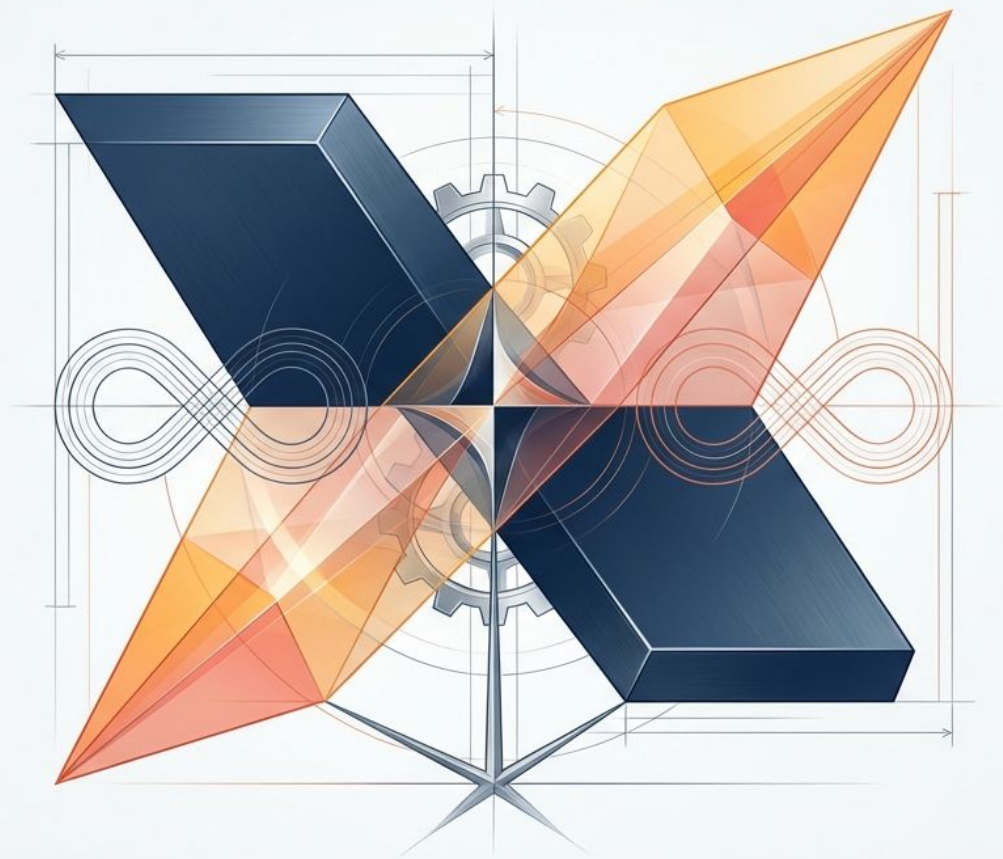


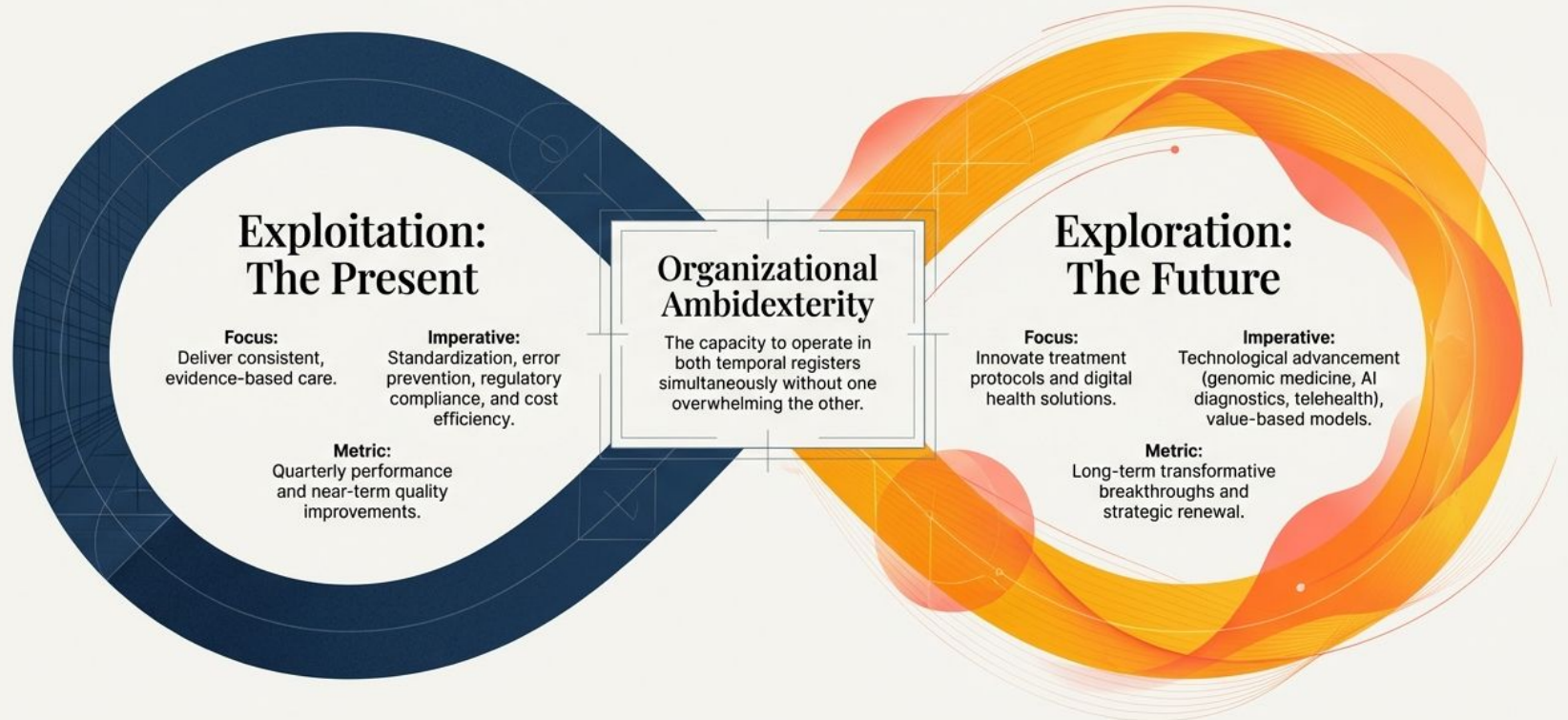
Unlocking Organizational Ambidexterity

How Strategic HR Practices Fuel
Employee Creativity and Adaptive
Capacity in Healthcare.

Based on empirical research by
Jonathan H. Westover, PhD.



Healthcare organizations face a relentless dual imperative to optimize current operations and reinvent for the future.



Exploitation and exploration require fundamentally opposing mindsets, cultures, and risk profiles.

	Exploitation	Exploration
Goal / Focus	Refinement, extension, and efficiency.	Experimentation, discovery, and new alternatives.
Risk Profile	Error minimization, reliability, calculable ROI.	High risk, uncertainty, tolerance for productive failure.
Time Horizon	Short feedback loops, immediate operational returns.	Delayed returns, patient capital, long-term impact.
Cultural Vibe	Process discipline, standardization, deep functional expertise.	Flexibility, boundary-crossing, cognitive agility.
Healthcare Example	Standardized clinical pathways, throughput optimization.	AI diagnostic pilots, remote patient monitoring ventures.

The implementation gap is severe: four distinct friction points prevent organizations from achieving sustained ambidexterity.



Resource Allocation Tensions

Zero-sum perceptions. Quarterly pressures force probabilistic exploration projects to lose funding battles against calculable, incremental ROI.



Capability Gaps

Exploitation requires deep functional expertise; exploration demands cross-domain knowledge integration. Traditional career systems rarely cultivate this duality.



Cultural Misalignment

Exploitation values reliability and error minimization. Exploration values experimentation and learning from failure. Organizations struggle to maintain both logics simultaneously.



Measurement Paradoxes

Performance management systems designed for near-term operational metrics naturally disadvantage exploratory initiatives, creating structural biases against balance.

Organizations that successfully balance these dual mandates capture a significant performance premium.



Financial & Market Valuation

Positive predictor of financial performance and stronger stock market valuation than single-mode firms.

Source: Junni et al. (2013); Uotila et al. (2009)

Innovation Portfolio Stability

Diversified innovation portfolios stabilize returns across business cycles and hedge against technological disruption.

Source: Lavie et al. (2010)

Adaptive Capacity & Patient Impact

Faster strategic pivots during crises alongside higher hospital patient satisfaction and innovation adoption rates.

Source: Cao et al. (2009); Stadler et al. (2014)

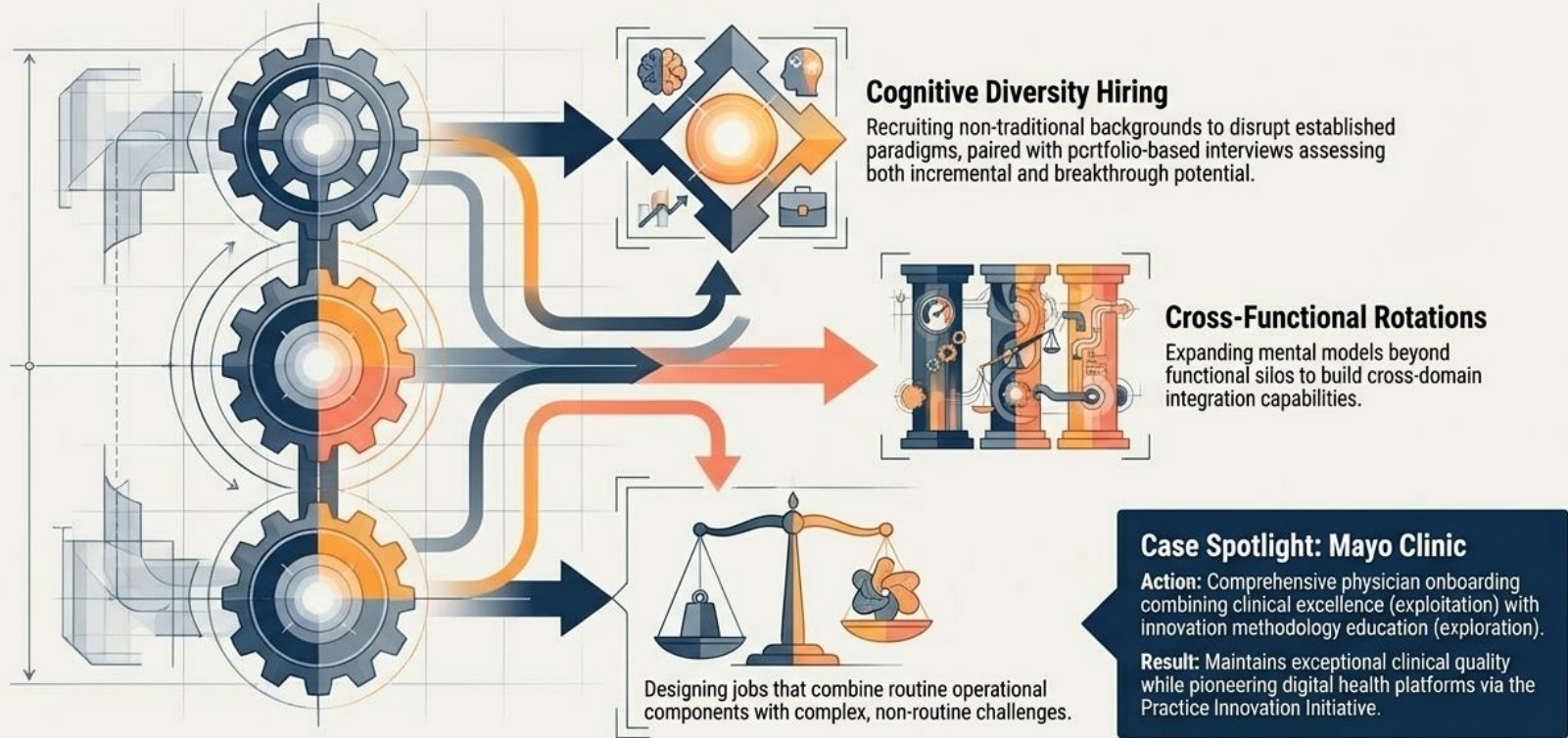
Strategic HR practices do not generate ambidexterity directly; they fuel the employee creativity that makes it possible.



The AMO Framework serves as the strategic control panel for designing an ambidextrous talent system.

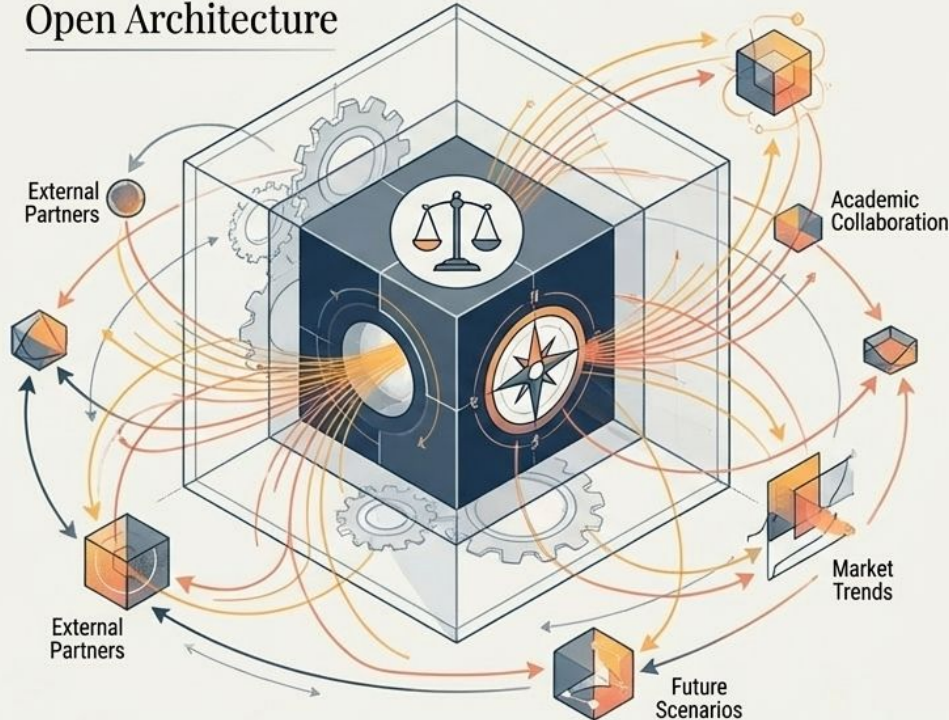


Ability-enhancing practices systematically cultivate “T-shaped” professionals who possess both specialized depth and adaptive breadth.



Opportunity-enhancing practices provide the architectural space for innovation, but they require capability and motivation to succeed.

Open Architecture



Participative Decision-Making:

Empowering leadership that delegates authority and invites frontline input into resource allocation between optimization and innovation.

Autonomy Provisions:

Providing discretion over methods and schedules, enabling individuals to align work approaches with peak creative productivity.

Networked Knowledge Infrastructure:

Digital collaboration platforms and boundary-spanning roles connecting diverse, moderately weak network ties.

Case Spotlight: 3M

Action: The famous 15% time policy allowing technical employees self-directed exploration.

Context: Succeeded because it was integrated with technical training (Ability) and recognition (Motivation), not functioning in a vacuum.

Isolated HR interventions produce limited effects; sustained ambidexterity requires strict systemic coherence across all talent touchpoints.

The Aligned Flywheel

Ability + Opportunity without Motivation = Apathy

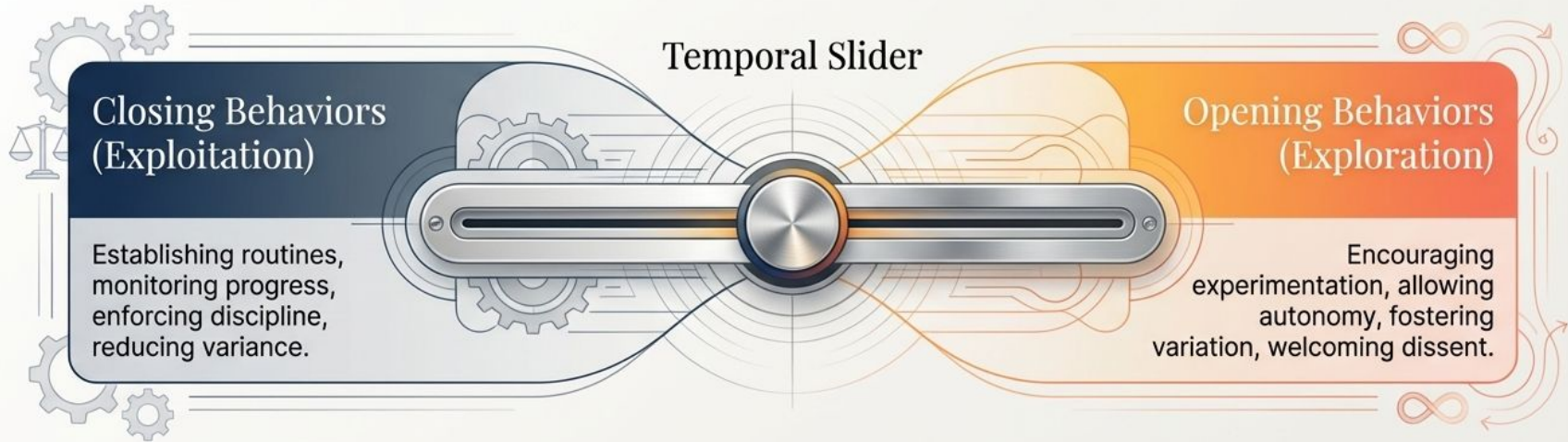
Motivation + Opportunity without Ability = Chaos/ Incompetence

Ability + Motivation without Opportunity = Frustration/ Burnout

Case Spotlight: Unilever's Connected 4 Growth

- **Selection:** Assessment centers evaluate both operational excellence and innovative thinking.
- **Development:** Rotations alternate between efficiency ventures and innovation ventures.
- **Progression:** Advancement explicitly requires demonstrated capability in both modes.

Ambidextrous capability ultimately depends on leaders who can fluidly toggle between opening and closing behaviors.

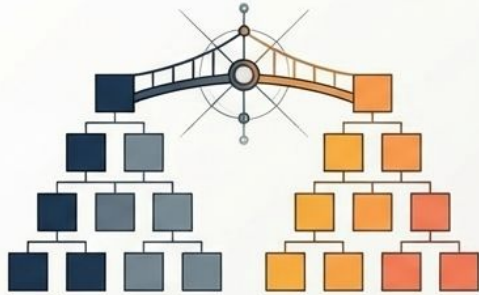


Case Spotlight: IBM Cognitive Enterprise Leadership

Action-learning projects requiring simultaneous operational improvement and strategic innovation.
Coaches build metacognitive awareness of when to employ directive vs. empowering styles.

Organizations must design structural architectures that prevent exploration initiatives from being crushed by exploitation pressures.

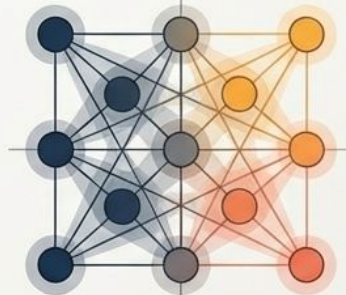
Architectural Diagram



Model 1: Dual Operating Systems

Distinct structures for established businesses vs. emerging ventures, with clear knowledge-transfer interfaces.

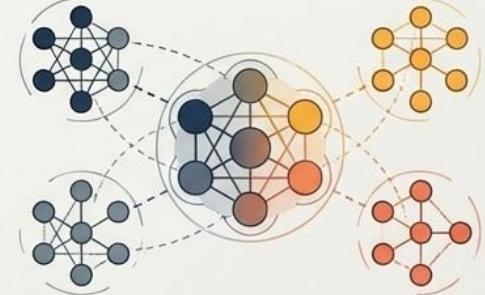
Architectural Diagram



Model 2: Matrix Structures

Employees maintain home functions for deep expertise while deploying to temporary cross-cutting innovation project teams.

Architectural Diagram



Model 3: Modular Organizations

Loosely coupled, autonomous units optimized for different modes, coordinated by overarching governance.

Case Spotlight: Partners HealthCare (Mass General Brigham)

Established the Center for Connected Health as a structurally separate unit to explore digital models while maintaining traditional hospital operations in parallel.

Integrative cultures and portfolio governance legitimize the simultaneous pursuit of competing objectives.

The Paradox Scale



Cultural Foundations



Paradox Acceptance: Reframing competing priorities as interdependent tensions requiring dynamic balance, rather than zero-sum tradeoffs.



Psychological Safety: Normalizing productive failure through rituals that decouple mistakes from individual blame, enabling vital risk-taking.

Governance & Measurement



Ambidextrous Scorecards: Balancing efficiency metrics (cost per unit) with learning metrics (R&D pipeline diversity, cross-training rates).



Portfolio VC Logic: Utilizing real-options thinking. Assessing early-stage exploration on learning generated rather than immediate financial returns.

The Blueprint for Long-Term Adaptive Capacity

The Roof
(Strategic Output)

Sustained Competitive Advantage:
Financial Returns, Innovation Outcomes,
Adaptive Capacity

The Engine
(Mediator)



The Pillars
(HR Micro-Practices - AMO)

Ability

- Cognitive diversity hiring, cross-functional rotations

Motivation

- Dual-metrics, innovation bonuses, dual career tracks

Opportunity

- 15% time, digital collaboration, participative decisions

The Foundation
(Macro Enablers)



Leadership

Temporal switching (Opening/Closing behaviors).



Structure

Dual OS, Matrix, or Modular design.



Culture & Governance

Psychological safety, Paradox acceptance, Portfolio VC metrics.