

THE IMPACT OF ORGANIZATIONAL CLIMATE ON THE ORGANIZATION'S PERFORMANCE: THE MODERATING ROLE OF STRATEGIC PARADOX

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Abstract: This study constructed a core conceptual framework using organizational climate, strategic paradox, and organizational performance as variables by introducing the following demographic gender, age, length of service, and education. Attempting to analyze the differences in the mean values of respondents' perceptions of the demographic variable groupings for each variable of organizational climate, strategic paradox, and organizational performance and the influence of the independent variables on the dependent variables, this study proposes the following research hypotheses: Hypothesis 1: There is a significant positive relationship between organizational climate and organizational performance. Specifically, when the organizational climate is more positive and cordial, the organizational performance is also better. Hypothesis 2: Different aspects of organizational climate affect organizational performance to different degrees. Some aspects may have a more significant effect on performance, such as employee satisfaction, communication transparency, and leadership style. Hypothesis 3: Strategic paradoxes play a moderating role in the relationship between organizational climate and organizational performance. Specifically, the presence of strategic paradoxes may diminish the positive impact of organizational climate on performance, especially when conflicting needs and priorities need to be balanced. Hypothesis 4: Organizational performance can be improved by improving organizational climate and effectively managing strategic paradoxes. Effective interventions and management strategies can help organizations cope with strategic paradoxes and create a positive work climate, which can contribute to the continuous improvement of organizational performance. And using the enterprises in province B as a case study, in the overall study, using simple random sampling method to calculate the sample size of 12417, a total of 424 questionnaires were distributed in this study, using simple random sampling method to distribute questionnaires, and 393 questionnaires were retrieved, with a return rate of 92.7%.

This study found a close statistically significant positive correlation between organizational climate and organizational performance. Improving organizational climate seems to be a very effective strategy for improving performance outcomes. This underscores the need for organizations to prioritize the creation and maintenance of positive work environments to drive better performance outcomes. The

strategic paradox significantly mediates the relationship between organizational climate and organizational performance. This implies that the effect of organizational climate on performance is partly transmitted through strategic paradoxes. This study provides a nuanced understanding of the complex interactions between organizational climate, strategic paradoxes, and organizational performance, thereby contributing to the existing body of knowledge and providing insights for subsequent related research.

Keywords: Organizational Climate, Strategic Paradoxes, Organizational Performance

Introduction

The contemporary organizational landscape is characterized by rapid changes, globalization, and increasing competition. These dynamics are reshaping industries and altering the way organizations operate. Rapid technological advancements, shifting market demands, and evolving regulatory environments require organizations to be more agile and responsive than ever before. Globalization has expanded markets but also intensified competition, as organizations now face competitors not just locally, but from all over the world. In this highly dynamic context, understanding the determinants of organizational performance has become increasingly critical.

Organizational performance, a complex and multifaceted construct, encompasses a wide range of outcomes that are vital for the success and sustainability of an organization. These outcomes include financial performance, which reflects an organization's profitability and fiscal health; customer satisfaction, which measures how well an organization meets or exceeds customer expectations; employee engagement, which indicates the level of commitment and involvement employees have towards their organization; and innovation capability, which refers to an organization's ability to develop new products, services, or processes that provide competitive advantage (Barney & Mackey, 2018).

Among the various determinants of organizational performance, organizational climate is particularly significant due to its profound influence on employee behavior and overall organizational outcomes. Organizational climate can be defined as the shared perceptions and attitudes of employees regarding their work environment and organizational practices. This includes factors such as the degree of support and trust within the organization, the clarity of communication, the level of autonomy employees experience, and the fairness of reward systems (Schneider, Ehrhart, & Macey, 2018). A positive organizational climate fosters a work environment that enhances employee motivation, satisfaction, and productivity, thereby driving better organizational performance.

This study aims to explore the impact of organizational climate on organizational performance, with a particular focus on the moderating role of strategic paradox. A strategic paradox involves

managing contradictory yet interdependent elements that coexist within an organization, such as the need for stability versus the need for change, or the pursuit of short-term results versus long-term sustainability (Smith & Lewis, 2011). Understanding how these paradoxes interact with organizational climate can provide deeper insights into how organizations can better navigate complexities and enhance their performance.

Organizational climate has been extensively studied due to its significant impact on various dimensions of employee behavior and organizational outcomes. A positive organizational climate is characterized by elements such as mutual trust, openness, effective communication, and supportive management practices. These elements collectively enhance employee motivation, job satisfaction, and commitment to the organization. When employees perceive their work environment as supportive and encouraging, they are more likely to engage fully in their work, exhibit higher levels of productivity, and demonstrate a stronger commitment to organizational goals.

Research has shown that a positive organizational climate can lead to improved financial performance by influencing key factors such as employee productivity, work quality, and retention rates. Organizations with a positive climate are better able to attract and retain top talent, which is crucial for maintaining competitive advantage in today's fast-paced business environment. Additionally, a supportive and positive climate can lead to higher levels of customer satisfaction, as motivated and engaged employees are more likely to provide exceptional service and build strong customer relationships (Cameron & Quinn, 2020).

Strategic paradoxes are inherent in organizational life and present significant challenges for managers and leaders. These paradoxes require organizations to simultaneously pursue conflicting strategies, such as fostering both flexibility and control, or focusing on both short-term achievements and long-term objectives. Successfully navigating these paradoxes requires a nuanced understanding and a dynamic approach to management.

The presence of strategic paradoxes can have both positive and negative effects on organizational performance. On the one hand, the existence of paradoxes can stimulate creative problem-solving and innovation, as organizations must find ways to balance and integrate conflicting demands. On the other hand, poorly managed paradoxes can lead to organizational confusion, inefficiency, and conflict, thereby hampering overall performance (Lewis & Smith, 2014).

For example, an organization facing the paradox of stability versus change must find a way to maintain operational consistency while also being adaptable to new opportunities and threats. Similarly, balancing short-term financial pressures with long-term strategic goals requires careful planning and resource allocation to ensure that immediate needs do not undermine future growth and sustainability.

This study posits that the impact of organizational climate on performance is moderated by the presence and management of strategic paradoxes. A positive organizational climate can provide the

psychological safety and support needed to navigate paradoxical tensions effectively. Employees in such environments are more likely to engage in open dialogue, collaborative problem-solving, and innovative thinking, which are essential for addressing paradoxes (Schneider et al., 2018).

For instance, an organization with a strong climate of trust and collaboration may be better equipped to balance the need for stability with the need for change. In such an environment, employees feel more comfortable voicing concerns and suggesting improvements, facilitating a more agile and responsive organizational culture (Cameron & Quinn, 2020). Similarly, a climate that encourages continuous learning and adaptability can help organizations manage the tension between short-term performance pressures and long-term strategic goals.

Conversely, in an organization with a negative climate, strategic paradoxes may exacerbate stress and conflict, leading to decreased performance. Employees in such environments may be less willing to engage with complex problems or collaborate with colleagues, reducing the organization's ability to navigate paradoxical tensions effectively (Smith & Lewis, 2011). For example, if an organization has a climate characterized by fear and mistrust, employees may be reluctant to take risks or innovate, hindering the organization's ability to adapt to changes in the external environment.

The purpose of this study is to investigate how organizational climate affects organizational performance through strategic paradoxes. The study aims to address the following key questions:

What factors in the organizational climate have the greatest impact on employee performance and organizational performance?

How do strategic paradoxes affect decision-making processes and behaviors in organizations?

How does organizational climate interact with strategic paradoxes to influence organizational performance?

Does the impact of strategic paradoxes vary in different types of organizational climate?

How can the complex relationship between organizational climate, strategic paradoxes, and organizational performance be addressed to achieve long-term organizational success?

By exploring these research questions, this study aims to contribute to a deeper understanding of organizational climate. A clear research question is the key to conducting effective research, which guides the entire process of the study and ensures that the research has academic and practical value. The findings will help steer the direction of the research, provide insight into key topics in the field of organizational behavior and management, and provide targeted recommendations for practice.

Research Objective (s)

Objective 1: To Assess the Relationship Between Organizational Climate and Organizational Performance: This objective is fundamental as it forms the basis for understanding how organizational climate influences various performance metrics. By quantifying this relationship, the study can establish

the importance of fostering a positive climate for enhancing performance outcomes.

Objective 2: To Identify the Key Dimensions of Organizational Climate that Influence Performance: Understanding which specific aspects of organizational climate have the most significant impact on performance is crucial for targeted intervention and improvement efforts. By identifying these key dimensions, the study can provide actionable recommendations for organizations to focus their climate enhancement initiatives.

Objective 3: To Analyze the Moderating Role of Strategic Paradox in the Relationship Between Organizational Climate and Performance: This objective is pivotal for advancing theoretical understanding by examining how strategic paradoxes influence the relationship between climate and performance. By investigating this moderating effect, the study can uncover the conditions under which a positive climate is most effective in driving performance outcomes, considering the presence of conflicting demands and priorities.

Objective 4: To Offer Practical Recommendations for Enhancing Organizational Performance Through Climate Improvement and Strategic Paradox Management: Ultimately, the study aims to translate its findings into actionable strategies for organizations. Providing practical recommendations for improving organizational climate and managing strategic paradoxes is essential for helping organizations navigate complexities and achieve sustained success. These recommendations can inform managerial practices, organizational policies, and leadership strategies, leading to tangible improvements in performance outcomes.

Literature Review

Scholars have defined organizational climate in different ways at different times. Tagiur (1968) believes that organizational climate is a characteristic of the organization itself, a measurable and stable attribute of the work environment. Campbell et al (1970). point out that employees' perceptions of their own behaviors are largely affected by the atmosphere, which is influenced by the employees, the environment, and the organization, and so the atmosphere plays an important role in improving the characteristics of the work and increasing the speed of reaction of the employees in the work process. According to Amabile (1993), the concept of organizational climate is an intuitive description of employees' perception of the work environment in which they live, and the concept of autonomy plays an important role in it. According to Chen (2005), organizational climate is characterized by a unique style that reflects the stability of the organization and the environment, and it is multidimensional in nature, which can be measured by observing the employees' perceptions, and has a direct impact on the impression of the internal environment of the organization in which the employees are located, which then affects the employees' work attitude, work enthusiasm and work results. According to Wang (2016) et al., "Organizational climate refers to the attitudes and perceptions of organizational members towards

the organization in general, and can have a profound impact on employees' thinking and behavior, including their perceptions of fairness, interpersonal relationships, and innovation. Sun (2018) et al. "introduced an empirical analysis to explore the relationship between leadership style, organizational creativity and organizational climate, and pointed out that the important feature that employees perceive in an organization is the organizational climate. Even though there is no uniform standard to define organizational climate, it is possible to generalize the definition of organizational climate from two perspectives.

As environmental uncertainty and dynamics increase, organizations need to adjust their strategies more and more frequently to deal with the conflicting and contradictory needs that arise at all levels of the organization. Scholars have explored and managed these conflicts and contradictions in various ways (contingent, selective, dialectical, and paradoxical). Among them, the perspective of the thesis has become a new and widely recognized way of dealing with conflicts (Smith & Lewis, 2011; Wang, 2017). Contingency theory is an early approach to dealing with conflict. The weights-and-changes approach lends itself to exploring the selection conditions for competing demands, the matching of internal elements of the organizational system, and the matching of the organization to the external environment. The weights-and-changes theory of the 1960s (Lawrence & Lorsch, 1967) inspired decades of subsequent research exploring how context affects the validity of dyadic choices. Paradox theory provides another way to cope with organizational conflict when an organization needs to meet multiple conflicting demands at the same time. While choosing one side of a conflict helps an organization's short-term performance, long-term sustainability requires continuous efforts to meet diverse and different needs through a paradoxical lens. Scholars began to study and discuss paradox in the early 1980s in the fields of philosophy and psychology, and introduced the concepts of paradox and conflict into the study of organizational and managerial phenomena. The study of paradoxes on collectives appeared at the population level, organizational level, group level, across levels, or embedded in one level or another (Fairhurst, Smith, Banghart, et al. 2016; Schad, Lewis, Raisch, et al. 2016).

Empirical studies have explored aspects of strategic paradoxes and their impact on organizational performance:

Innovation and Efficiency: Smith and Tushman's (2005) research suggests that firms with the ability to manage the innovation-efficiency paradox tend to achieve superior performance. Their research emphasizes the role of leadership in fostering a culture that supports exploration and exploitation.

Global Integration and Local Responsiveness: Bartlett and Ghoshal (1998) studied multinational corporations and found that firms that balanced global integration and local responsiveness were more successful in adapting to diverse markets. Their study highlights the

importance of organizational structures and processes in managing this paradox. Stability and Change: Lewis (2000) conducted a longitudinal study of organizations in dynamic industries and found that those that embraced both stability and change achieved better long-term organizational performance. The study highlighted the role of organizational culture and strategic vision in navigating this paradox.

Organizational Performance describes the overall outcome of an organization's workforce operations essentially related to any managerial position. Sagie (1998) hypothesized that a manager's communication style (highly biased or unnamed manager) and goal-setting style (participative, specific, and all-out) would affect workers' organizational performance. mentioned in the study of the effects of leadership communication style and participation in goal setting on performance and attitudes. The results showed that teams led by high indicators achieved the highest performance benefits, i.e., the clearer the benefits to performance were greater in the process factor of goal setting.

Whiting, Podsakoff, & Pierce (2008) conducted a study on the impact of performance appraisal, and scientific studies have shown that helping behavior and organizational loyalty contribute significantly in performance appraisal decisions, in addition to task performance. Schneider, Ehrhart and Macey (2013) emphasized that a positive organizational climate improves performance outcomes by increasing job satisfaction, employee motivation and overall well-being. Research has consistently shown that a good organizational climate is associated with a variety of performance indicators, including productivity, service quality, and financial outcomes. For example, Ostroff (1993) found that organizations with supportive and participatory climates tended to achieve better performance as a result of increased employee involvement and commitment. In addition, Patterson et al. (2005) showed that a positive climate promotes innovation, customer satisfaction, and financial success. These findings underscore the critical role of organizational climate in driving performance.

Methodology

With probability-based sampling methods, the sample size can be determined through the population collection process. For example: the sample size suitable for calculation, the sample size used in the study was determined using The Taro Yamane Sample Size Formula (1973), and the sample size was determined using a 95% confidence level and a permissible value. The sampling error is 5% or 0.05. The overall sample is 12,417. When n = number of samples used in the study . N = size of the overall population, e = random sample error is set to 0.05 .

The sample size and formula are given below:

$$n = \frac{N}{1 + Ne^2}$$

$$n = \frac{12417}{1 + 12417 \times 0.05^2}$$

$$n = 387.27$$

The minimum sample size was calculated to be 387. therefore, approximately 387 participants were needed for the study. Actual and potential attrition rates must be considered when determining the final sample size.

Data collection for this study was all conducted online. Participants received an email invitation to access the survey as well as instructions for completing the survey. Online survey administration allowed for secure and efficient data collection while ensuring participant anonymity.

The following are the main steps of the survey:

1. Preparation stage:

Select the electronic version of the questionnaire. : Determine when and where the questionnaire will be distributed and when it will be collected. Design clear and easy to understand questionnaire content.

2. Distribution process:

Determine the target audience group. Distribute online questionnaires through Question star.

3. Reminder and Follow-up:

Remind the audience to complete the questionnaire before the deadline. Regularly follow up the questionnaire recovery.

4. Questionnaire Recovery:

Collect completed questionnaires within the specified time.

5. Data Processing:

Enter data and perform simple statistical analysis.

6. Reporting results:

Write a brief report or summary based on the analysis results.

Questionnaire survey is the main data collection method used in this study to obtain information about the sample. The researcher distributed 424 questionnaires to the employees of several enterprises in Province B. After excluding some useless data, 393 valid questionnaires were retrieved, and the recovery rate of the questionnaires was 92.7%.

Results

The results of the correlation analysis indicate that there is a strong and statistically significant positive correlation between organizational climate and strategic paradoxes, with a Pearson correlation coefficient of 0.938 and a level of significance (p-value) of 0.000. This suggests that the presence and management of strategic paradoxes increases significantly as perceptions of the organizational climate improve, and vice versa. The p-value of 0.000 suggests that the correlation is statistically significant at the level of 0.01 (two-tailed). statistically significant (two-tailed). This level of significance implies that the likelihood of observing such a strong correlation by chance is extremely low (less than 1%).

Therefore, we can safely say that there is indeed an intrinsic link between organizational climate and strategic paradox.

There is a strong and statistically significant positive correlation between organizational climate and organizational performance, with a Pearson's correlation coefficient of 0.894 and a significance level (p-value) of 0.000. The following is a detailed explanation: a Pearson's correlation coefficient of 0.894 indicates that there is a strong positive correlation between organizational climate and organizational performance. The value is close to 1, indicating that the higher the organizational climate score, the higher the organizational performance score. In fact, the more positive and supportive the organizational climate, the higher the organizational performance. p-value of 0.000 indicates that the correlation is statistically significant (two-tailed) at the 0.01 level. This means that the likelihood of observing such a strong correlation by chance is extremely low (less than 1%). Therefore, it is safe to say that there is indeed a potential relationship between organizational climate and organizational performance.

There is a strong positive correlation between organizational performance and strategic paradox with a Pearson correlation coefficient of 0.921 and a significance level (p-value) of 0.000. The Pearson correlation coefficient of 0.921 indicates that there is a strong positive correlation between organizational performance and strategic paradox. The value is close to 1, indicating that the higher the strategic paradox score, the higher the organizational performance score. This means that effective management of strategic paradoxes can improve organizational performance.

The model has a strong predictive power with organizational climate explaining 79.8% of the variance in organizational performance. This highlights the significant impact of internal work environment on performance outcomes.

Statistical Significance:

The results of the F-test (1549.258, $p < .001$) and the t-test of the predictor variables ($t = 39.361$, $p < .001$) confirmed the overall significance of the model as well as the significant contribution of organizational climate in predicting organizational performance.

Practical implications:

Organizations aiming to improve performance should focus on improving their organizational climate. Given the significant positive correlation between the two, measures to improve employees' perceptions and attitudes toward the work environment can significantly improve organizational performance.

Coefficient Interpretation:

The unstandardized coefficient for organizational climate (.991) suggests that any improvement in organizational climate is likely to result in a nearly equivalent improvement in organizational performance, highlighting the importance of creating a positive work environment.

Residual Analysis:

The sum of squared residuals (4042.205) and standard error of estimate (3.21529) indicate the extent of unexplained variance. While there is still some unexplained variance in performance, the high R-squared values indicate that organizational climate is a major factor.

The regression analysis provides strong evidence that there is a strong statistically significant positive correlation between organizational climate and organizational performance. Improving organizational climate appears to be a very effective strategy for improving performance outcomes. This underscores the need for organizations to prioritize the creation and maintenance of positive work environments to drive better performance outcomes.

The high R-squared values for both the mediating variable (strategic paradox) and the dependent variable (organizational performance) indicate that the model explains a significant portion of the variance in these variables.

The F-values and associated p-values indicate that the model is statistically significant.

Direct and Indirect Effects:

The direct effect of organizational climate on organizational performance is significant ($p = 0.0000$) with a coefficient of 0.2699.

The indirect effect mediated by strategic paradox was also significant with an effect size of 0.7211 and a 95% confidence interval excluding zero (BootLLCI = 0.5946, BootULCI = 0.8493).

Total effect:

The total effect of organizational climate on organizational performance is significant ($p = 0.0000$) with a coefficient of 0.9910, indicating that organizational climate has a significant positive effect on organizational performance.

Mediation Analysis:

The results confirm that strategic paradox has a significant mediating effect on the relationship between organizational climate and organizational performance. This means that the effect of organizational climate on performance is partially transmitted through strategic paradoxes.

This structured analysis and table provide a clear summary of the results of the mediation analysis, highlighting significant relationships and mediating effects.

Discussion

In the discussion section, we will delve into the implications of the findings and explore their implications for theory, practice, and future research in the field of organizational behavior and management.

Organizational climate and organizational performance

Our study highlights the critical importance of organizational climate as a determinant of

organizational performance. Organizational climate refers to the prevailing atmosphere or mood within an organization and is shaped by factors such as leadership style, communication patterns, and employees' perceptions of fairness and support (Schneider, Ehrhart, & Macey, 2018). Our findings highlight a robust positive relationship between organizational climate and performance, which is consistent with previous research in the field (Eisenberger, Fasolo, & Davis-LaMastro, 2019).

A large body of research has emphasized the critical role of a supportive work environment in driving employee engagement, satisfaction, and productivity (Eisenberger, Fasolo, & Davis-LaMastro, 2019). When employees perceive that their organization creates a positive organizational climate characterized by open communication, mutual respect, and empowerment, they are more likely to exhibit higher levels of commitment, motivation, and discretionary effort (Schneider, Ehrhart, & Macey, 2018). This, in turn, translates into performance outcomes across a variety of metrics.

For example, research has consistently shown that organizations with a positive climate tend to outperform their peers in terms of financial performance (Alvesson & Svingsson, 2015). Employees who feel valued and supported are more likely to contribute innovative ideas, collaborate effectively with coworkers, and provide exceptional service to customers, leading to improved business outcomes and competitive advantage (Schneider, Ehrhart, & Macey, 2018). In addition, a positive climate fosters a sense of belonging and loyalty, reduces turnover, and promotes talent retention (Eisenberger, Fasolo, & Davis-LaMastro, 2019).

In essence, our study highlights the importance of organizational climate as a key driver of organizational performance. By prioritizing the cultivation of a positive climate characterized by trust, respect, and empowerment, organizations can create a conducive work environment that maximizes employee potential and promotes sustainable success.

The mediating role of strategic paradoxes

Our study delves into the intricate dynamics of organizational behavior by examining the mediating role of strategic paradoxes in the relationship between organizational climate and performance. Strategic paradoxes refer to the simultaneous existence of contradictory but interrelated needs within an organization, such as the need for stability and adaptability, control and autonomy, or short-term efficiency and long-term innovation (Smith & Lewis, 2011).

We found that strategic paradoxes are an important transmission mechanism for the impact of organizational climate on performance outcomes. Organizational climate sets the tone for how employees perceive and respond to these paradoxes, shaping their attitudes, behaviors, and decision-making processes (Smith & Lewis, 2011). A positive climate characterized by trust, collaboration, and psychological safety encourages employees to view paradoxical tensions as opportunities for innovation, learning, and growth.

Furthermore, our study highlights the importance of effectively managing strategic paradoxes

to capitalize on the synergy between positive climate and strategic alignment. Rather than viewing paradoxes as inherent conflicts that need to be avoided or resolved, organizations can adopt a strategic approach that leverages these tensions to gain competitive advantage (Smith & Lewis, 2011). By encouraging dialogue, experimentation, and constructive debate, leaders can foster a culture of innovation and adaptability that allows organizations to thrive in complex and uncertain environments.

Furthermore, our findings suggest that organizations that excel at managing strategic paradoxes are better able to optimize performance outcomes. By balancing competing demands and tensions, organizations can achieve strategic alignment and agility, enabling them to respond effectively to changing market conditions, customer preferences, and competitive threats (Smith & Lewis, 2018). This highlights the importance of developing organizational capacity and leadership capabilities to navigate contradictory tensions and drive sustainable performance.

In summary, our study reveals a subtle interplay between organizational climate, strategic paradoxes, and performance outcomes. By recognizing the mediating role of strategic paradoxes, organizations can leverage these tensions as catalysts for innovation and change. This underscores the importance of adopting a strategic approach to managing paradoxical tensions and fostering a culture of agility, resilience, and continuous improvement within organizations.

Conclusions

In summary, our study reveals the intricate interplay between organizational climate, strategic paradoxes, and organizational performance, providing valuable insights into theory and practice in the field of organizational behavior and management. Through rigorous empirical analysis and integration of existing literature, we identify the importance of these relationships and their impact on organizational dynamics.

Our findings highlight the critical role of organizational climate in driving performance outcomes (Schneider, Ehrhart, & Macey, 2018). A positive organizational climate promotes employee engagement, satisfaction, and productivity, thereby increasing overall organizational effectiveness. On the other hand, strategic paradoxes present both challenges and opportunities for organizations. While they create inherent tensions and contradictions, they also stimulate innovation and adaptation, shaping organizational culture and strategic decision-making processes.

Importantly, our study found that strategic paradoxes are key mediators of the relationship between organizational climate and performance (Smith & Lewis, 2011). By effectively navigating these paradoxes, organizations can leverage the synergy between positive climate and strategic alignment to optimize organizational performance outcomes.

Going forward, our research advocates a holistic approach to organizational management that recognizes the interconnections between organizational climate, strategic decisions, and performance

outcomes (Lewis & Smith, 2014). We urge organizational leaders and managers to prioritize the cultivation of a positive organizational climate characterized by trust, collaboration, and empowerment, while embracing the tensions inherent in strategic paradoxes as catalysts for innovation and growth.

Our research contributes to the theoretical underpinnings of organizational behavior and management by illuminating the complex dynamics within organizational ecosystems (Meyer et al., 2017). In addition, we offer actionable recommendations that provide practical guidance for organizational leaders to navigate the complexities of the modern business environment and achieve sustainable success.

In essence, our research highlights the importance of creating a positive organizational climate and effectively managing strategic paradoxes as essential strategies for improving organizational performance in today's dynamic and competitive environment (Schein, 2017). By embracing these principles, organizations can foster a culture of excellence and resilience that drives continuous improvement and innovation to achieve their strategic goals.

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