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Wisdom and the Tragic Question: Moral Learning and Emotional Perception in Leadership and Organisations

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Abstract Wisdom is almost always associated with doing the right thing in the right way under right circumstances in order to achieve the common good. In this paper, however, we propose that wisdom is more associated with deciding between better and worse wrongs; a winless situation we define as tragic. We suggest that addressing the tragic question is something that leaders and managers generally avoid when focusing on business decisions and choices. Yet, raising and confronting the tragic question is important for three main reasons. Firstly, it emphasises that wisdom is about recognising that doing the ethically responsible thing can sometimes lead to acting in ways that violate different ethical norms and values. Secondly, it foregrounds the issue of emotional perception in ethical decision-making. We argue that emotions are salient in directing attention to the tragic question and recognising morally ambiguous situations. Thirdly, the tragic question has important consequences for moral learning, accepting moral culpability for wrongdoing and organisational commitment to righting the wrong. We illustrate our arguments by drawing on three mini-cases: Arjuna's dilemma in the Mahabharata, Gioia's deliberations about his role in the Ford Pinto fires and the production of the abortion pill by French company Roussel-Uclaf.

Keywords Emotions · Moral decision · Tragic question · Virtue · Wisdom

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Introduction

With each corporate scandal, we are left with the same questions—where are the wise leaders and managers? Why is it that the same leaders and managers, whom we celebrated as heroes, turn out to have been complicit in fraud and profiting personally at the expense of their company and society at large? As Nonaka and Takeuchi lament, "the ability to lead wisely has nearly vanished… The prevailing principles in business make employees ask, 'What's in it for me?'. Missing are those that would make them think, 'What's good, right, and just for everyone?' The purpose of business, executives still believe, is business, and greed is good so long as the SEC doesn't find out" (Nonaka and Takeuchi 2011, p. 59). As Srivastava and Cooperrider (1998, p. 3) aptly noted, "precisely at a time when we sense that the need for wisdom is higher than ever, it appears, paradoxically, to be less and less available".

In order to address the wisdom deficit, there has been a growing interest in understanding wisdom in organisations (Kessler and Bailey 2007; Srivastava and Cooperrider 1998), particularly amongst leaders (McKenna et al. 2009; Nonaka and Takeuchi 2011; Solansky 2013; Sternberg 2008; Yang 2011; Zacher et al. 2014). Although wisdom has a long-standing theological and philosophical heritage (see Robinson 1990 for a review), in recent years the literature has been dominated by psychological theories (Staudinger and Gluck 2011). Staudinger and Gluck (2011) identify two distinct approaches to wisdom in psychology. One approach presupposes a rich and culturally varied existence of wisdom in the general population and focuses on identifying our implicit theories of wisdom. These 'folk conceptions of wisdom' provide a basis for understanding how people see and experience wisdom in their own lives and that of others (Clayton and Birren 1980; Gluck et al.

2012; Gluck and Bluck 2011; Koneig and Gluck 2012; Redzanowski and Gluck 2013; Sternberg 1985). An alternative approach is to explicitly define wisdom and test its existence or lack of in the population. This approach distinguishes between general and personal wisdom (Staudinger et al. 2005). General wisdom, most readily associated with the Berlin Wisdom Paradigm, is based on posing hypothetical questions to elicit 'expertise in the fundamental pragmatics of life' and assigning wisdom based on answers that demonstrate "rich factual knowledge about life, rich procedural knowledge about life, lifespan contextualism, relativism of values and life priorities, and recognition and management of uncertainty" (Baltes and Staudinger 2000). Personal wisdom, in contrast, builds on ageing and human development perspective to focus on difficult personal experiences and how individuals learn from them. Personal wisdom is seen as a learning process that integrates life experiences and culminates in psychological well-being (Gluck and Bluck 2007; Koenig et al. 2010; Labouvie-Vief and Hakim-Larson 1989; Ryff and Keyes 1995; Ryff and Singer 2006).

We build on the notion that wisdom is a developmental process, one that emerges out of encountering difficult situations, experiencing irreconcilable moral dilemmas and deliberating about them. Hence, wisdom is "not a transcendent attribute but rather a sensemaking response to temporality, to emergent processes, to specific conditions and opportunities, and to organisational culture" (Srivastava and Cooperrider 1998, p. 5). For us wisdom is a balance between active agency and passivity and the acceptance of 'finding oneself' in difficult situations and recognising one's moral responsibilities. A wise person recognises that things happen through luck and chance as much as they are made to happen through personal agency and choice. In terms of active choice, a wise person recognises that s/he is 'thrown' into a situation that is not of one's making, forced to constantly choose amongst competing and apparently incommensurable choices and that circumstances may compel her to a position in which she cannot help doing the wrong thing. It is in this sense that we see wisdom in response to the tragic situation of facing a wrong–wrong choice. Wisdom is not a neutral, but a learned disposition or capacity which evokes and provokes something that deeply concerns us, matters to us and that we act upon.

Our contribution in this paper is three-fold. Firstly, we focus on the tragic question to define wisdom. Responding to the tragic question recognises that individuals and organisations are vulnerable to doing the wrong thing. In the extant literature, wisdom is associated with 'doing the right thing' and lack of wisdom is associated with wrongdoing. For example, as the Nonaka and Takeuchi quote at the start illustrates, lack of wisdom is associated with wrongdoing and ignoring the question of what is right for everyone. Some hope that "difficult problems, such as global warming and financial crises, may be resolved or avoided if leadership is executed with wisdom" (Yang 2011, p. 616). For others, wisdom would have prevented organisational scandals. As Sternberg (2003, p. 396) states "Certainly the business leaders of Enron, Arthur Andersen Accounting, WorldCom, and other organisations whose leaders drove them into bankruptcy were intelligent and creative. They were not wise". Theoretically, ethical issues have been central to defining wisdom. For example, the starting point of the Berlin Wisdom Paradigm's explicit theory of wisdom (Baltes and Staudinger 2000; Staudinger and Baltes 1996) is related to the 'pragmatics of life'. Similarly, Sternberg's balance theory starts with the premise that a wise person synthesises knowledge, intelligence, creativity and wisdom to "seek to reach a common good" (Sternberg 2008, p. 366). In contrast to the Berlin Wisdom Paradigm and the balance theory of wisdom, we explicitly foreground moral dilemmas and focus on the significance of posing the tragic questions. Previous work on ethical decision-making, particularly the distinctions between right–wrong decisions (Gunia et al. 2012; Jones 1991; Tenbrunsel and Smith-Crowe 2008) and right–right decisions (Badaracco 1997, 2006) have significantly contributed to our understanding. We also draw on the literature on moral reasoning (Kohlberg 1984; Rest 1986; Rest and Narvaez 1994) and moral imagination (Moberg 2006; Werhane 2002) to explicate its role in wisdom. Central to our contribution is the link between wisdom and wrong–wrong decisions. We identify an implicit conflation between wisdom and 'doing the right thing'. By asking the tragic question (wrong–wrong decision), we focus on an aspect of wisdom that has hitherto remained unexamined: recognising, experiencing and coping with the difficulty of doing the wrong thing is integral to wisdom. We demonstrate how the tragic question can be left unasked, and how, by asking it, we begin to appreciate wisdom as emotional perception and producing and attesting to human virtues.

Secondly, we emphasise and focus on openness to emotions in becoming wise. Following previous researchers who have emphasised the role of emotions and affect in wisdom (Ardelt 2000; Clayton and Birren 1980; Kramer 2000; Pascual-Leone 1990), we explore the connection between wisdom and emotions. Our main contribution to the literature is our emphasis on emotions, not as accompaniments to intellectual and reflective skills, but as mode of attention. We argue that emotions are salient in perceiving and recognising moral wrongdoing in situations. Contrary to conventional thinking that separates rational deliberation and reflection from emotions, we argue that emotions are constitutive of the way we see the world and emotions reveal what matters to us in its particularity.

Emotions are central to how situations show themselves as lacking in virtues and offers a chance to stand up for what is right and virtuous. For example, a sense of indignation and resentment towards bankers after the 2008 financial crisis made us alert to the notion of corporate greed, just as a feeling of compassion towards the poor and excluded opens our eyes to their sufferings and misfortune. Hence, being wise is not the ability to be detached and balance intellect and emotions, but to learn to practically cope with their role in alerting and sensitising us to the morally salient issues in each unique situation. This is important because emotions run contrary to our understanding of courageous, bold and action-oriented leaders. Management in general (Maitlis et al. 2013), and business ethics in particular "is led by overly rational assumptions about morality that either downplay the importance of emotion or seek to regulate its expression" (ten Bos and Willmott 2001, p. 770). Emotions are seen as getting in the way of action by making us hesitate and unsure about what should be done. In contrast to this dominant view, we suggest that emotions are central to wisdom. This point is particularly important because managers and leaders are not selected for their ability to show emotions. On the contrary, the more in control and invincible they are perceived, they more likely that they are promoted to leadership positions. Thus, we identify a potentially conflicting consequence: we demand more wisdom from our leaders, but we promote leaders who control and regulate their emotions.

Thirdly, in contrast to the dominant question in the wisdom literature—What is wisdom?—our starting point is—What does wisdom do? Rather than focus on the personal and general wisdom competences and skills, we argue that wisdom is productive. *Doing wise*, as opposed to being wise, implies producing anew human virtues that individuals and organisations attest to as being worthy. We emphasise collective production and attestation of human virtues as central to wisdom. In the extant literature, wisdom has been defined in terms of integration of various attributes and competences. For example, the Berlin Wisdom Paradigm defines wisdom as the "mastering the basic dialectics shaping human existence, such as the dialectic between good and bad, positivity and negativity, dependency and independence, certainty and doubt, control and lack of control, finiteness and eternity, strength and weakness, and selfishness and altruism" (Staudinger and Gluck 2011, p. 217). Others define wisdom as an integration of cognition, emotion and motivation (Birren and Fisher 1990; Kramer 1990). Others still define wisdom as a balance between personal, interpersonal and extrapersonal interests over short and long term by adapting, shaping and selecting situations to seek a common good (Sternberg 2008). However, none of the studies focus on addressing what is collectively produced by the wise person in his/her attempt to master dialectics of human existence, integrate and balance various traits and competences. Organisations are sites of collective actions; hence, we focus on wisdom as collective production of human virtues.

The paper is structured as follows. Firstly, we contribute to the wisdom literature by considering how tragic situations can be used to frame wisdom. We define tragic situations as ones where no choice is free from moral wrongdoing. We draw on Nussbaum's (2000) description of Arjuna's dilemma from the *Mahabharata* which distinguishes between the obvious and the tragic question. Secondly, we argue for the importance of emotions in moral perception and moral imagination in response to the tragic question. We illustrate our arguments through Gioia's reflections on the Ford Pinto fires (Gioia 1992). Thirdly, we elaborate on the productive dimension of answering the tragic question. Rather than understanding wisdom as something individualised, we argue for a collective production of human virtues anew, and attestation to stand by those virtues in the future. We illustrate the complexities of the productive dimension of the tragic question through Roussel-Uclaf's (RU) decision to produce the abortion pill in the late 1980s (Badaracco 1997). We draw on three mini-cases (Arjuna's dilemma, Gioia's reflections on Ford Pinto and the abortion pill), not as an exemplar of organisation wisdom, but to illustrate the difficulties in attesting to human virtues in organisational life. Finally, we discuss the implications of addressing the tragic question. We argue for the importance of personal wisdom gained through reflecting on tragic questions and for understanding organisational wisdom as public acceptance of moral culpability and commitment to changing the tragic situation.

The Tragic Question

> Arjuna stands at the head of his troops. A huge battle is about to begin. On his side are the Pandavas, the royal family headed by Arjuna's eldest brother, legitimate heir to the throne. On the other side are the Kauravas, Arjuna's cousins, who have usurped power. More or less everyone has joined one side or the other, and Arjuna sees that many on the enemy side are blameless people for whom he has affection. In the ensuing battle he will have to kill as many of them as possible. How can it be right to embark on a course that involves trying to bring death to so many relations and friends? How, on the other hand, could it possibly be right to abandon one's own side and one's family duty? Arjuna saw his closest kinsmen, related to him as father or grandfather, uncle or brother, son or grandson, preceptor as well as companion and friend,

> on both sides. Overcome by this sight, he said in sorrow and compassion, ''O Krishna, when I see my own people ready to fight and eager for battle, my limbs shudder, my mouth is dry, my body shivers, and my hair stands on end. Furthermore, I see evil portents, and I can see no good in killing my own kinsmen. It is not right and proper that we should kill our own kith and kin, the Kauravas. How can we be happy if we slay our own people?… O Krishna, how can I strike with my arrows people like the grandsire Bhisma and the preceptor Drona, who are worthy of my respect?''… Having said these words, Arjuna threw away his bow and arrows, and sat down sorrowfully on the seat of his car. (Nussbaum 2000, pp. 1005–1006)

The scene of Arjuna laying down his weapons is from the great Indian tragic novel, *The Mahabharata*. Nussbaum (2000) uses this epic scene to distinguish between two types of questions—the obvious and the tragic. The obvious question asks—'What should I do in this situation? Although we may not find ourselves in Arjuna's situation, the Mahabharata and other classic tragic Greek literature (e.g. Antigone by Sophocles) allow us to reflect upon difficult choices and decide what we would do if we were in the protagonist's shoes. In contrast to the obvious question, a tragic question is one that raises the issue of moral wrongdoing. It asks—Are there alternatives available that are free of moral wrongdoing? The tragic question is not simply a recognition that the choices are competing and difficult. Difficulty of choice is independent of the presence of moral wrong on both sides of a choice. In non-tragic cases, answers to the obvious question may be very difficult, if two or more (non-tragic) alternatives are equally balanced and/or the means to achieving the alternatives are unknown. In contrast, in tragic dilemmas it may be clear what should be done. For example, for Arjuna, counselled by Krishna, the answer is clear that he must fight and kill his cousins and elders. Driven by his duty towards king and country, Arjuna and his army fight the 'just' war using unfair means to win. Whilst all alternatives are morally wrong, the answer to the obvious question may be clear. However, what the tragic question raises is a specific mode of difficulty: the fact that all the possible answers to the obvious question involving serious moral wrongdoing. This question need not be asked. On the contrary, as Krishna argues, the tragic question gets in the way of fighting the just war and acting in the situation faced by Arjuna. Arjuna, however, feels that the tragic question must be asked. When the answer to the tragic question is 'no', there are no options that are free from moral wrongdoing, the question brings to the fore the issue of moral wrong in any choice made.

On a continuum of moral issues, from acute cases to quasi-moral dilemmas (Maclagan 2003), the tragic question lies at the acute end "where whatever you do seems to be wrong" (Jackson 1996, p. 35). In that sense, there is no 'right answer' to the tragic question; only a recognition that any choice will lead to moral wrongdoing. More formally, a situation is tragic when at the same time (1) there is a moral requirement for a manager to adopt each of two (or more) alternatives; (2) it would be wrong to violate either of the moral requirement; (3) the manager cannot choose both alternatives together; (4) the manager can choose each alternative separately (Quinn 1990; Sinnott-Armstrong 1988). What this definition highlights is that tragic situations are ones where a wrong action is committed without any direct physical compulsion, in full knowledge of the wrong involved, by a person whose moral and ethical character or commitments would otherwise dispose him to reject the act. The dilemma arises from the presence of circumstances that prevent adequate recognition of two or more valid ethical claims.

Asking the tragic question does not imply that the person acting will be able to make a better decision. On the contrary, it may appear to be indulging in 'hand wringing' and lead to delays in action. What the tragic question raises is the issue of ethical considerations that are independent of action. People suffer from the wrongs done regardless of how leaders and managers justify their actions to themselves and others. Whilst the situation may compel an individual to choose between two 'necessary evils', asking the tragic question leads to two important considerations. Firstly, it foregrounds ethical judgment. The answer to the tragic question is not to find justifications for the action undertaken, but to produce human virtue anew. Secondly, the tragic question sensitises our emotional antennae for perceiving moral wrongdoing. In the next section, we discuss the productive and emotional dispositions emerging from asking the tragic question. It is by recognising that the answer to the tragic question is 'no, there are no options free from serious moral wrongdoing' that the wise produce and attest to human values anew, sensitise perception to ethical issues and accept moral culpability. By recognising that all choices in response to the tragic question are morally wrong and by drawing upon ethical values independent of the course of action chosen, the wise stand up for and promise to stand by ethical values. It is when this ethical stance is made publicly, as opposed to private debates and with the right emotions that the tragic question becomes significant. By publicly asking the tragic question, the wise accept moral culpability for choosing a morally wrong action (although there were no morally right actions available) and commit to remembering the wrong and 'doing right' by the people wronged.

Ethical Perception with Emotions and Passions

The tragic question is first and foremost a question about ethical perception. Standing in the middle of the battlefield,

Arjuna perceived a morally acute situation where he is forced to choose between wrong and wrong. The issue here is not one of cognitive perception, but an emotional response to the situation. As the *Mahabharata* states, "Arjuna slumped into the chariot and laid down his bows and arrows, his mind tormented by grief. Arjuna sat dejected, filled with pity, his sad eyes blurred by tears" (Das 2009, p. 91). Previous research on wisdom has highlighted the significance of emotions. For example, Csikszentmihalyi and Rathunde (1990, p. 31) emphasise "a blending of these two—the intellectual perception of truth and the moral sentiment of right—is wisdom (Emerson 1929, p. 45)". Several psychological studies also point to the integrative role of emotions in wisdom (Ardelt 2000; Clayton and Birren 1980). Wisdom scholars also recognise that "*emotions* (feelings) and their corresponding *passions* (commitments and drives to act) are significant in wisdom. Anger at injustice and love for humanity, for example, can guide and motivate one to speak and act for the good" (Rooney and McKenna 2007, p. 115, emphasis original). However, previous research undervalues the significance of emotions as a mode of attention. In particular, we focus on the perception of ethical issues, as Arjuna's predicament illustrates, that begin to frame a situation in terms of the tragic question.

We draw on the literature on moral perception (Blum 1991, 1994), ethical sensitivity (Wittmer 1992) and moral awareness (Butterfield et al. 2000) to articulate the role of emotions in asking the tragic question. There are three main issues here. Firstly, tragic situations do not come prelabelled. Instead, ethical sensitivity, "the awareness of how our actions affect other people… involves being aware of different possible lines of action and how each line of action could affect the parties concerned" (Rest and Narvaez 1994, p. 23), is the first step in recognising that ethical issues are at stake. Secondly, perception of a tragic situation is not unified. By this we mean that different parts of one's moral makeup are brought to bear in *seeing and not seeing* different aspects of a tragic situation. Thirdly, what one person sees as morally wrong, may not be part of another's moral considerations. For example, some people are more sensitive to wrongs done to children, the poor, the environment or animals. Equally, some people are more aware of wrongs such as race and gender inequalities and discrimination based on sexual orientation.

Within organisations, the main moral or ethical cases revolve around choosing between right and wrong. As several of the scandals such as Enron, WorldCom, banks selling collateralised debt obligations (CDOs) and fixing LIBOR rates demonstrate, the choice exercised by leaders and managers is between doing the right thing or doing the wrong thing. These cases contain moral issues, i.e. one option is morally wrong, but they do not contain tragic dilemmas. Moreover, organisations frame ethical issues in terms of doing what the company asks and expects you to do, i.e. doing your duty, and doing something that will lead to harm to others.

We can see the complexities of moral perception in the Ford Pinto case (Gioia 1992). Long before Gioia cognitively accepted that he was wrong in voting twice not to recall the cars, he responded emotionally to the photographs of burnt cars. He recalls "being disquieted by a field report accompanied by graphic, detailed photos of the remains of a burned-out Pinto in which several people had died" (Gioia 1992, p. 382). Gioia explains how organisation scripts and frames meant that he did not act on this moral perception. These scripts and frames dampened his emotional perception in favour of an intellectual response based on cost-benefit analysis of recalling the cars. More challenging is his admission that he could not intellectually accept that he had done something wrong for several years after the event. As he notes

> It is fascinating to me that for several years after I first conducted the living case with myself as the focus, I remained convinced that I had made the "right" decision in not recommending recall of the cars. In light of the times and the evidence available, I thought I had pursued a reasonable course of action. (Gioia 1992, p. 384)

The Ford Pinto case and Gioia's remarkable intellectual journey into understanding his moral failure illustrate the difficulty of posing the tragic question. It emphasises that not all of us will see the tragic question as Arjuna did. Unless one perceives tragic situations, and unless one perceives their moral salience accurately, one's moral principles and skill at deliberation count for nothing. As Gioia states

> The recall coordinator's job was serious business. The scripts associated with it influenced me much more than I influenced it. Before I went to Ford I would have argued strongly that Ford had an ethical obligation to recall. After I left Ford I now argue and teach that Ford had an ethical obligation to recall. But, *while I was there,* I perceived no strong obligation to recall and I remember no strong *ethical* overtones to the case whatsoever. (Gioia 1992, p. 388, emphasis original)

As Arjuna and Gioia demonstrate, emotions sensitise our moral perception. They play an important role in *perceiving* the circumstances and *recognising* its morally salient features. We notice certain features rather than others because of our emotional vulnerabilities. This is aptly summarised by Sherman (2000).

> We can think of them [emotions] as *modes of attention* enabling us to notice what is morally salient,

> important, or urgent in ourselves and our surroundings. They help us *track* the morally relevant 'news.' They are an affective medium by which we discern the particulars. Through capacities for grief we are primed to notice loss and the anguish of suffering loss; through pity, we are sensitive to the fact that people fail, sometimes through blameless ignorance, or duress, accident, or sickness; through empathy, we can identify with what others delight in and sorrow over. The general point is that moral situations don't come pre-labelled. Emotions help us to label them under specific descriptions. Those who lack moral perception, who are obtuse about the moral dimensions of a situation, are often just those who have never cultivated their emotional repertoire. (Sherman 2000, p. 325).

The selective and discriminatory character of emotions "makes proper passivity and passional responsiveness an important and necessary part of good deliberation" (Nussbaum 2001, p. 307). In other words, we must first realise and passively acknowledge that we need to act before deliberating about how to act. We *see* the world, not dispassionately, but because of emotions. Gioia's sense of 'being disquieted' made him sensitive to those who suffered needless loss of life. His compassion briefly opened his eyes to the cruel misfortunes of the people who died. Yet, as he followed the organisation script that devalued emotional perception, he failed to ask the tragic question. The Ford Pinto case is not an isolated one where leaders and managers exhibit 'wilful blindness' to moral issues (Bandura 2002; Heffernan 2011; Palazzo et al. 2012). Moreover, employees may engage in unethical pro-organisational behaviour by obfuscating and neutralising moral issues and treating them as business decisions (Sykes and Matza 1957; Tenbrunsel et al. 2010; Umphress and Bingham 2011). However, if we accept that organisational lives are riddled with moral concerns (Bird and Waters 1987, 1989; Bird et al. 1989; Snell 2000, 2001; Snell and Tseng 2002; Waters et al. 1986), then we can begin to recognise the significance of asking the tragic question.

It is important to recognise that what we are arguing for is not emotions as accompaniment to other forms of perception, but that without emotions our perception would be inferior. We would lack "the sort of resonance and importance that only emotional involvement can sustain" (Sherman 1989, p. 47). Emotions play an important role in how we are disclosed to the world and establish what matters to me/us. "So the generous action that falls short of generous emotions is often a morally compromised response" (Sherman 2000, p. 325). Concerns, interests and involvement become *our* concerns, *our* interests and *our* involvement when disclosed through our human emotions and resonate with others. Similarly, as Nussbaum concludes, "emotions are themselves modes of vision, or recognition. Their responses are part of what knowing, that is truly recognising or acknowledging, *consists in*. To respond at the right times with reference to the right objects, towards the right people, with the right aim, and in the right way, is what is appropriate and best, and this is characteristic of excellence" (EN 1106b21-3)" (Nussbaum 1990, p. 79, emphasis original). Through emotions we convey to others that we care about something in particular and that we take certain things to be worthy and important. As well as reacting emotionally to what we find worthy, emotions also disclose our motives for action. "We act out of *compassion, out of friendliness, out of sympathy*" (Sherman 2000, p. 327, emphasis original).

To summarise, asking the tragic question raises the issue of moral wrongdoing. It is distinct from the obvious question which addresses what should be done. However, what the tragic question does is develop a "more 'yielding' and flexible conception of responsive perception" (Nussbaum 2001, p. 291). The tragic question calls for discernment of perception and "complex responsiveness to the salient features of one's concrete situation" (Nussbaum 1990, p. 55). Organisation wisdom, in this sense, is not about deciding on a course of action, but about recognising the "*thoroughly human being*" (Nussbaum 2001, p. 290, emphasis added) of tragic situations. By this, we mean that wisdom does not stand outside of the everyday realities of human life, but as we argue in the next section, draws on an immersed understanding of lived realities to produce human virtues anew.

Productive Dimension of Wisdom

Asking the tragic question and registering emotional perception of ethics in a situation is difficult enough, but wisdom is practical (Aristotle 2002) and requires action. Wisdom does not imply a 'view from nowhere' (Nagel 1986), but comes from being-in-the-world that we are thrown into (Dreyfus 1991; Heidegger 1962). "[W]isdom is a *way of being* rather than an accumulation of knowledge, an elevated IQ or simply an application of technical rationality" (Rooney and McKenna 2007, p. 116). Hence, questions about wisdom are closely connected to the world we are thrown into, and reveals what we care for and are attuned to. Wisdom calls for a "highly complex, nuanced perception of, and emotional response to, the concrete features of one's own context, including particular persons and relationships" (Nussbaum 1990, p. 7). The tragic question and emotional perception direct attention, disclose what is important to us, create value, move us towards action and humanise us. Thus, wisdom has a productive

dimension, one that produces worthy human virtues. Wisdom, in this sense, is "the ability to pursue a goal initially worth pursuing in such a way that it continues to *be* worth pursuing" (Broadie 1991, p. 240, emphasis original). Emotions disclose what we continue to find worthy. For example, emotions such as anger against the bankers who caused the financial crisis and the rich who avoid paying taxes disclose our sense of injustice and wrongdoing, not just in specific instances, but as worthy causes. In this sense, wisdom is a judgement on what we take to be good and bad in the world.

We draw on virtue ethics (Aristotle 2002; Nussbaum 2001; Sherman 2000) to elaborate on the productive dimension of wisdom. In *Nicomachean Ethics*, Aristotle (2002) distinguishes between three types of knowledge: *episteme*, *techne* and *phronesis*. The first of these is *episteme* or scientific knowledge, which Aristotle considers to be about things that are necessarily true and "is subject neither to coming into being nor to passing out of being" (EN 1139b15). In *episteme* "we reflect upon the sorts of things whose principles cannot be otherwise" (EN 1139a5). In contrast to *episteme*, *techne* and *phronesis* are 'productive dispositions' in which "we reflect upon things that can be otherwise" (EN 1139a5). What differentiates these two productive dispositions (*techne* and *phronesis*) is deliberation about "e.g. what sorts of things conduce to health, or to physical strength" (*techne*) and "what sorts of things conduce to the good life in general" (EN 1140a25). In contrast to *techne*, *phronesis* relates "to action in the sphere of what is good and bad for human beings" (EN 1140b5) rather than a particular practice such as being a doctor. *Phronesis* is productive, but unlike *techne* which produces a product, *phronesis* produces anew ultimate human virtues. Thus, an important part of responding to the tragic question is the act of producing and attesting to human values anew. In the case of Arjuna's tragic question, he affirms the importance of fighting the 'just war' and killing his cousins and forefathers. Counselled by Krishna, he is persuaded to carry out his 'sacred duty of the warrior' and 'be intent on the action, not on the fruits of action'. Krishna's attempt to help Arjuna answer the tragic question forms the famous *Bhagavad Gita* which offers various arguments in favour of doing one's duty without consideration for rewards. Whilst organisational dilemmas are not always as dramatic or tragic in their consequences, they still become 'defining moments' for affirming and attesting to what one considers virtuous (Badaracco 1997). Organisational context also provides a variety of 'Krishna's' as counsel. These include codes of conduct (McCabe et al. 1996; Schwartz 2002) and values exhibited and implicitly or explicitly condoned by others, particularly leaders (Brown and Trevino 2006; Jordan et al. 2013; Pitesa and Thau 2013; Sonenshein 2007). It also includes values and value commitments arising from other non-organisational settings such as religious beliefs, family members, mentors and role models, and cultural socialisation.

We can appreciate the productive dimension of organisation wisdom in the complex case of RU 486, the French abortion pill manufactured by Roussel-Uclaf (Badaracco 1997). In 1988, the chairman of Roussel-Uclaf, Edouard Sakiz, faced the difficult situation of deciding whether the company should manufacture the abortion pill. The decision involved multiple stakeholders with different and incommensurable ethical position on the issue. On the one side were women's rights activists and the French Government (35 % owner of Roussel-Uclaf) who argued for women's rights and choice, and Sakiz, who as a medical practitioner and scientist involved in developing the drug, believed that the abortion pill could help women in poor countries avoid botched abortions. On the other side were Hoechst (55 % owner of Roussel-Uclaf) with its Roman Catholic chairman who publicly opposed abortions, and a strong anti-abortion lobby. In between were several other stakeholders with differing reasons and positions on what should be done. China, who subsequently became one the first countries, along with France, to approve the abortion pill argued that the pill would help control their surging population and prevent starvation.

Sakiz and Roussel-Uclaf faced a tragic situation where the competing values of various stakeholders, including himself and the company, were at stake. To complicate matters, unlike Arjuna's case, there was no single counsel to guide action. Unlike the Ford Pinto case, given the public outcry, no organisational script could dampen the morally weighty issues under consideration. What finally transpired was that Roussel-Uclaf's board discussed and voted on the issue:

> At an October 21 meeting, Sakiz surprised members of the management committee by calling for a discussion of RU 486. There, in Roussel-Uclaf's ultramodern board room, the pill's longstanding opponents repeated their objections: RU 486 could spark a painful boycott, it was hurting employee morale, management was devoting too much of its energy to defending itself in this controversy. Finally, it would never be hugely profitable, because much would be sold on cost basis to the Third World. After two hours, Sakiz again stunned the committee by calling for a vote. When he raised his own hand in favour of suspending distribution of RU 486, it was clear that the pill was doomed.
>
> The company informed its employees of the decision on October 25. The next day, Roussel-Uclaf announced publicly that 'it was suspending distribution of the drug because of pressures from anti-abortion groups.' (Badaracco 1997, p. 106)

However, this was not the end of the matter. Amidst huge anger and outcry over the decision to suspend distribution of the abortion pill, the French Government decided to stand by the right of women to choose abortion:

> Three days after Roussel-Uclaf announced that it would suspend distribution, the French minister of health summoned Roussel-Uclaf's vice chairman to his office and said that, if the company did not resume distribution, the government would transfer the patent to a company that would… After the meeting with the minister of health, Roussel-Uclaf announced that it would distribute RU 486 after all. (Badaracco 1997, p. 107)

What should be done and what was done by Sakiz (voted for suspension against his long-term commitment to developing the abortion pill) and Roussel-Uclaf (voted to suspend distribution, as it had previously done with contraceptive pill in the 1960s; forced to distribute the pill by the French Government) is the obvious question. As the vice chairman of Roussel-Uclaf stated, following his meeting with the health minister, "We are relieved of the moral burden weighing on our shoulders" (Badaracco 1997, p. 114). However, there can be little doubt that several of the people involved faced the tragic question and accepted to live by the values they had attested. Roussel-Uclaf which subsequently became wholly owned by Hoechst in 1997 terminated production and distribution of the abortion pill, standing by its values, particularly its Roman Catholic chairman, in the debate. It transferred the rights to the abortion pill to Edouard Sakiz. Edouard Sakiz, although he had voted for the suspension of the pill at the board meeting, had attested to his personal commitment to the drug by stating that "if I were a lone scientist, I would have acted differently" (Badaracco 1997, p. 106). He went on to become the CEO of Exelgyn and continue distribution and research on the abortion pill. Whilst Roussel-Uclaf did absolve themselves of the 'moral burden' by shifting the decision onto the French health minister in 1988, leaders such as Sakiz and the chairman of Hoechst continued to stand by what they believed to be virtuous.

To summarise, we have argued that asking the tragic question is important for wisdom. By addressing the tragic question we are (1) emotionally perceptive and recognise moral issues; (2) produce and attest to human virtue. We have argued for a doing approach which emphasises wisdom as a more subtle and elusive art of moral sensemaking that constructs moral reality. In the next section, we discuss the implications of asking the tragic question. In particular, we focus on two key issues—personal wisdom gained from posing tragic questions and organisational wisdom in terms of public acceptance of moral culpability in response to tragic questions.

Discussion

Central to the tragic question are incommensurable and competing values. There are good reasons for and against choices available. As the RU 486 case illustrates, the Christian values of Hoechst and their chairman are directly opposed to Sakiz's liberal values on abortion. Yet, the focus on choices relates to the obvious question and finding good reasons for making a choice. How the debates unfold and how different stakeholders will answer the obvious question is an ongoing one where different stakeholders wrestle with the dilemma and justify their choices. In this sense, wisdom is a process. As Vaill summarised

> Process wisdom is insightful about the very phenomena that so many people experience as crazy, messy, and confused. Where others perceive only 'the blind leading the blind,' 'the patients running the asylum,' or 'rearranging deck chairs on the Titanic' (all expressions one routinely hears in situations of high turbulence, uncertainty, and rapid change), those with process wisdom manage to continue to perceive meaning and possibility. Those with process wisdom are able to see how work can continue on the human projects being buffeted by continual change. As such, process wisdom combines the qualities of mind and character we have always meant by wisdom with the ability to 'dance' with change and instability without losing one's sense of purpose and direction. (Vaill 1998, p. 35)

We can see this in the continued attestation to virtues exemplified by Arjuna and his family in the *Mahabharata* (it is okay to kill one's elders and relatives in pursuit of *dharma*), by Dennis Gioia in response to his decision in the Ford Pinto case (ignoring the few cases of burnt cars was wrong), and by the various stakeholders in the abortion pill issue (for example, Sakiz attesting to the right to abortion). What the examples of Arjuna, Ford Pinto and RU 486 illustrate are wisdom as emotional perception and production and attestation of human virtues in response to the tragic question.

At the individual level, the acute case of tragic questions brings to the fore the pre-cognitive processes and pre-figured symbolic systems that enable us to engage in moral sensemaking (Weick 1998). It foregrounds doubt by challenging what is known in the face of genuine moral dilemmas (Mecham 1990; Weick 1998). The tragic question emphasises the "sheer complexity and the agonising difficulty of choosing well" (Nussbaum 1990, p. 55). The tragic question is a means for converting the intricate, obdurate and intractable situation into something tangible and amenable to perception, reflection and action. It foregrounds the recognition of moral wrongdoing which

persons and organisations have to live with. There may be a temptation to 'solve' the tragic dilemma. However, those who try to solve it are likely to reformulate the problem in terms of the obvious question and miss the significance of asking the tragic question. The only possible solution to the tragic question is to describe and see the wrong–wrong choice clearly and to acknowledge that there is no way out of doing wrong. "The best the agent can do is to have his suffering, the natural expressions of his goodness of character, and not to stifle these responses out of misguided optimism … If we were such that we could in a crisis dissociate ourselves from one commitment because it clashed with another, we would be less good. Goodness itself, then, insists that there should be no further or moral revisionary solving" (Nussbaum 2001, p. 50). In attempting to answer the tragic question, we find out more about ourselves and what we care about in the pursuit of a good life. By asking the tragic question and producing anew human virtues in particular situations and attesting to stand by the virtue in the future, individuals create a 'voice of conscience' for future actions which lingers in the form of passions and emotions that sensitise and direct attention to morally salient aspects of future situations.

Tragic questions pose significant challenges for organisations. Whilst at the personal level, individuals may ask and respond to the tragic question, as illustrated by Yudhishthira and Gioia, collectively, organisations struggle to create space for raising moral issues and having 'good conversations' (Bird 1996). Whereas for individuals asking the tragic question creates space to acknowledge the 'difficulty of being good' (Das 2009) and gain personal insights (as Gioia's reflections and Sakiz' actions illustrate), organisations are scripted to avoid feeling, recognising and accepting moral issues. For example, as the Ford Pinto case illustrated

> Actually, "problem" was a word whose public use was forbidden by the legal office at the time, even in service bulletins, because it suggested corporate admission of culpability. "Condition" was the sanctioned catchword. In addition to these potential recall candidates, there were many files containing field reports of alleged component failure (another forbidden word) that had led to accidents, and in some cases, passenger injury. (Gioia 1992, p. 381)

Forbidding the use of terms such as 'problem' and 'failure' is part of organisational scripts aimed at avoiding any admission of legal or moral culpability. Similarly, as the abortion pill case demonstrates, organisations are more comfortable in shifting the moral burden onto others.

So what can organisations do in response to the tragic question? Bird (1996, p. 234) argues that "good conversations occasion the formation and strengthening of conscience" at the individual and organisational level. These conversations help individuals to collectively "attempt to sort out their feelings, judgments and expectations in relation to a particular decision that has to be made" (Bird 1996, p. 246). For example, Bird points to Bosk's study of surgeons who engaged in 'good conversations'. Bosk (1979) described how surgeons at a West Coast hospital in the US in 1970s would address unavoidable errors by 'forgiving and remembering' them. He describes the practice of 'putting on the hair shirt' through which surgeons "excuse their mistakes by admitting them" (Bosk 1979, p. 145). Done publicly at Morbidity and Mortality (M&M) conferences, the act of 'putting on the hair shirt' enabled senior and well-established surgeons to demonstrate "humility, gentleness, wisdom, and … to accept the limits of human activity" (Bosk 1979, p. 144). In terms of creating organisational, or in the case of surgeons, professional conscience, open confession at M&M conferences provided space for "the proper expression of guilt and teaches them to accept that such accidents are inevitable, unfortunate and intractable fact of professional life" (Bosk 1979, p. 144). Building on 'good conversations', Verhezen (2010) argues that organisations should move beyond compliance-oriented behaviours and formal governance mechanisms and achieve 'moral mindfulness' and build a 'culture of integrity'.

For us, the main issue is not about avoiding doing wrong; the tragic situation by definition is one where all actions will lead to violating some ethical value. Instead, we argue that organisations need to focus on how they can address the wrong and apologise. The Gioia and RU486 examples demonstrate that organisations are more attuned to delivering an *apologia* rather than an apology (Hearit 2006). Although the two terms appear to be synonyms, they represent the distinction between avoiding moral responsibility and accepting moral culpability. As Hearit states

> *Apologia*, taken from the Greek word *apologia* (Gk. *apo*, away, off, absolve; *logia*, speech), means 'defense' or 'speech in defense' (Moulton 1978, pp. 40, 45; Simpson and Weiner 1989, p. 533; Tavuchis 1991, p. 14; Wilke et al. 1886, p. 65); similarly, the verb *apologeomai* means to 'speak so as to absolve one's self' (Wilke et al. 1886, p. 65). *Apology* is a newer term that, conversely, has just the opposite connotation. In common usage, to apologize is '[t]o acknowledge and express regret for a fault *without defence…*' (Simpson and Weiner 1989, p. 533, emphasis added). (Hearit 2006, p. 4)

What the Ford Pinto and the abortion pill cases illustrate is that organisations speak to absolve themselves of moral wrongdoing. Hearit demonstrates that in response to criticisms of (general, not just ethical) wrongdoing, organisations adopt a combination of the following approaches: 'we didn't do it', 'counter-attack to discredit the accuser', 'it's not really our fault', 'we promise not to do it again' and 'talk to our lawyers'. In the Ford Pinto case, for

example, Ford offers a combination of justifications for why 'it's not really our fault', including 'lawyer talk' to absolve the company of moral culpability. Roussel-Uclaf, in response to their tragic dilemma, pass the burden onto the French Government for talking the moral decision to approve the abortion pill.

In contrast, Arjuna and his family, in the *Mahabharata*, demonstrate deep remorse and regret at the tragic war and assert the significance of retributive emotion in response to doing wrong. The war leads to the destruction of almost everyone on both sides. Rather than offer an *apologia*, Yudhishthira, Arjuna's elder brother and king, faces up to the consequences of the tragic war. He is filled with grief and sorrow:

> To get a piece of the earth we totally abandoned men who were equal to the earth, men whom we should never have killed. And now we live with our kinsmen dead and our wealth exhausted… like dogs we greedily went after a piece of meat! Now our piece of meat is gone, and so are those who would have eaten it… The heroes are dead. The evil is done. Our kingdom has been laid waste. Having killed them, our rage is gone. Now this grief holds me in check! (Das 2009, p. 237)

Yudhishthira's grief is so much that he cannot see a way for him to become king and talks about renouncing the world. It takes a great deal of persuasion for Yudhishthira to make peace with his responsibility for waging the tragic war. Yudhishthira states that the Pandava's victory is "a great sorrow that is constantly in my heart" (Das 2009, p. 240). What the tragic question foregrounds, and Yudhishthira accepts in his show of retributive emotion, is 'tragic guilt', "the self-regarding retributive emotion that is properly experienced in response to unavoidable, unintentional and even involuntary infliction of harm" (DeLapp 2012, p. 54). DeLapp argues that persons who experience tragic guilt "might be expected to express greater empathy and solidarity with others since she would be sensitive to the 'moral luck' that can affect our moral assessments" (DeLapp 2012, p. 61). Yudhishthira, Arjuna and the Pandavas' acceptance of tragic guilt and their show of retributive emotion demonstrates how, by asking the tragic question, one can begin to reconnect with all those who suffered because of the war. Yudhishthira's response to the tragic question is emotional and affirms the human virtue of not killing. However, within organisational contexts, the notion of the tragic guilt and the public acceptance of moral culpability are almost non-existent and pose significant challenges.

Implications and Future Research

To summarize, the tragic question makes us vulnerable. The tragic question is necessarily emotionally charged. And as we have argued, emotions are central to sensitising us to moral dilemmas, enforcing our moral commitments and articulating values we care about. Emotions should be understood as "'geological upheavals of thought': as judgements in which people acknowledge the great importance, for their own flourishing, of things that they do not fully control—and acknowledge thereby their neediness before the world and its events" (Nussbaum 2003, p. 90). The tragic question also is questioning as mental questing (Cooper 2001), one that transgresses conventional boundaries and builds one's character and disposition towards virtuous actions. Seeing and recognising that one can find oneself in situations that are not free from wrongdoing, whatever one chooses, one reinforces one's determination to avoid such situations in future, and strengthens one's dispositions of character to accept moral responsibility.

Our emphasis on productive, emotional and tragic dimensions of wisdom supports a narrative mode of understanding wisdom. Previous research on wisdom focusing on identification and narration of wisdom in oneself and others (Gluck et al. 2005; Yang 2008) have demonstrated the importance of narrating wisdom-related stories and its link to personal events. By asking the tragic question, we depart from individualising the question of wisdom (i.e. is the person wise?) and move towards understanding wisdom relationally. This has two important implications for future research. Firstly, we suggest that future research can identify and frame situations as tragic. At present, organisational scripts focus on the obvious question and have routinized responses in the form of *apologia*. By identifying situations as tragic, organisations can attempt to have 'good conversations', understand why we find ourselves in tragic situations and find ways of collectively reframing such situations. Secondly, asking the tragic question in organisations is a public act which commits the organisation, not just the people involved at the time of decision-making, to accept moral responsibility towards those that were wronged and find ways of righting those wrongs. In this sense, organisational wisdom, unlike individual traits, skills and competences associated with wisdom, refers to public narration of moral responsibility. Future research can explore the ways in which organisations can publicly accept moral responsibility. Research could examine how corporate wrongs are kept alive in organisational memory through stories and commemorations.

Our emphasis on the tragic question also suggests future direction for research on the individual person facing the tragic situation. In the Ford Pinto and abortion pill examples, the tragic question was most pressing on Gioia and Sakiz, respectively. We suggest that future research could investigate how individuals are attuned to morally salient issues and how they are perceived by others for raising the tragic question. As Nussbaum argues, "to attend a tragic drama [is] not to go to a distraction or a fantasy, in the

course of which one suspended one's anxious practical questions. It [is], instead, to engage in a communal process of inquiry, reflection and feeling with respect to important civic and personal ends" (Nussbaum 1990, p. 15). For Nussbaum the "conception of moral attention and moral vision finds in novels its most appropriate articulation" (Nussbaum 1990, p. 148). This has implications for how management education uses literary texts in developing moral perception (Badaracco 2006). We have alluded to literary texts such as the Mahabharata, but future research could include other "cultural crystallizations of wisdom" (Staudinger and Gluck 2011, p. 216) such as folktales and stories that sensitise perception.

Future research could also examine the role of others in raising the tragic question. If, as we have argued in this paper, emotional response that produce and attest to human virtues anew are central to wisdom, this raises important questions about how others perceive such responses. Literature on whistle-blowers indicates that virtuous actions are perceived negatively by colleagues (Near and Miceli 1996). For example, Moberg (2006, p. 416) notes that Cynthia Cooper, the whistle-blower in the WorldCom case, was treated poorly following the departure of the convicted CEO and CFO. Rather than see her act as wise in terms of standing up for the human virtue of honesty, "her salary was frozen, her auditing position authority was circumscribed, and her budget was cut". This raises interesting questions for future research. For example, do colleagues see virtuous actions as betrayal as in the whistle-blower cases? Is there a difference between how wisdom (defined as production of human values) is perceived by people close to the person as opposed to distant perceptions of wisdom? Production of human virtues is not a singular act. Instead it is a process that develops over time until the person feels that it is appropriate to take a stand. For example, we may face tragic questions on a daily basis. However, most situations may not have the moral intensity (Jones 1991) to lead to asking the tragic question. Future research could explore the challenges individuals face over time in terms of asking and responding to tragic questions in organisations.

Conclusions

We contribute to the wisdom literature by presenting the importance of asking and responding to the tragic question. For us, learning to be wise implies being vulnerable to the tragic question. We have argued that the tragic question raises three key issues. Firstly, we have argued that wisdom, rather than highlight doing the right thing, is an acceptance that acting responsibly may lead to doing the wrong thing. Tragic situations present a choice between wrong and wrong, and recognising such choices are as important, if not more so, than addressing the obvious question. Secondly, by asking the tragic question, we are emotionally aware of morally salient aspects of a situation. Tragic questions enable us to perceive and attend to moral issues rather than side-line them. Thirdly, we argued that tragic questions demonstrate a commitment to producing and attesting to human virtues anew. Although we find ourselves in a tragic situation, it presents us with an opportunity to recognise and acknowledge wrongdoings and gain personal and organisational wisdom.

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