Chapter 9
Wisdom and Responsible Leadership: Aesthetic Sensibility, Moral Imagination, and Systems Thinking

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Abstract The world needs wise leaders, but wisdom is clearly in short supply these days if the state of the world is any evidence. Just think of climate change, ecological damages done by modern industrial and agricultural practices, and collapsing and unfair mortgage and financial markets, not to mention the growing gap between rich and poor, as examples. But generally, the need for *wisdom* in leaders and managers, which is defined by Ackoff (*Reflections* 1(1): 14–24, 1999) as the capacity to think through the (short and long-term) consequences of actions, is under-appreciated. Using as a basis the argument that wisdom exists when three components—moral imagination (the good), systems understanding (the true), and aesthetic sensibility (the beautiful) are present (Waddock, *Journal of Business Ethics Education* 7: 177–196, 2010), I explore the implications of this definition for teaching future leaders to be both wise and ethical in their decision making and actions.

Keywords Wisdom • Moral imagination • Systems • Aesthetics • Leadership

Introduction

Wise men, wise women—wise people who can make considered decisions with the greater good firmly kept in mind, are in short supply. Yet as our damaged world attests, they are needed more than ever. Today the world needs responsible leaders with the capacity that Ackoff defined as wisdom to think and "see" through the consequences of actions, not just knowledge or risk-taking ability (Ackoff 1999). To this capacity, we add a sense of equity with a long-term, indeed even a planetary, perspective that takes many needs and interests of the Earth and its other living

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beings into consideration, as well as an appreciation of the system as a whole, including its design elements of human-created systems. Still, all we need to do is look around to see plenty of evidence that wisdom—and responsible leadership—is in rather short supply these days.

Just think of the state of the world, bringing into consideration issues like climate change, the ecological damages done by modern industrial and agricultural practices, the pervasive evidence of hunger in some parts of the world combined with a growing obesity epidemic in others that is linked to what and how we eat. Consider collapsing state and national budgets, and unfair and unethical mortgage practices, extraordinary rates of housing foreclosure, and a financial system that continues to make our financial markets into little more than a global gambling casino for the wealthy at the expense of the poor, not to mention the growing gap between rich and poor. The manifold issues facing societies and the planet today offer ample evidence of the lack of wisdom among those who lead today in business or in other realms.

Generally, the need for *wisdom* in leaders and managers is vastly under-appreciated in management research and teaching, as well as practice. One of the most notable theories of wisdom, the 'balance theory of wisdom' offered by Sternberg (1998, 2001, 2004), clearly links wisdom to decisions made in the interest not of the self but of the common—the greater good. Unfortunately, most management writing, even about leadership and responsibility, is silent on the topic of wisdom. This lack of appreciation and understanding of the components of wisdom and particularly how to educate for wisdom is problematic in our increasingly complex, over-populated, and interconnected world. In the 'real' world, it is relatively easy to demonstrate the *need* for greater wisdom—if not its practice.

Further, far too little consideration is given to how or even if wise and responsible leaders can be developed (though see Boal and Hooijberg 2001; McKenna et al. 2009)—that is, whether teaching for wisdom is even possible, and, if so, what it would take to do so. Using as the foundation an argument that wisdom exists when three foundational elements of philosophy—the good, the true, and the beautiful—discussed here as moral imagination (the good), systems understanding (the true), and aesthetic sensibility (the beautiful), are integrated in a person (see Waddock 2010), I will explore what wisdom means and briefly examine some of the implications of that definition for learning.

What Is Wisdom?

Wise people can be found in all cultures and all regions of the world. Wise people tend to have a broad perspective on what is important rather than focusing more narrowly, have a capacity to take the perspectives of others, and see the linkages or connections among people, ideas, issues, and situation in ways that others do not. Wisdom has many definitions and there is considerable controversy around its meaning. Here, using as a foundation the much-sought concepts of the good, the true, and the beautiful, I will define wisdom as:

> Wisdom is the capacity to integrate three capabilities—moral imagination (the good), systems understanding (the true), and aesthetic sensibility (the beautiful) into (future-oriented) actions and decisions focused on the greater good.

This definition of wisdom argues that wisdom is associated with the capacity to integrate what philosophers call the good, the true, and the beautiful into decisions and actions. Below I will briefly illustrate how this definition builds on and integrates key definitions already extant, while incorporating the philosopher's quest to find, define, and integrate 'the good, the true, and the beautiful' as core elements of wisdom (see Koehn and Elm, this book for an integration of the ideas aesthetics and ethics, which we can extend to consideration of responsible leadership).

Using ancient philosophers three part mind, defined as feeling, doing, and thinking, Birren and Fisher claim that 'Wisdom is the *integration of the affective, conative, and cognitive* aspects of human abilities in response to life's tasks and problems' (Birren and Fisher 1990, p. 326). Conative indicates the capability of acting or striving, which is inherent in my definition because wisdom is associated with decisions and actions (which could be, for example, giving advice). The term affective suggests that emotion needs to included in definitions of wisdom, while the cognitive element of wisdom here is encompassed by systems understanding. But the aesthetic component is still largely missing in Birren and Fisher's definition, though it may conceivably be subsumed under affective aspects.

The definition offered above further builds on McKee and Barber's (1999, p. 156) notion that 'Seeing through illusion [is] the essence of wisdom.' Here and elsewhere (Waddock 2010), I argue for the primacy of "seeing" in wisdom. By that I mean "seeing without blinders," the title of a paper by Bazerman and Clugh (2006), without "motivated blindness" to ethical issues (Bazerman and Tenbrunsel 2011), or, positively stated, by seeing as accurately as possible in any situation and in multiple domains. Such accurate seeing is fundamental to the capacity to be wise—and is associated with an integration of the three core elements of wisdom—or the good, true, and beautiful as complex and interactive guiding factors for decisions and actions in the person who is wise.

Wisdom, of course, does have elements associated with intelligence (defined by Birren and Fisher as cognitive aspects), as well as encompassing emotional issues and moral reasoning. Building on these attributes, I would add in the need to consider aesthetics in defining wisdom (c.f., Sternberg 1998). Thus, wisdom has core elements of knowledge or knowing, which Aristotle termed *Sophia*. But wisdom, according to Aristotle, also has an important practical side, in that it is demonstrated in the (good) outcomes of actions and decisions, or what Aristotle termed practical wisdom or *Phronesis* (Aristotle undated), which is associated with conative aspect of wisdom offered by Birren and Fisher (1990). Additionally, wisdom incorporates aspects beyond day-to-day knowledge to integrate, as McKenna et al. suggest, "the rational and the transcendent, the prosaic and higher virtues, the short- and long-terms, the contingent and the absolute, and the self and the collective. Moreover, wisdom accepts the complex, cuts through ambiguity, and derives its energy from the tensions and uncertainties of a complex world," and hence been linked to not just

any leadership, but particularly to leadership that is authentic (McKenna et al. 2009, p. 185). These aspects are reflected in what I am terming aesthetic sensibility (see also Adler 2006).

The inclusion of an orientation toward the common good rather than simple self-interest is a core element of the "balance theory of wisdom," developed by Sternberg's (1998, 2001, 2004). According to Sternberg, "wisdom is defined as the application of tacit as well as explicit knowledge as mediated by values toward the achievement of a common good through a balance among (1) intrapersonal, (b) interpersonal, and (c) extra personal interests over the (a) short term and (b) long term to achieve a balanced among (a) adaptation to existing environments, (b) shaping of existing environments, and (c) selection of new environments" (Sternberg 2001, p. 231). Note in this definition the action- or practice-oriented component, similar to what Aristotle called practical wisdom (phronesis) in the *Nicomachaen Ethics*, the incorporation of the common good as the fundamental goal, and the need for balance as to the orientation of the common good (internal, personal, or outside the person, as to time frame, and orientation toward change that effects a "common good"). Note also the future-orientation, as in Ackoff's (1999) definition of wisdom as the ability to see the consequences of one's actions.

Underlying all of these definitions of wisdom is, I believe, the capacity to "see," that is, to witness the reality of situations as accurately as possible—and to do that through multiple lenses. In my view and minimally, these lenses are moral, systemic, and aesthetic. As Sternberg's notions indicate, these elements need to be in some degree of balance with each other, and they are obviously all linked together to some degree. Underpinning the various elements that constitute wisdom in multiple definitions, including, Ackoff's, is the centrality of the ability to see the consequences of decisions as much and as accurately as feasible. Obviously, the capacity to "see" reasonably accurately clearly does not *guarantee* truth (Werhane 2010) (whatever "truth" might be). Still, the definition offered above suggests that seeing situations and foreseeing consequences reasonably accurately in given contexts is a holistic approach to ensure that the three core domains of moral imagination, systems understanding, and aesthetics (respectively, the good, the true, and the beautiful) are integrated and balanced appropriately for the situation.

Further supporting the three elements of wisdom that I have offered in the definition above, Howard Gardner, the famous psychologist of intelligences, argued that the critical content of education should encompass three concerns: "There is the realm of *truth*—and its underside, what is false or indeterminable. There is the realm of *beauty*—and its absence in experiences or objects that are ugly or kitschy. And there is the realm of *morality*—what we consider to be good, and what we consider to be evil" (Gardner 1999, p. 2). Seeing (reasonably) accurately in these three key domains and balancing the considerations that these perspectives raise at least offers the *possibility* for making wise decisions and actions, particularly when the greater good is kept in mind. As Sternberg's and my definitions both imply, a key to wisdom lies in balancing various inputs effectively—not necessarily equally, but as the particular situation demands. Accuracy of seeing, despite that "reality" (whatever that might be) may never be mapped or conceived fully adequately (Weick 1992), is

clearly missing if the perspective is biased, too limited, or too unfocused to take into account necessary inputs, determine their relatively importance, and made a decision or take an action that gives relevant consideration to each of them.

Moral Imagination

Moral imagination is "the ability in particular circumstances to discover and evaluate possibilities not merely determined by that circumstance, or limited by its operative mental models, or merely framed by a set of rules or rule-governed concerns" (Werhane 1999, p. 93).

Moral imagination relates to the kind of moral reasoning that Kohlberg (1973, 1976) and Gilligan (1982) studied but is broader in scope, applying even when particular ethical issues are not at play (Sternberg 2004). As an element of wisdom, moral imagination allows for the consideration of ethical issues in decisions and actions, which is necessary if the common good or greater good is to be incorporated. Moral imagination incorporates capacities for self-reflection, disengagement and awareness of the situation, script or mental model in play, capacity to imagine new possibilities, and the need to evaluate what is going on morally (Werhane 1999, 2002). These capabilities are enhanced by mindfulness practices, which have been empirically demonstrated to improve managers' awareness of responsibility issues (Crilly et al. 2008).

Abowitz links seeing and moral imagination, stating, "Moral perception is our ability to see and comprehend a moral situation encountered in experience. The moral imagination is our capacity to think of alternatives, to interpret situations beyond what is available to be known with certainty, and to formulate notions and ideas of ourselves and our worlds beyond what we currently experience or know as reality" (Abowitz 2007, p. 288). Importantly, moral imagination means having the ability to envision (see) new possibilities in a situation and evaluate them through a moral lens, weighing them against those possibilities (Werhane 1999).

Fostering moral imagination, then, means that these capacities for reflective practice and perspective-taking in leaders need to be developed and honed, especially if they are part of what it means to be wise. Importantly, moral imagination necessitates raising awareness that managerial or leadership contexts, decisions, and actions inherently have moral implications that need to be taken into account—but are often overlooked because of what Bird and Waters (1989) called the "moral muteness of managers." Moral muteness is the inability of managers to 'see' or raise ethical issues in the context of organizations or their jobs. Moral imagination needs to be developed to overcome this tendency toward muteness or even 'blinders' to ethical considerations (Bazerman and Chugh 2006) on the part of leaders and managers. Consideration of what foundational principles in enterprises are or might be (e.g., Waddock 2004)—or what Donaldson and Dunfee (1999) called hypernorms, universal values accepted in all (or most cultures), can potentially help bring out these moral considerations and enhance leaders' ability to see them in context.

Systems Understanding

Moral imagination alone, however, is insufficient to generate wisdom, because wisdom also relies on a realistic assessment of the situation (c.f., Senge 1990, 2006), and as will be argued below, some degree of aesthetic appreciation for the situation as well. The capacity to see and understand the system dynamics and implications of those dynamics is directly analogous to Ackoff's (1999) definition of wisdom as the ability to see the consequences of one's actions. There needs to be a sufficient (probably never perfect) understanding of systemic dynamics that what is likely to happen can be foreseen. Possibly, we could argue, the better such understanding is, the "wiser" are decisions and actions likely to be in any given situation where good intent exists, there is likely to be an orientation toward the common good (Sternberg 1998, 2004).

Tacit knowledge is what Sternberg calls the "core" of wisdom, is a capacity for "knowing how" rather than "knowing that," is always situational (Sternberg 1998), and is inherently based on a realistic assessment of the situation which Senge (1990, 2006) has termed systems thinking or here, systems understanding. Like tacit knowledge, systems understanding is inherently based on experience—and the ability to made good yet practical decisions, that which Aristotle called *phronesis*. Werhane (2002) makes a clear link between moral imagination and systems thinking, defining systems thinking as "conceiving the system as a whole with interdependent elements, subsystems, and networks of relationships and patterns of interaction" (Werhane 2008, p. 36).

Wisdom's analytical thinking involves "metacognition," defining problems, formulating strategies to solve them, allocating resources, while balancing different types of interest to seek the common good (Sternberg 2001, p. 233). Such metacognition, which incorporates what Wilber (1995) terms a multi-perspectival capacity—the capacity to incorporate multiple points of view into one's understanding simultaneously—is available to people who have developed to what Kolhberg (1973, 1976) and Gilligan (1982) term post-conventional levels of development. Because of its relationship to a realistic assessment of any situation and its ability to incorporate multiple perspectives—even when they differ, systems understanding seems essential to the development of wisdom.

Cabrera and colleagues point out that systems thinking (or systems understanding) needs to combine with "vigorous problem solving efforts," which is of course the conative or action element of wisdom, and be '*informed by a systems thinking perspective*' (italics in original) to uncover solutions to problems in complex domains (Cabrera et al. 2008, p. 300). Inherently multi-level and interdisciplinary in scope, systems thinking—and its product, understanding—attempt to somehow balance the focus on the whole with a focus on the parts of a complex system in ways that recognize conceptual patterns (with both patterns and conceptual being core to the idea of systems thinking) (Cabrera et al. 2008). These authors also note that there are four fundamental patterns associated with systems thinking—the ability to make distinctions (e.g., between self and other); the existence of a system (i.e., what some call a holon, something consisting of both parts and a whole); recognition of relationship(s) within the system (e.g., between cause and effect);

and differing perspective (e.g., between subject and object) (Cabrera et al. 2008, pp. 304–305). The use of distinctions, systems, relationships, and perspective is what Cabrera et al. (2008) call the DSRP approach to systems thinking. DSRP provides a framework for thinking about the types of skills needed to develop better systems understanding.

Aesthetic Sensibility

The third element of wisdom as defined above is aesthetic sensibility or the ability to see the design and aesthetic implications of a situation, decision, or situation. Here I use the term aesthetic in two of the meanings posed by Koehn and Elm (introduction, this book): aesthetic sensibility has to do with what is perceived or sensed from witnessing situations, events, decisions and it has to do with ideas, decisions, and designs that are sensually pleasing. It is this capacity that seems to be missing from most definitions of wisdom, yet it seems integral to a holistic understanding of wisdom. For example, in articulating wisdom principles for leadership, McKenna et al. (2009, pp. 178–181) note that "not only are wise leaders articulate, but that they understand the aesthetic dimension of their work and see the intrinsic personal social rewards of contributing to the good life" (McKenna et al. 2009, p. 180), which is the capacity that I have termed aesthetic sensibility.

Wisdom frequently involves creative (i.e., artistic) responses to a situation or problem according to Sternberg (2001). Further, John Dewey (1980) noted in *Art as Experience* that there is an aesthetic quality to some aspects of life that frequently goes unappreciated as "art," because art is too often considered something separate from daily life and to be accessible only at a distance. In opposition to this typical perception of art, Dewey claims that art is integrally linked to the *experience* of things—of life itself. Taking this perspective, certainly experiences of actions, ideas, or solutions seen as wise are often also seen as beautiful. The "beauty" of wisdom exists because wise actions and decisions bring together core elements of what constitutes art: balance and harmony combined with rhythm, an equilibrium that comes from the resolution of tension, order, and coherence (Dewey 1980) into a creative, new, or somehow inspired intuition or approach to dealing with whatever situation is at hand.

Design features of systems and solutions can thus engender an emotionally-based aesthetic response. How often do we respond, "That's beautiful," to an action or decision taken that results in a better (i.e., wiser) solution than might have been previously envisioned. Like such wise decisions or actions, much of art is actually about "seeing" the world in new ways. Conversely, much of wisdom is also about seeing new solutions or courses of action in situations, which is an integral part of an aesthetic sensibility. Aesthetic sensibility is needed for understanding the emotional, cultural, and aesthetic (i.e., sensual) impacts of decisions, actions, and situations. Abowitz (2007) provides a quote from Nussbaum (1990) that highlights these linkages:

> The person of practical wisdom lies surprisingly close to the artist and/or the perceiver of art, not in the sense that this conception reduces moral value to the aesthetic value or makes

> moral judgment a matter of taste, but in the sense that we are asked to see morality as a high type of vision and response to the particular, and ability that we seek and value in our greatest artists…whose value for us is above all practical and never detached from our questions about how to live (Nussbaum 1990, p. 84, cited in Abowitz 2007).

The "seeing" or aesthetic sensibility of wisdom allows for creative—yet somehow real or truthful—insights that draw out the underlying "aesthetic" of a situation. Aesthetic sensibility highlights how the system understanding of distinctions, systems, relationships, and perspective or DSRP (Cabrera et al. 2008) work together (or not), tapping emotions, insights, and intuition that are necessary for creatively coming to wise actions and solutions.

Thus, wisdom seems to exhibit important aesthetic elements. Consideration of design and the "aesthetics," if you will, of the decision or action are part and parcel of wisdom. The capacity to see how the elements that constitute the situation relate to each other and to evolve a creative forward looking decision or action out of complex interrelationships is an inherently artistic or design-related endeavor.

Balancing and Integrating for Wisdom

Wisdom, as Weick (2004) has pointed out, involves understanding what is known and, importantly, what is not known. In fact, Weick offers a definition of wisdom with just that quality, "Wisdom is a quality of thought that is animated by a dialectic in which the more one knows, the more one realizes the extent of what one does not know" (Weick 2004, p. 662; see also, McKenna et al. 2009). But it also involves being able to make decisions or take actions with a holistic sense of what is appropriate (ethically, systemically, and artistically), without getting paralyzed by those unknowns or by the situation's complexity, ambiguity, and even paradoxical nature. From a developmental perspective, the capacity to deal with the type of ambiguity or paradoxes posed by "not knowing," as Weick describes wisdom, is more likely than not to be found at post-conventional levels of development (Kegan 1994; Kohlberg 1973, 1976; Gilligan 1982), which Torbert and Associates' (2004) work has shown most individuals, including leaders, do not yet reach. So helping learners achieve post-conventional thinking, or at least move towards it, is our challenge as instructors in subjects where we want people to make wiser, i.e., more responsible and ethical, decisions for the greater good.

Above, I argued that the three attributes of wisdom as defined here—moral imagination, systems understanding, and aesthetic sensibility, are related to philosophers' constant quest for understanding the good, the true, and the beautiful and that all are needed for the development of wisdom. By implication, then, to become wise and responsible leaders, people need develop capacities for balancing the integration of capabilities in all three of these domains, which means that they need to develop not just intellectually (cognitively—systems understanding), but also emotionally (heart—both moral imagination and aesthetic sensibility) and spiritually (soul/spirit—aesthetic sensibility), in the secular sense of being able to ask bigger questions about meaning, purpose, and priorities.

Balancing the moral, systems, and aesthetic dimensions of wisdom requires a complex set of capabilities in the person that draw upon resources of the heart, mind, spirit/soul, and even body. Wise people, that is, are individuals who can draw from the full array of resources that people can bring to a situation, rather than from narrow or single-issue perspectives. The orientation of wisdom to the common good, as opposed to simply the individual good, moves decision making and action away from the relativistic framing of "whose values" should be at play toward more universal values. Donaldson and Dunfee (1999) call such universal values hypernorms, and I have argued elsewhere (Waddock 2004) that there are a set of foundational principles, many of which can be found in the globally agreed documents from which the UN Global Compact's ten principles (arguably hypernorms) are drawn or similar global initiatives like Transparency International. Attaining wisdom—and responsible leadership—is a process rather than a state, and is exemplified in the life narratives of leaders such as the late Ray Anderson, former CEO of Interface, in describing his—and his company's—journey toward sustainability (Anderson 1999, 2009).

Much developmental theory suggests that the capacity to think about these bigger issues and the common good grows as individuals themselves move through developmental stages toward more encompassing and global perspectives (e.g., Kegan 1994; Wilber 1998, 2002; Torbert and Associates 2004). The question, then, is what works in the classroom to move individuals along this path. Basically, I argue that exercises and activities that foster systems thinking, deliberately raise ethical issues, and ask students to thinking about the relationships of various elements in a system to each other (the aesthetic dimension) may well enhance these capabilities. Of course, it is important to recognize that there are limits to what can happen in any one course or during any one period of time, and that developmental theories nearly unanimously indicate that all people must start from "lower" levels of development and move through the various stages sequentially. All of that takes time and can be pushed only so fast.

Further, the issue of balance raises critical questions, such as, what is the relative importance or priority of each element or aspect of wisdom (moral issues, systems understanding, aesthetics)? Who determines this relative priority? How is that relative priority to be determined in a given situation? Whose perspectives and impacts need to be taken into consideration? It is in making a realistic assessment of the situation from the three relevant perspectives—and figuring out what the elusive "common good" actually is that the judgment often associated with wisdom comes in. It is in balancing these competing priorities and interests that the aesthetic dimension of wisdom is so important.

On Teaching for Wisdom and Ethics

So, having presented a framework for understanding wisdom as the integration of moral imagination, systems understanding, and aesthetic sensibility into decisions and actions in the interest of the greater good, the question now is, how might we begin thinking about educating future or present leaders in ways that foster such

development? While I certainly do not have all the answers to this fundamental question, below I will share some thoughts about where we might begin.

If we wish to educate for wisdom—or at least point people in that direction, which may be the best we can do in a relatively short period of time—it is important to consider how the elements of moral imagination, systems understanding, and aesthetic sensibility might be fostered in the classroom. Table 9.1 provides an overview the ways in which several important frameworks on wisdom are aligned with these three elements (albeit these categories can be overlapping, so placement in Table 9.1 is simply with the main element). By looking at these characteristics of wisdom in various theories, we can begin to get a sense of what and perhaps how we need to teach for wisdom.

Let us look at characteristics that we might associate with moral imagination first, which Werhane (1999, p. 93) has defined as "the ability in particular circumstances to discover and evaluate possibilities not merely determined by that circumstance, or limited by its operative mental models, or merely framed by a set of rules or rule-governed concerns." McKenna et al. (2009) offered five "principles" for wise leadership, of which two are most aligned with moral imagination. These characteristics are that wise leaders value human and virtuous outcomes, and display long-term vision and virtue with a commitment to the long term welfare of humanity in general (note the alignment of a bigger vision with Sternberg's definition of wisdom above). Werhane (2002) indicates that wise leaders are self-reflective, can disengage from and be aware of their situations, scripts, or mental models, and have the capacity to evaluate situations morally, while Cabrera et al.'s (2008) concept of perspective suggests that wisdom involves taking new perspectives by transforming one's point-and-view. Sternberg (2001) says wisdom involves applying both tacit and explicit knowledge mediated by values for the common good. From McKee and Barber (1999)'s definition of wisdom, we can pull conative ability, or knowing when to act or not act and freedom from illusion into moral imagination.

Integrating these various perspectives, the skills we would want to educate for to develop moral imagination, i.e., "seeing" moral issues in situations, would seem to be: (1) identification and consideration of the greater or common good, (2) capacity to consider the moral implications and effects of the decision or action on various stakeholders, (3) self-awareness and reflective capacity, (4) the ability to act appropriately in a situation, and (5) the capacity to perspective-take (stand in the "shoes" of others or understand others' points of view) (summarized in Table 9.2).

If we look at systems understanding, we can similarly draw out a number of attributes that could be developed. For example, McKenna et al. (2009) note that wise leaders use reasoned and careful observation, are practical and oriented toward everyday life (which, as noted above, Aristotle called *phronesis*), have cognitive complexity and capacity to deal with complex and ambiguous environments, and are rational and deep thinkers who seek out facts and their origins, characteristics. Werhane (2002) defines systems thinking as "conceiving the system as a whole with interdependent elements, subsystems, and networks of relationships and patterns of interaction." (2008, p. 36), indicating that such holistic thinking and pattern/relationship recognition is crucial to systems thinking. Cabrera et al. (2008) would

Table 9.1 Attributes, capacities, and characteristics associated with the three elements of wisdom

Author(s)	Moral imagination	Systems understanding	Aesthetic appreciation
McKenna et al. (2009)	Value humane and virtuous outcomes Display long-term vision and virtue, with a proven commitment to long-term welfare not just of immediate stakeholders but of humanity in general	Reasoned and careful observation Practical and oriented toward everyday life Cognitive complexity and capacity to deal with complex and ambiguous environments Rational and deep thinkers, seeking out facts and their origins	Non-rational and subjective elements when making decisions (e.g., sensory and visceral, metaphysical and even spiritual elements that enable vision, insight and foresight) Understand the aesthetic dimension of their work and intrinsic personal social rewards contributing to the good life Display creativity and judiciously draw on the non-rational as appropriate Articulate, proven capacity to reach people through word, affect, and action
Werhane (2002, 2008)	Self-reflection Disengagement and awareness of one's situation, script or mental model Capacity to evaluate situations from a moral perspective	Systems thinking or conceiving the system as a whole with interdependent elements, subsystems, and networks of relationships and patterns of interaction	Ability to imagine new possibilities
Cabrera et al. (2008)	Perspective: Take new perspectives by transforming one's point-and-view	Distinctions: draw distinctions between an identity and a non-identity Systems: organize parts and wholes into alternative nested systems	Relationships: recognize the bi-directional properties (affect and effect) of relationships
Sternberg (2001)	Apply tacit and explicit knowledge mediated by values for the common good	Understand long and short term interests to balance adaptation to the current environment, and the shaping and selection of new environments	Achieve balance among intrapersonal, interpersonal, and extra personal interests
McKee and Barber (1999)	Integrate Conative, knowing when to act, when not to act… (Freedom from illusaion)	Cognitive, balancing knowledge and doubts…(understanding that a given judgment/action is illusory)	Affective abilities, balance intense emotion and detachment (empathy with those trapped in illusion)

Table 9.2 Key attributes in teaching for wisdom

Moral imagination	Systems understanding	Aesthetic sensibility
1. Consideration of the greater or common good,	1. A developed capacity for careful observation of the "reality" of the situation,	1. An intuitive grasp of the non-rational or observable elements of situations and decisions (which might include affective components, spiritual or meaning-related elements, and sensory aspects),
2. The capacity to consider the moral implications of any situation,	2. The intellectual or cognitive capacity deal with the complexity and ambiguity inherent in many situations;	2. Creativity in imagining solutions or future action,
3. Self-awareness and reflective capacity,	3. The ability to simultaneously see the whole and the constitutive parts in a system,	3. Understanding of relationships among elements in a system (e.g., people or system elements) in the 'design' sense, and
4. The ability to act appropriately in a situation, and	4. The foresight to understand the implications of decisions and actions in the future on the system (both long- and short-term), and	4. The capacity to balancing conflicting elements (again with the greater good in mind)
5. The capacity to perspective-take (stand in the 'shoes' of others or understand others' points of view)	5. Knowing both what one knows and what one does not know	

agree, indicating that the ability to draw distinctions between an entity and a non-entity (distinctions), and organize parts and wholes into alternative nested systems (systems) are keys to wisdom. Sternberg (2001) emphasizes understanding long and short-term interest so that balancing adaptation to the current environment and the shaping of new ones can be undertaking is core to wisdom, while McKee and Barber (1999) also talk about cognitive aspects of wisdom as balancing knowledge and doubts.

Summarizing, the key attributes for systems understanding appear to be: (1) a developed capacity for careful observation of the 'reality' of the situation, (2) the intellectual or cognitive capacity deal with the complexity and ambiguity inherent in many situations; (3) the ability to simultaneously see the whole and the constitutive parts in a system, (4) the foresight to understand the implications of decisions and actions in the future on the system (both long- and short-term), and (5) knowing both what one knows and what one does not know (Table 9.2).

Finally, there is aesthetic appreciation. As Table 9.1 indicates, McKenna et al. (2009) note that wisdom involves non-rational and subjective elements of decision making (including sensory and visceral, metaphysical and spiritual elements), understanding aesthetic dimensions off work especially as it contributes to the good

life, and creativity and more intuitive (non-rational) abilities to see into a situation, along with the ability to articulate ideas, actions, and affect.

In a similar vein, Werhane (2002) discusses the ability to imagine new possibilities (a creativity characteristic), while Cabrera et al. (2008) suggest that wisdom involves recognizing bi-directional properties of relationships, which is often what artists have to do. Sternberg (2001) follows a similar line of thought arguing for the need to achieve balance among intrapersonal, interpersonal, and extra personal interests (which is also, of course, related to his notion that seeking the common good is core to wisdom), while McKee and Barber (1999) discuss the need to balance intense emotion with detachment.

In sum, the key characteristics of aesthetic sensibility seem to be: (1) an intuitive grasp of the non-rational or observable elements of situations and decisions (which might include affective components, spiritual or meaning-related elements, and sensory aspects), (2) creativity in imagining solutions or future action, (3) understanding of relationships among elements in a system (e.g., people or system elements) in the "design" sense, and (4) the capacity to balancing conflicting elements (again with the greater good in mind). All of these elements are summarized in Table 9.2.

These capacities suggest a penchant for systemic thinking and risk taking. Examples of leaders who have taken such stances, though whether or not their whole being represents wise and responsible leaders I leave to others to determine, include GE CEO Jeff Immelt's design and implementation of GE's innovative Ecomagination program. One might also note former Wal-Mart CEO Lee Scott's pushing the company toward sustainability after Hurricane Katrina, in an effort to overcome some of Wal-Mart's many responsibility and societal problems. One could also suggest Microsoft founder and former CEO Bill Gates exhibited ore sight, systems understanding, and wisdom in establishing the Bill and Melinda Gates Foundation and, not incidentally, calling for a more 'creative capitalism' at the 2008 World Economic Forum. All of these leaders and their enterprises, of course, have their significant problems, but at least with respect to these initiatives, they seem to be exhibiting wisdom and a degree of responsible leadership.

Sternberg (1998) argues that wisdom is not so much 'taught' as it is 'acquired' through experience and over time, which is perhaps why wisdom is often associated with more senior people. Another argument, however, is that because of the demands that wisdom places on people in enterprises and societies today, they need to have developed to (minimally) post-conventional stages of development (e.g., Kegan 1994; Torbert and Associates 2004), which allows for capacity to "see" (Waddock 2010). At post-conventional development, people are more likely to see the moral implications (moral imagination), systemic issues (systems understanding), and aesthetic dimensions (relational issues) in any given situation. The ability to take perspective is crucial—whether it is to separate from self to see the greater good, or to see the parts and the wholes, or to see how elements of a situation relate to each other.

The question, of course, is how to take leaders as learners from whatever stage of development they are in, toward more complex developmental levels where the elements of wisdom and the capacity to "see" into situations is enhanced. Thus,

experiences can potentially be offered that have the potential to enhance development. In an earlier paper, I outlined a number of specific classroom approaches that might be used to enhance wisdom (Waddock 2010). Here, however, I want to close by outlining some learning principles based on the elements of wisdom in Table 9.2 that might enhance development toward wisdom and responsible or ethical practice in leaders.

Experiences Not Lectures

There are many tracts about teaching ethics, some of which involve teaching the philosophical principles that underlie ethical theories, and many involving case studies. Such approaches can enhance general understanding but the development of moral imagination, which Werhane (2002) has linked to systems understanding, suggests the need to develop action- and experience-based approaches that put responsibility for learning in the hands, minds, and hearts of learners rather than in the mind of the instructor. Thus the first principle for enhancing wisdom is to *engage learners in activities, exercises, and experiences that demand their active involvement rather than passive absorption of knowledge*. A second principle is *that such experiences demand that learners begin to understand the whole system and its dynamics, not just fragments or elements*. These principles are particularly true for adult learners (although I believe they apply to all learners) (e.g., Knowles 1980).

The goal is to have learners raise up ethical issues inherent in all situations where decisions and actions are to be taken (moral imagination) and be able to explore them systemically (systems understanding), including thinking through their implications for the future and for how the system itself operates (design or aesthetic sensibility). This action or experience-based orientation would provide the experience, perhaps a role play, perhaps an in-class exercise, perhaps a real-world situation that the learners or someone they know has faced, provides a field in which implications and consequences, impacts on others of the decision or action (including emotional, system, and design issues) can be raised and considered. Particularly for individuals already in leadership positions, exploring such activities through actions can help mitigate what Bird and Waters (1989) called the indiscussability of ethical situations in organizations.

Another way of doing accomplishing the same end would be to have learners undertake projects that involve them with actual enterprises and their members, including leaders and workers, or work-based learning projects, where the consequences are real (Raelin 2000). In part, the effort here is to raise consciousness of the ethical, responsibility, aesthetic, and systems implications of the situation by exposing learners to new situations in new ways and breaking through their conventional ways of understanding. Mirvis describes numerous such instances in his article on consciousness raising of executives, incluing work with Unilever Corporation that has had transformative effects on the company (Mirvis 2008). Using such approaches, both the difficulties of moving organizations toward good decisions are raised and

the real-world paradoxes, dilemmas, and ambiguities that are often faced can be raised and dealt with. Importantly, the situation later needs to be debriefed and discussed in the classroom, where all the dynamics can be evaluated and diagnosed from a distance and reflective skills can be enhanced. Such activities can help learners think though what do when there are no easy answers.

The creativity and what Cheit (1984) called problem *finding* as opposed to problem solving (which assumes that the problem is given) involved in coming to best-possible solutions for real-world situations can enhance not just moral imagination, but also both aesthetic sensibility (because design considerations are involved) and systems understanding. This consideration raises another principle for potentially moving toward wisdom: *Highlight complexity, ambiguities, paradoxes, and dilemmas inherent in situations and systems, bring them to light and life, and allow for "good conversations" about them*. "Good conversations" are what Bird and Waters (1989) claimed were missing in organizations. They are conversations that deliberately raise ethical issues, moral dilemmas, and responsibility considerations—and by engendering them in the classroom, we can help develop future leaders capable of both seeing and raising such issues.

Systems Not Fragments

Focusing a bit more explicitly on systems understanding, we could note that in much of management education, learners find out about fragments or pieces of the whole system, studying specific functions or disciplines, problems of limited scope (or with definitive answers) that are pre-defined, or focus on narrowly-defined issues that seem quite tractable. There is too little opportunity in much of management education for studying even the whole enterprise or even the whole individual, with all the complexities, ambiguities, and paradoxes, never mind looking at the bigger picture of the enterprise or individual within the broader system. True, disciplines like strategic management attempt some of the integrative function of pulling together disciplines and functions of management into the whole and they do tap the industry context, frequently through case studies. And many businesses in society courses do attempt to paint and consider the bigger picture often through cases. But even these case studies are pre-set, typically with problems already identified (or certainly implied in the selection of case material) by the case authors, so that students are not taken on a real journey of discovery for themselves that really helps them engage with an understand the whole system in any depth.

The principle that underlies this brief discussion is *if you want learners to understand whole systems, you need to present whole complex systems comprised of different parts and allow learners to discover what problems, ethical considerations, issues, and situations need to be dealt with and think through how to deal with those issues, and what the implications of their ideas and solutions are*. In this same vein, because real situations are complex, they are fraught with paradox, tensions of opposites, and ambiguities. Although learners may be outside of their comfort zones in dealing

with these complexities, it is important that they develop an understanding of how to cope when there are no easy solutions to situations readily available.

To accomplish this task of engaging the whole system, learners need to be exposed to hands-on and to the extent possible real-world issues, problems, and organizations, under the guidance of more knowledgeable individuals like their instructors, who can help them figure out when they are and are not on the right track. They need to be asked to do the diagnostic work of understanding and analyzing the system and its parts and the interrelationships among those parts and to the whole system for themselves, rather than having it pre-digested and handed to them in case form. They need to find or figure out what the problems or issues facing the system are—and what to do about them. More difficult and complex (not to mention riskier for the instructor) to teach, of course, such approaches can involve consulting projects with enterprises, or, alternatively, "live" cases in the classroom in which a manager or group of managers is brought before the students, who can then ask questions and seek to discover what the system looks like.

Other approaches that engage systems understanding, for which classroom versions can be developed, are approaches like open space technology (Owen 1997a, b), future search (Weisbord and Janoff 1995), mind mapping (Buzan 1996), and appreciative inquiry (Cooperrider and Sekerka 2003; Cooperrider and Srivastva 2001; Cooperrider et al. 2001). Techniques from the quality movement like affinity diagrams, brainstorming, flowcharts, and force field analysis, along with asking students to undertake the design of a system, product, or situation themselves, can also be useful in enhancing and developing a degree of systems understanding, and some of these techniques can also enhance aesthetic sensibility as well, because they highlight the ways in which the parts of the system relate to each other in a way that can be called aesthetic.

Perspective Taking

A core characteristic of post-conventional thinking is the ability to perspective-take, that is, to understand the perspective of others. Fostering this ability, then, becomes a key to developing better relational understanding both of people and of parts of systems. In addition, developing more creativity, intuition, and insight is inherent in enhancing aesthetic appreciation, which inherently deals with the intuitive, emotional, and meaning-making aspects of situations. Artists of all sorts need perspective, as well, in order to "see" situations in the unique ways that art tends to demand. Creating thinking, an aspect of aesthetic sensibility, and opening up to ideas that are different and unusual, that come from sources other than one's self, and that can inspire others are all elements of perspective-taking. These ideas suggest the following principle: *provide opportunities for learners to listen to, see, and experience perspectives other than their own and find ways to help them learn to value those perspectives*.

While perspective-taking of the sort described above is not easily achieved, various learning activities can help to foster this set of skills. For example, role plays, debates, and idea forums like brainstorming, as well as teamwork where there is a reflective component, put students into situations where learning from others is paramount. Especially if learners are then oriented toward developing creative solutions to seemingly intractable problems, they begin to learn that the "wisdom of crowds" (Surowieki 2004) and others' perspectives can be invaluable to good solutions. Many discussions of ethical issues can be enhanced by asking learners to deliberately take the perspective of the people or person who will be affected by the decision at hand—and think about its impacts on them and others.

Concluding Thought

A caveat may be in order. Many of the learning approaches and methods briefly discussed in the previous section deliberately push learners, whether students in classrooms or executives in management and leadership development programs, out of their current comfort zones. For one thing, many of these approaches rely on what the learners themselves bring to the situation. For another, they tend to put the instructor into the role of facilitator (v. lecturer), and hence not fully in control of what happens. Many learners, particularly younger individuals, who are still developing independent thinking and cognitive capabilities beyond conventional levels of development may believe that they are not actually being taught or learning in such situations, because traditional lecture-based approaches where the instructor has the answers are not in evidence. They can be quite uncomfortable—and even angry—at such approaches, particularly when they are forced by the design of the course to take responsibility for their own learning. Further, instructors in such environments need to learn to "trust the class" to raise the necessary issues or guide them gently toward relevant conversations and insights, without being overly directive. This challenge, however, is also the benefit of facilitated instruction, be both learners and instructor can engage with the learning—and both learn!

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