Conceptualising managerial and leadership wisdom - how many wise managers and leaders do you know?

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ABSTRACT

The term 'wisdom' is used frequently in terms of managerial and leadership functioning and development. However, when asked 'How many wise managers and leaders do you know?' most people struggle to firstly name people and secondly, to explain what 'wise or wisdom' means because they tend to consider wisdom from a particular paradigm – philosophical, spiritual, cultural, psychological or ethical. This conceptual paper raises different perceptions of the meaning of 'wisdom' before broadly critiquing literature that deals with wisdom in terms of philosophical, spiritual, cultural, psychological and ethical constructs. This leads to summations that wisdom is largely contextual – someone might be considered wise in one context but not in another – and that a knowledgeable person is not necessarily a wise person. However, wisdom appears to comprise elements of knowledge, integrity and compassion. The paper then discusses wisdom as an ethical construct in management and leadership and concludes with a conceptual discussion of the vexed question 'can wisdom be developed?'

PERCEPTIONS OF WISDOM

This paper starts in an unorthodox way by asking the reader three blatant questions which underpin the conceptual discussions. How many wise managers and leaders do you know? What is wisdom? Can wisdom be developed?

Looking at dictionary definitions of wisdom, it is typically defined as 'the knowledge and experience needed to make sensible decisions and judgements, or the good sense shown by the decisions and judgements made' (Encarta Dictionary 2001). This, however, is nothing more than a definition designed to give some meaning to a word which is broadly used in everyday language. If asked to define wisdom, most of us would come up with some form of coherent answer based on a formed opinion, or someone whom we consider to be a 'wise' person. The Encarta dictionary (2001) also defines wise as 'a way or manner' which is often synonymous with prudence. Zagzebski (cited in Small 2003:8) wrote, 'wisdom has clear moral dimensions, thus wisdom unifies the knowledge of the wise person, but also her desires and values'. A theoretical definition of wisdom and its operation, meaning good judgement and referring to expert knowledge, was developed by Baltes & Smith (cited in Small, 2004: 755). Meacham (cited in Small, 2004: 755) argued that the essence of wisdom was

not in what was known but in how knowledge was held and put to use. He defined wisdom as an attitude towards beliefs, values, and knowledge.

There are five broad areas in which the concept of wisdom features prominently. The first is philosophy, which explores the application of sound judgement concerning knowledge. The second is spiritual, which associates wisdom with a path to a higher level of consciousness, that is, beyond self. The third considers how wisdom pertains to culture, particularly within indigenous groups. The fourth is psychology, and especially when wisdom is considered as tacit knowledge. The fifth is ethics, and especially ethical behaviour and virtues. It is on this latter area that this paper will mainly focus; however, some consideration of the philosophical, religious, cultural and psychology literature dealing with the term 'wisdom' is a necessary starting point.

PHILOSOPHICAL WISDOM (AND BEING KNOWLEDGEABLE)

According to Small (2004), before it was claimed by psychology, wisdom was linked to the early classical philosophers. He states that during this period of influence by the philosophers of the classical era, wisdom was a simple quality associated with making good judgements. The early Greeks differentiated between 'theoretical wisdom' and 'practical wisdom', and possessing wisdom implied a strong element of judgement (Small, 2004).

Philosophical or 'theoretical wisdom' and prudence or 'practical wisdom' are the areas that Aristotle (cited in Small, 2004:753) addressed in 'Nicomachean Ethics'. Aristotle (cited in Small, 2004: 757) and Maxwell (1984) brings to light the rational and the moral components that distinguish wisdom from knowledge. They espouse that knowledge may give us the right answer; however, wisdom helps put in order a better way of living and is concerned with action in relation to things that are good and bad for us. Aristotle (cited in Rensenbrink, 2004:199) viewed wisdom as a philosophic activity based on contemplation aimed at developing a profound awareness of the world.

According to Bierly, Kessler & Christensen (2000) wisdom is an action-oriented concept, useful in the application of appropriate organisational knowledge during planning, decision making, and implementation stages. They perceive wisdom as the ability to best use knowledge for establishing and achieving desired goals. Being knowledgeable is one component of wisdom. The other is demonstration of sound and sincere judgement regarding conduct (Bierly et al, 2000). A wise person holds justified true belief and uses their insight to practically apply it, thus wisdom is evident in the quality of reflectiveness and decision (Bierly et al, 2000).

In classical times, according to Small (2004), wisdom appears as the goddess *Pallas Athena* in Greek mythology and *Minerva* in Roman mythology. The link between wisdom and deity is also apparent in Judeo Christian theology and Buddhist teachings.

SPIRITUAL WISDOM (AND COMPASSION)

Historically, spirituality has been rooted in religion but within organisations it is not associated with any religious tradition but rather awareness within (Korac-Kakabadse, Kouzmin & Kakabadse, 2002). Exploring the place for spirituality within secular circles, however, is not a cutting edge idea and its use within the organisation has been examined by Biberman & Whitty (1997). They have identified that organisations in both Japan and the USA have shown an interest in spirituality and spiritual values. Spiritual leadership draws on the Eastern philosophies of Taoism and Confucianism that encourage one to display a moderate ego and demonstrate wisdom (Korac-Kakabadse et al, 2002). They further add that the spiritual leadership movement encompasses the leadership servant, stewardship, and empowerment models. They conclude that the spiritual leader is a moral leader. Moral leadership, according to Daft (2002), concerns distinguishing right from wrong by seeking to practice just, honest, and good conduct. In his writings on knowledge and justice, Plato (cited in Small, 2004) saw justice as the general virtue of the moral person.

In the Bible the proverbs of Solomon son of David, King of Israel, penned some 3000 years ago, highlight to the reader both the importance and need for wisdom. 'For the Lord gives wisdom; from

his mouth come knowledge and understanding. When wisdom enters your heart, and knowledge is pleasant to your soul, discretion will preserve you; understanding will keep you, to deliver you from the way of evil, from the man who speaks perverse things' (Proverbs 2:6 & 10-12). Solomon is revealing to the reader that wisdom has a base in spiritual belief - there is a link between wisdom and knowing God. Seeking wisdom in God will result in integrity and right judgement. The value of wisdom is also reflected in Solomon's words 'Receive my instruction, and not silver, and knowledge rather than choice gold; for wisdom is better than rubies, and all the things one may desire cannot be compared to her' (Proverbs 8:10-11). Solomon's perception was that the worth of the world's most precious metals and stones diminishes in comparison to that of wisdom.

In the non-Christian domain, Preston (2006:301-2) talks about '…in the process Buddhists call "moral mindfulness", we may find a certain discerning wisdom, a faculty that is almost mystical, beyond ethics in a sense. This wisdom also recognises how our tendency to fix on enlightened self-interest may subject our ethical reasoning to self-deception'. Wisdom is a theme the Buddha chose to teach his followers of the path to Enlightenment (Sangharakshita, 1998). The many sides of human nature are represented in Buddhism by the 'Five Spiritual Faculties' – faith, energy, mindfulness, meditation, and wisdom (Sangharakshita, 1997). In Buddhist literature the word that is translated to mean wisdom is *prajna* which is said to be knowledge proper - wisdom that is free from greed, hatred, and delusion (Sangharakshita, 1998). Dr Ambedkar (cited in Sangharakshita, 1998:201) states that, 'wisdom without ethics is dangerous, that is, and prajna in the sense of intellectual knowledge is like a sword in the hand of an angry man'. This may be because knowledge is made up holistically of both tacit and explicit elements.

PSYCHOLOGICAL WISDOM (AND TACIT KNOWLEDGE)

Tacit knowledge is generally associated with knowing how, whereas explicit knowledge is knowing about (Spanos & Prastacos, 2004). Explicit or theoretical knowledge, as it is also referred to, is linked with skill acquisition (Spanos & Prastacos, 2004). However, possessing explicit knowledge alone, or 'knowing about', does not constitute wisdom. Various authors (Heath, 2003; Spanos & Prastacos,

2004) state that tacit knowledge is often expressed in terms of being 'embodied knowledge' or a process of thinking. It is often associated with expertise as actions and judgements are made without focused attention on the principles or rules involved in the action (Spanos & Prastacos, 2004).

Sternberg (cited in Small, 2003:7) stated that 'he would like to produce a definition of wisdom and then develop a scale to measure its achievement'. He makes this statement because he is of the opinion that psychologists will not totally comprehend what wisdom is but that certain processes could be implemented to aid in an increased understanding. This suggests that fathoming wisdom is not about arrival at the final destination but more about the journey of discovery. Sternberg (cited in Small, 2004:755) also described wisdom as an integrative aspect of human life and he believes that it brings together experience and cognitive abilities to allow good decisions to be made at both the individual and societal levels.

We belong to the genus *homo sapiens* which means wise man and our use of wisdom or the lack of it can have telling effects (Small, 2004). If we cherished wisdom as we do riches then perhaps decision making would reflect a mindset based on a vastly different value system, as it is in cultures worldwide.

CULTURAL WISDOM

In traditional 'tribal' societies, wisdom has been based on a deep knowledge of song, social norms, and a personal ability to balance competing forces for the benefit of the group (Lepani, 1998). Organisations, like tribal groups, are made up of complex human beings all who are affected by the decision making process and competition for resources.

Culturally, wisdom differs across the globe. In indigenous people groups such as the Canadian Inuit, Southern African Bushmen, and Australian Aborigine wisdom is defined differently to the definition it is afforded in Western civilisation (Small, 2004). From a cultural perspective, it is the ability to utilise accumulated knowledge and make right judgements relating to life and conduct that makes one wise (Small, 2004). Johnson (cited in Lepani, 1998:4) described an Aboriginal elder as one who carries the

knowledge of the tradition and wisdom of the heart, walking in truth and dignity no matter how poor. Lepani (1998) believes that wisdom is a quality recognised in many Aboriginal elders. It is in their actions that wisdom is manifested. Rather than becoming consumed with anger or depression the elders continue to hold out the hand of friendship and reconciliation.

ETHICAL WISDOM (VIRTUES AND INTEGRITY)

Aristotle (translated by J.A.K Thomson) determines that virtue is divided into classes in accordance with the differentiation of the soul. Some virtues are called intellectual and others moral - Wisdom and Understanding and Prudence are intellectual and others such as Liberty and Temperance are moral virtues. When we are speaking of a person's 'ethos' we do not describe them as either wise or understanding but as patient and temperate. We do, however, praise a wise person on the ground of their state of mind and those states that are praiseworthy we call virtues. Aristotle further writes that Moral Virtues, like crafts, are acquired by practice and habituation. He continues that Virtue, then, is of two kinds - intellectual and moral. Intellectual virtue owes both its inception and its growth chiefly to instruction (teaching/learning), and for this reason needs time and experience. Moral goodness, on the other hand, is the result of habit. Moral Virtues, then, are engendered in us neither by nor contrary to nature - we are constituted by nature to receive them, but their full development in us is due to habit.

From early childhood we are taught through family, schooling and religious training the virtues under which we are expected to live our lives by habit. Similarly, the State in which we live makes rules or laws by which we are expected to abide to enable us all to live together in a harmonious arrangement. More recently within the business world, organisations (both state and private) have introduced Codes of Conduct and definitions of Ethical Behaviour to be implemented and practiced by leaders and subordinates. Why has this become necessary? One view is that this appears to have been brought about to standardise expected behavioural practices because of the many and varied family and religious backgrounds evolving from within a multicultural society that have blurred what has been accepted as 'the norm' in a single secular society. Preston (2006:303) provides a more grounded view

that 'despite signs of hope, the history of our times underlines the moral ambiguity of the human condition in which the human capacity to determine what we *can* do repeatedly outstrips our ability to decide what we *ought* to do.'

Broadly applied, ethical behaviour can be characterised by honesty, fairness and equity in interpersonal relationships where honesty represents truthfulness and sincerity, fairness represents justice in accordance with the proscribed laws, and equity represents unbiased dealings. Preston (2001:212) concludes that '…cultivating the ethical life, a life of responsibility, wisdom and integrity, requires integration of multiple dimensions of the self: the intellect (the cognitive), the emotions (the affective), the will (the conative), and what Carl Jung and others call "the inner life" or the "life of the spirit".'

WISDOM AS AN ETHICAL CONSTRUCT IN MANAGEMENT AND LEADERSHIP

The ability to motivate and communicate well can be regarded as essential to leadership but integrity most certainly impacts on leadership effectiveness. Integrity means that one is whole and provides a welcomed openness for followers (Daft, 2002). It encompasses truthfulness and non-deception and implies actions will match words (Daft, 2002). The old cliché 'practice what you preach' is an important one. Leadership action can be perceived to be more believable if the leader can be trusted. Trust is developed through a normative approach, that is, ethical behaviour is assumed to be standard practice or via a pragmatic approach and is acting in the correct manner is in the best interest of the leader (Small, 2003). Integrity provides a path of opportunity for a leader to get things done through their ability to lead by example and be a role model for their followers. A leader must know what they stand for and put what they say into practice. Smith (1997) reiterates this point. He states that actions show employees what is really important to their leaders. They carry mental yardsticks by which they will measure the differences between what their leaders say and do. Small (2003), however, suggests that those responsible for managing staff do not have to be sincere or believe in what they are doing. He suggests that as long as there is a perception of fairness and ethics then subordinates are more likely to respond to them on that basis.

Do subordinates need to be clear about management and leadership functions? Hirsch (2000, p.49) points out that 'leadership is an extension of personality' and espouses that management and leadership are two separate issues and perhaps organisations need to be thinking about putting both into place. Smith (1997) also believes this to be a valid point and declares that management and leadership are by no means synonymous. A rapid change to the organisational environment calls for more than managers. Understanding the role and functions of leadership is becoming a more important intellectual task crucial to the survival of social institutions than management of control systems (Korac- Kakabadse et al, 2002). The focal point of management is on objects and procedures that produce the goods and services for the organisation (Daft, 2002). Leadership, however, is based on motivation and inspiration of the organisation's human resources (Daft, 2002) and there seems to be a general assumption that it is the leaders in organisations who will provide the wisdom needed for survival, growth, renewal and prosperity.

With the need for organisations to adapt and reinvent themselves more readily, a requirement for leaders is to learn quickly and refine their assumptions, beliefs, and mental models (Yukl, 2002). Early research undertaken by Sternberg (1986) into the perceptions and constructs underpinning wisdom, intelligence, and creativity revealed a correlation of 0.68 between wisdom and intelligence and 0.55 between intelligence and creativity. This link between knowing and understanding why is referred to by Millett and Harvey (1999) who suggest that it is the crossing point between actively perceiving the world and intelligently structuring that world that reflects the way leaders learn and act. Mant (1997) also explores leadership in terms of intelligence, the changing for the better through a new and cleverer way of thinking and doing. He suggests that when something works because it makes sense, self-motivation and stimulation occurs which ultimately leads to increased interest and creativity. Creative thinking in organisational learning has led to certain spiritual practices such as meditation and an increased interest in intuition and whole brain thinking (Biberman & Whitty, 1997). Spirituality promotes passion, which in turn grows with the belief that one's work has meaning because passion influences pride, commitment, and energy (Bierly et al, 2000).

Senge (cited in Korac-Kakabadse 2002: 167) identified a decade and a half ago the need for *mentanoia* – a shift of mind - if organisations are going to make the transformation into learning organisations. Garvin (cited in Kane 2000, p. 35) proposes that the learning organisation attempts to create, acquire, and transfer knowledge and through modified behaviour, displays this new knowledge and insight. What about the learning manager? Wisdom requires the attainment of knowledge, modified behaviour, and displaying of new insight. The first and foremost aspect of managing knowledge, according to Dove (1999), is learning – what to learn, when to learn, and who should learn. If knowledge is retained and applied within an organisation, there is often an improvement in performance due to the positive effect on the learning curve (Sheen, 2000). It is therefore important for knowledge to be managed and how this is achieved is heavily influenced by leaders.

Wisdom though, is more than just knowledge - it is also reflected in choices and actions. People in management positions are expected to make wise (that is prudent) sensible, and ethical decisions, in the course of their work day (Smith, 2004). Leadership literature emphasises wisdom as both a desirable and even essential characteristic of executive leaders (Boal & Hooijberg, 2001).

(MANAGERIAL AND LEADERSHIP) WISDOM IS CONTEXTUAL PLUS…

Wisdom is seen as something to be valued as an ability that surpasses the conventional notions of intelligence to include the moral, social, and practical dimensions of solving problems in expert fashion (Baltes & Staudinger, 2000). This can be exemplified by the example in recent times of the National Australia Bank (NAB) reporting record profits in the vicinity of $2.54bn, yet despite this, announcing that they intend to reduce the organisation's workforce by 2000 employees (The Age, 2005). According to Werner & DeSimone (2006), forces that are external to the organisation are usually responsible for the need to reduce the workforce through downsizing. Yet despite the widespread use of downsizing by a large number of organisations in the past twenty-five years, there is still little solid evidence that it is an effective business practice (Werner & DeSimone, 2006). Brandt (cited in Korac-Kakabadse et al 2002:170) suggests that downsizing, re-engineering, and re-

structuring not only result in numerous lay-offs, but they also transform organisations into unfriendly places. Reducing human resources certainly goes against Hansen (1996) who regards staff as the last remaining competitive edge possessed by an organisation.

It does not seem either sensible or ethical to cut people's livelihoods in the light of such high profits. Where are the moral and social dimensions in this decision? It seems very pragmatic – a decision based on the 'bottom line'. In terms of intellectual knowledge it makes sense to reduce wages and increase profits. But where is the wisdom in such a decision? From the viewpoint of those concerned with human resource management, the wisdom of this leadership decision at NAB might be questionable. However, when this decision is critiqued from the shareholders' viewpoint, downsizing can be seen as a means to more efficient organisational practice which will result in even better dividends. For shareholders, this may well be judged as wise management in this example. It would seem that what is wise can be both contextual and perceptual.

The decision making at the NAB is contrasted by that of Merck & Co. In the late 1970's the CEO Roy Vagelos made an executive decision to approve the development of a drug aimed at curing river blindness even though it would not make any money for the organisation and its shareholders. The decision was based on the organisation's motto 'health precedes wealth'. This decision was seen as irresponsible and violating the fiduciary trust of the shareholders by some but Vagelos believed that focusing on the organisation's guiding mission would reap future rewards. Vagelos was right. Merck's reputation soared thereby helping the organisation to attract some of the world's best scientific researchers (Daft, 2002). This incident highlights how a moral leader makes a judgement that incorporates ethics and wisdom.

In the context of managerial and leadership wisdom, the debate tends to focus on knowledge rather than the context. In keeping with the perceptions of wisdom, whether they are philosophical, spiritual, cultural or psychological, there is undoubtedly an ethical and reflective component associated with wisdom that differentiates it from knowledge alone. This is what is evident in the Merck & Co case.

In this situation we see wisdom not only in its definition but in the outcome of the decision, that is, it is in a context. Kekes (cited in Small, 2004:755) observed moral wisdom as a virtue essential to living a good life. To him moral wisdom is the capacity to judge rightly what should be done in a particular situation. We make life better by evaluating both the knowledge of the situation and the judgement which helps us to make the decision.

CAN WISDOM BE DEVELOPED?

Why then is someone seen to be wise? The name of the Dalai Lama, for example, is synonymous with wisdom. Is it because he is a gentle old man in an orange robe? What about the young Dalai Lama - was he not also seen to be wise? Perhaps it is because of his devotion to a life based on both the seeking of and giving of 'wise' instruction. Matthews (1998) identifies a common mistake as thinking of wisdom in relation to maturity rather than as a function of mindset. However, he points out that it is more likely to be found in older people. The book of Job states that 'the aged are not always wise' (Job 32:9). Apart from two-year olds and pubescent teenagers, the rest of society is more likely to associate age with wisdom. How many of our parents have told us that the greying of their hair signals that they are becoming wiser. The correlation between time and wisdom could be attributed to the fact that our opinions and mindsets tend to change with the accumulation of experience and knowledge that allows us to make better informed decisions. If, as Matthews (1998) says, wisdom is a function of mindset then in terms of leadership and management development perhaps this should be the focus. Birren & Fisher (cited in Matthews, 1998:211) concluded that a wise person has learned to balance the opposing aspects of behaviour – cognition, affect and volition. They weigh up the knowns and unknowns, resist overwhelming emotion while maintaining interest, and choose carefully where to take action. Wisdom is related to all human activities and brings to each of them a dynamic that is both critical and creative (Rensenbrink, 2004). This dynamic can be described as the promise of learning – learning the way of doing, learning the way of being (Rensenbrink, 2004).

It is evident in Faith, that wisdom is able to be learned and is based on the idea of changing one's mindset. From the Christian perspective, the aim is to seek wisdom and know God. Buddha also

revealed that the 'Path to Enlightenment' was a journey to Buddha hood and is achieved via the Noble Eightfold Path which involves the development of Right Mindfulness. Islam teaches followers to observe disciplines such as fasting, which are designed to train and teach wisdom. Confucianism draws on the ideal of inner-change, utilising reflection to develop one's self. When one embarks on a spiritual journey one steps out and embraces a new way of thinking that requires the application of wisdom in some form. An important aspect of the spiritual journey is that poor judgement and back-sliding is inevitable because, after all, we are still only human and not yet perfect. The journey itself is as much a part of achieving the outcome, as the apostle Paul refers to 'running the race that is before you whilst aiming for the prize' (Heb 12:1-2). An inference that can be drawn from this is that there might be different levels of wisdom, as well as it being contextual.

Plato initiated one of the first leadership training centres in the fourth century BC in an effort to create a new type of statesman, one who would be able to withstand the unwieldy pressures of office (Korac-Kakabadse et al, 2002). Smith (2004) raises the issue of the need for the study of wisdom in management development programs. Mentoring is an excellent development tool that managers can utilise for both self and peer development. What is significant with regard to the mentoring relationship is that it equips both the career (external focus) and psychosocial (inner focus) functions (Whitely & Coetsier, 1993). From the career development perspective, a mentor typically provides the protégé with career support, challenging work, and creating potential opportunities, whereas in the psychosocial role the mentor supplies friendship, counselling, and positive role modelling (Whitely & Coetsier, 1993). It is this inner focus where the potential to train or develop wisdom lies. In Homer's 'The Odyssey' (Homer: Revised translation by Rieu, 1991), Odysseus appointed his wise friend the philosopher Mentor as guardian to his son, Telemachus. During his absences from Greece, Odysseus relied on Mentor to guide and teach his son, knowing that Telemachus would receive wise instruction. The ancient Greeks realised the importance of wisdom in training. In the 21st Century a popular theory of business mentoring is based on the idea that by associating with senior employees who have achieved success, junior employees will be provided with better learning opportunities (Nankervis et al, 2006).

Blending cultural and spiritual practices with a leadership and management development mentoring program may be a way in which wisdom can be transferred within the organisation hierarchy. From a socio-cultural perspective it is the ability to utilise accumulated knowledge and make right judgements relating to life and conduct that makes one wise. Spiritual practices such as self reflection are conducive to wisdom building. An academic program certainly teaches the explicit knowledge needed to understand relevant skill and higher learning. Learning wisdom, however, requires a deeper level of comprehension. One would be hopeful that there is an abundance of tacit knowledge accumulated within an organisation's leaders and management. Learning wisdom and nurturing wise decision making is more likely to occur by having both wise people to be learned from and putting people in places where they can learn to become wiser. Mentoring provides an avenue for the dissemination of knowledge but to train and develop wisdom, the focus needs to encompass more than just knowledge. The organisation requires a shift that encourages not only sensible judgement but that which has clear moral dimensions. However, assuming that wisdom might be able to be developed through mentoring, is it then transferable from one context to another and especially if either the mentor or mentee moves?

The learning process consists of linking, expanding, and improving information, data, knowledge and wisdom (Bierly et al, 2000). To be wise, according to Bierly et al (2000), requires the strength of belief to make it happen. This, they say, is because wisdom includes action and one needs to have the drive and courage to overcome personal, social, and institutional barriers in order to implement the 'right' strategy. Wisdom looks at learning in relation to life itself and is a response to the experienced world of the person (Rensenbrink, 2004). To train in wisdom, according to Lepani (1998), there is a need to engage all three levels of the mind – conceptual, deeper poetic, and inner pure awareness. This enables a link between cognitive and emotional intelligence and therefore, makes wisdom leadership development deeply experiential and reflective (Lepani, 1998). Plato emphasised competence, control, and reasoning in his writings on education. Small (2003) sees this as being relevant to training potential senior managers. However, the underlying premises that have emerged

throughout this paper suggest that in terms of managerial and leadership wisdom, as well as being contextual, there are three significant components - knowledge, integrity and compassion - that go together to comprise wisdom in any context.

CONCLUSION

When seeking to define and explain wisdom, a dictionary will only give an explanation based purely on the literal meaning of the word. To find a more comprehensive meaning, it is essential to draw on the perceptions offered by philosophical, religious, cultural, psychological and ethical perspectives of wisdom. This reveals that wisdom, as a construct, is largely contextual and that having knowledge does not make one wise - only knowledgeable. However, wisdom appears to comprise elements of knowledge, integrity and compassion regardless of its context. Managerial and leadership wisdom is reflected in the judgements, choices and ethical considerations associated with a knowledgeable decision.

The ever increasing need for leaders and managers to possess greater knowledge and to perform well in an increasingly sophisticated and complex world highlights the necessity to understand wisdom and how it is associated with decisions affecting their immediate group. What remains unanswered at the end of this paper is whether there are levels of wisdom and whether wisdom can be transferred from one context to another.

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