that. But now that the boundaries are clear, it has made things so much easier for sure. Because then you have a frame that you can operate in. And I guess this was exactly all part of the process of identifying who you are. (interview with business school staff member, February 2022)

Members with Multiple Identification Foci. In contrast to the business school staff, members of the public faculty had multiple identification options available to them, including the university, the faculty, their institute or research group, the business school, and in some cases their own consulting and entrepreneurial activities. These alternative identification foci opened an easy way out to protect those aspects of the personal identity that were seen as threatened by enduring paradoxes. As a case in point, the founding dean of the business school was ready to withdraw from the change initiative after he saw the relating versus transacting and integrating versus separating paradoxes escalate in a long meeting at the end of 2018:

> Maybe we simply cannot do it. Maybe we are simply incapable as a group of getting the business school up and running. We should simply stop the project. We have enough other things to do, and we don't need the business school if it is creating so much trouble. (reconstructed from meeting notes with public faculty professors, December 2018)

Even though no agreement was reached to terminate the change initiative, the founding dean gradually distanced himself from the business school and significantly reduced the time and energy he invested in dealing with the tensions, which were rapidly escalating during that time. By shifting his focus toward his own institute and high-profile university projects as well as his executive teaching outside the business school, he could protect his professional identity. As unintended side effects, though, the separating pole of the integrating versus separating paradox gained further traction, and the hope for any solution became even more elusive. Other core members soon followed the lead of the founding dean and began to shift their focus to reduce their exposure to the fundamental paradoxes and the associated identity threats. This also affected many of those members who had been driving the business school initiative, as one of them recalled:

> I, hence, shifted my emphasis to areas that were somewhat shielded from the mounting struggles and to those that I was able to control much more closely. I tended to focus more on my own company and my institute with a growing team of researchers. This development was in strong contrast to how my focus of attention and identification had evolved in the years before, expanding from the institute to the research area and then to the public faculty and its key strategic projects, among which was the business school. I was now going back to what I could shape and benefit from. I did not feel good, and it was not what I had expected or hoped for, but it appeared to be the only meaningful path left. (interview with professor at public faculty, March 2022)

Overall, our findings uncover two dominant threat response patterns with far-reaching implications for

Figure 3. The Recursive Process Model
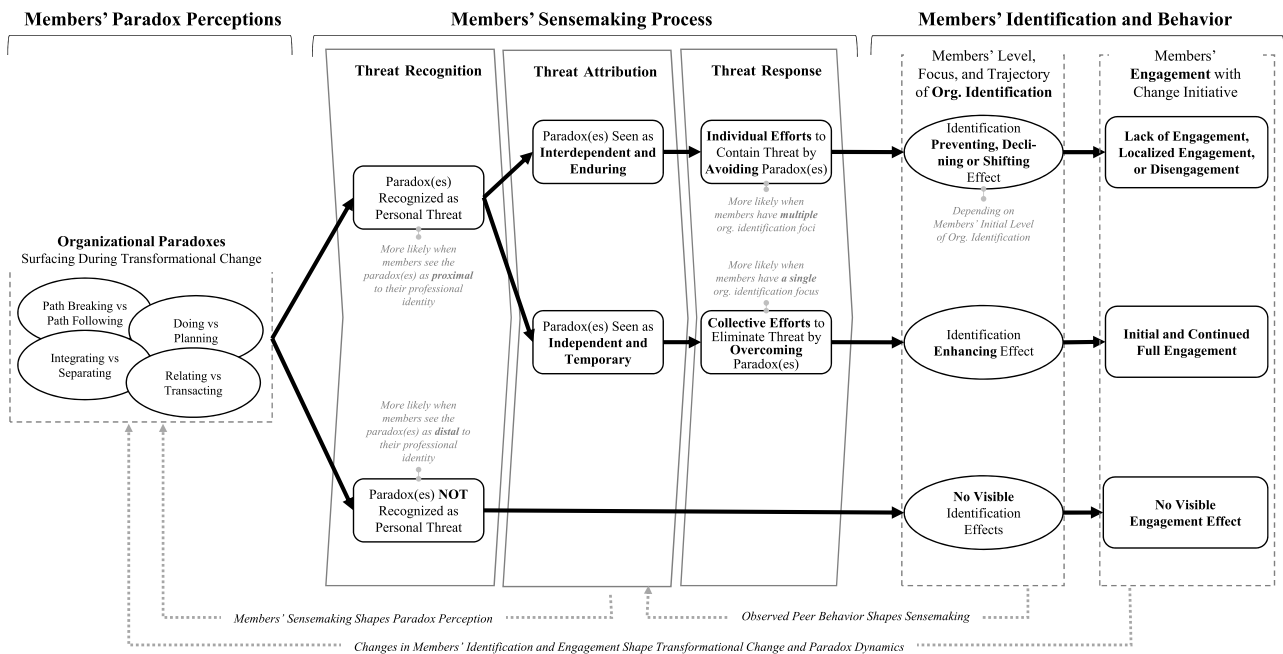
members' organizational identification and engagement in the change initiative. Individual efforts to contain the identity threat by trying to avoid the paradox(es) were most prevalent among members who not only saw the paradoxes as interdependent and enduring, but also had one or more alternative organizational identification foci to which to shift. These members tended to gradually disidentify with—and disengage from—the change initiative. In contrast, collective efforts to eliminate the identity threat by seeking to overcome the paradox(es) were most likely when members saw paradoxes as independent and temporary and only had a single identification focus. These members exhibited even increasing organizational identification and engagement with the change initiative.

Discussion

Our findings on (1) members' paradox perceptions, (2) members' identification and behavior, and (3) members' sensemaking process can be integrated into a three-phase recursive process model (Figure 3). This process model sheds new light on the potentially far-reaching yet subtle relationship between paradoxes that may surface in organizations during transformational change on the one hand and members' relationship with their organization on the other hand. This model synthesizes three key insights that advance our understanding of the interplay between paradoxes and members' organizational identification.

First and most fundamentally, our process model shows that paradoxes can shape members' sense of self

and their relationship with the organization in profound ways. Our study illustrates how paradoxes can call into question members' beliefs about the defining attributes of their organization (who are we as an organization?), of themselves as professionals therein (who am I as a member?), and of their relationship with their organization (am I compatible with my organization?). As such, paradoxes may trigger members to reexamine the extent to which there is congruence between the identity of their organization and their sense of self as a professional. The implications can be substantial not only for members' organizational identification and continued engagement, but also for the paradox dynamics at play.

Second, our model highlights that the impact of paradoxes on members' sense of self and organizational identification can differ substantially between members and within members over time. At one end of the spectrum, paradoxes may erode members' sense of oneness with their organization, be it by preventing, declining, or shifting members' organizational identification, and lead members to contain their engagement, increasing the risk of the organization falling apart. At the other end of the spectrum, paradoxes may strengthen the bond between members and their organization, enhance members' organizational identification, and lead members to stand together even more firmly than before. That said, these effects materialize only when members perceive the paradoxes as a personal threat to their professional identity. Otherwise, members' identification and engagement may remain unaffected by the paradox dynamics in their organization.

Third, our process model explicates how such differences between and within members can be traced back at least in part to how members make sense of the paradoxes surfacing in their organization, that is, how they recognize paradoxes as identity threats, how they make attributions, and how they respond to them. Simply put, threat recognition serves as a switch that either sets off further sensemaking and subsequent identification effects within a member or not. Threat attribution, in turn, acts as a critical juncture in the sensemaking process leading a member during threat response to focus either on individual efforts to contain the threat by seeking to avoid the paradox(es) or on collective efforts to eliminate the threat by trying to overcome the paradox(es). Taken together, three distinct paths emerge that connect members' paradox perceptions on the one hand and their organizational identification and engagement on the other hand. A member is likely to exhibit no visible identification and engagement effects following paradox perception when they do not recognize paradoxes as a personal threat (path 1). Conversely, an identification and engagement enhancing effect is likely when a member recognizes paradoxes as a personal threat but sees them as independent and temporary, triggering collective efforts to overcome the paradox(es) especially in the absence of alternative identification foci (path 2). Finally, members will likely show an identification and engagement preventing, declining, or shifting effect when they recognize paradoxes as a personal threat and see them as interdependent and enduring, triggering individual efforts to avoid the paradox(es) especially in presence of multiple identification foci (path 3).

Research Implications

We argue that our process model and the supporting evidence have meaningful implications for paradox and identity research.

First, our study and process model extend prior work on the effects of paradoxes within organizations. Extant literature emphasizes the behavioral effects of paradoxes, that is, the doing of organizations and their members, with the objective of reconciling, managing, or navigating the paradoxes at play (Lewis and Smith 2022). As a result, there is now a rich literature on the various forms and facets of paradox response with focus on the often shorter term efforts to regain control and reestablish some equilibrium even if only dissipative in nature (Weiser and Laamanen 2022). We complement this literature by illustrating that organizations and their members not only respond to paradoxes, but are often also shaped by paradoxes in potentially profound yet highly heterogeneous ways. In this regard, we shift scholarly attention from how paradoxes affect the doing to how they shape the being of organizations and their members in terms of their respective identity as well as their relationship with each other, that is, members'

organizational identification. As our longitudinal analysis reveals, members might come to see paradoxes as identity threats (Petriglieri 2011). When experiencing paradoxes, members might challenge not only their own beliefs and assumptions about the central and distinctive attributes of their organization (i.e., the organizational identity), but also of themselves as members of their organization (i.e., their individual identity) (Elsbach and Kramer 1996). This may ultimately lead members to reevaluate what is seen as valuable and desirable and what place and role they could have in their organization. In this way, paradoxes may prompt members to reconsider the extent to which the organization aligns with their sense of self (Branscombe et al. 1999, Ellemers et al. 2002), which can have profound implications for members' organizational identification, "the area of overlap between the member's self-concept and the organization's identity" (Bednar et al. 2020, p. 203). Such identity and identification effects of paradoxes can be fundamental and long-lasting with important knock-on effects for organizational and member behavior. The effects of paradoxes on the doing and the being of organizations and their members are, thus, not independent, but closely interconnected and recursive in that changes in members' identification and behavior may bring a new set of paradoxes to the surface (Lewis 2000, Panayiotou et al. 2019).

Second, we introduce an identity threat perspective to paradox research to explicate the mechanisms and associated boundary conditions through which paradoxes shape members' professional sense of self and their organizational identification (Petriglieri 2011, Piening et al. 2020). At its core, this perspective serves as a new lens that enables scholars and practitioners alike to better understand—and, to some extent, anticipate—why the same set of paradoxes may have vastly different identification and behavioral effects, not only among members of the same organization, but also within individual members over time. These differences can be traced back in part to differences in how members make sense of paradoxes along the threat recognition, attribution, and response process with each stage being shaped by boundary conditions related to members' identity or members' paradox perception (Piening et al. 2020). In our view, the identity threat perspective may provide the missing theoretical link needed to explain why members, even within the same organization, may be affected by paradoxes in fundamentally different ways.

Third and more broadly, our study responds to recent calls for greater conceptual divergence in paradox research as a critical precondition for future advances in the field (Cunha and Putnam 2019). In this spirit, we shift the analytical focus from how paradoxes affect the doing to how they shape the being of organizations and their members. Indeed, recent conceptual work calls for paradox research to go beyond conceptions of individuals as

stable carriers of conflicting poles and "study how actors themselves change as part of engaging with paradox" (Bednarek and Smith 2023, p. 8). Our work and the identity threat perspective we develop illustrate the potential for conceptual and empirical contributions in this space. That said, paradoxes may trigger members to change in ways other than their professional identity and organizational identification. This opens exciting avenues for future research on how paradoxes shape individual members, for instance, with regards to members' mental and physical health, their job satisfaction, or their extra-role behavior. More generally, such work presents a unique opportunity for paradox research to move beyond examining how members try to achieve an equilibrium between competing forces by attempting to control or solve paradoxes to how members are shaped by and cope with enduring disequilibria (Weiser and Laamanen 2022). We also shift the focus from how paradoxes affect the organization (macro) and its members (micro) to how paradoxes shape the member–organization relationship. This analytical shift helps to bridge macro (e.g., Smith and Tracey 2016, Waldman et al. 2019) and micro (e.g., Clegg et al. 2002, Miron-Spektor et al. 2018, Hahn and Knight 2021) perspectives in paradox research and can enable paradox researchers to both revisit existing research questions at the macro–micro interface and explore new ones. Opportunities are manifold as member–organization relationships include a broad category of outcomes yet to be explored in paradox research with potentially far-reaching and lasting implications for individual and organizational life (Coyle-Shapiro and Shore 2007). Arguably, paradoxes are likely to shape and be shaped by various other facets of the member–organization relationship than identification, including the nature of psychological contracts, organizational support, and leader–member exchange. Our study might, therefore, serve as a starting point for a new research stream that seeks to generate insights into how paradoxes can shape members and member–organization relationships in their various manifestations over time.

Finally, our study may inform the literature on changes in members' professional identity and organizational identification. Research in this stream has begun to conceptualize identification trajectories with a focus on identifying prototypical shapes of these trajectories and their consequences as they unfold over time (Bednar et al. 2020). However, the nature of triggering events and their impact on identification trajectories and their shape have yet to be explored. Our findings show that triggering events do not need to be singular, discrete, and clearly observable as commonly assumed. Instead, changes in identity and identification trajectories can be triggered by multiple, dynamically interconnected, and largely implicit paradoxes. It is this latency and ambiguity of paradoxes as well as their salience and persistence

that set paradoxes apart from other types of triggering events and identity threats with clearer causes and solutions (Hahn and Knight 2021). As such, the study of paradoxes and their interplay with identity and identification changes may hold considerable potential for conceptual development in identity research.

Practical Implications and Limitations

Our theory and evidence alert leaders to the fact that members not only respond to paradoxes in their organization, but are also shaped by them, not least in terms of their professional identity and organizational identification. These effects can be profound and enduring with far-reaching implications for member engagement and retention. These insights might encourage leaders to focus their attention on helping members to attempt both: responding to paradoxes in the hope to reconcile them and coping with paradoxes in the understanding that many paradoxes will be immune to straightforward solutions and are, hence, likely to persist. Leaders, thus, face the dual challenge of enabling members to reestablish some equilibrium—even if only dissipative in nature—and to deal with enduring disequilibria.

As such, leaders might wish to support sensemaking activities with members, for instance, in form of open forums in which members can discuss the paradoxes they perceive as well as possible questions that may arise regarding member and organizational identity. Which tensions and paradoxes do members perceive? How do they support or challenge important aspects of the identity of certain professional groups or the organization as a whole? What is the potential for these paradoxes to reinforce or undermine the member–organization relationship? Discussing questions such as these might help members engage in shared identity work and reinterpret their professional and/or organizational identity in a way that preserves the congruence between the two and makes paradoxes—even when they persist—less threatening.

Our identity threat perspective also helps practitioners to better understand and, to some extent, anticipate why the same set of paradoxes that surface during transformational change may have vastly different identification and behavioral effects both among members of the same organization and within individual members over time. Leaders can benefit from such understanding, for instance, by including in collective sensemaking activities especially those members most at risk for disidentifying and disengaging. These are members with a professional identity directly affected by the paradoxes, with multiple alternative identification foci, and with lower initial levels of organizational identification.

Importantly, leaders themselves might be part of that risk group. As such, leaders may be subject to similar processes and associated identification and behavioral outcomes when facing paradoxes. Just as ordinary

members, leaders are set to benefit from an open exchange with peers from inside and outside their organization. This appears especially critical as the way in which leaders perceive paradoxes, make sense of them, and behave as a result may serve not only as a cue for members' own sensemaking, but also as a powerful force shaping the paradox dynamics at play and activating additional, so far latent, paradoxes. To take this one step further, leaders' identity characteristics and their ability to cope with paradoxes and moderate collective sensemaking processes could play a more important role when selecting and qualifying leaders especially for paradox-prone transformational change initiatives.

Our study has limitations that raise possibilities for further research. First, questions of generalizability arise as a single case study is necessarily situated and aims at building in-depth theory instead of producing generalizable results (Eisenhardt 1989). We assume that the types of paradoxes and paradox dynamics vary across settings and studies, but we hope that our research can serve as a guide. Additional research should investigate different aspects that characterize the sensemaking process. For example, it could be interesting to understand whether the sensemaking process would work similarly in nonacademic contexts in which different incentives and norms are at play.

Conclusions

This study sought to explicate the underexplored yet theoretically and practically relevant process by which paradoxes that arise during transformational change can shape members' sense of self and their organizational identification. Our analysis of a 75-month longitudinal case study tracing the launch of a business school by a public university helped shed new light on the paradox–identification relationship, members' sensemaking process, and key boundary conditions related to members' identity and paradox perceptions. We hope that our process model and the identity threat perspective we advance will help scholars and practitioners alike to better understand and shape the impact paradoxes can have on members' identity, their organizational identification, and the member–organization relationship more broadly.

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