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Katalin Illes: Developing Wise Leaders

Managing and Teaching Business Ethics: Global Trends and Challenges Conference, 13-16 May 2018, The Lassalle-Institut, Zug, Switzerland

Abstract

Few would doubt that the world needs wise leaders. It is more difficult to agree on how one can develop wisdom. Can it be part of one's education or is it something that we are expected to grow into through trial and error and by reflecting on our decisions and their consequences? Can we expect Business Schools to take on the responsibility of developing wise leaders or do we need to venture beyond the walls of academia and partner with social entrepreneurs, community leaders and change agents who want to make workplaces and society a more human and nourishing environments?

This proposition paper argues for a critical review of business education with particular emphasis on the purpose of what we do and shift the emphasis from offering explicit knowledge to assisting the development of a less tangible inner knowing of individuals. Creating space and time for character formation and discussing ethical dilemmas is a powerful way to equip course participants for the challenges of the workplace where high level of ethical awareness and strong virtues are necessary for wise decision making.

It is fairly easy to develop an appreciation for ethical standards, long-term planning, responsible leadership, sustainable development and fair distribution of resources. It is more challenging to move from appreciation to consistently high level of ethical awareness and virtuous behaviour. Business education is still in its infancy when it comes to offering stimulating, safe environments and role models for personal growth and character formation.

The author shares some auto-ethnographic reflections and observes that business school faculty members are not necessarily comfortable with the idea of moving from lecturing to close and personal discussions with students where sharing one's doubts and mistakes are part of the teaching and learning process.

The paper recommends small changes. When these are embedded in the culture they can make a big impact over time. Initiatives need to be specific and realistic to raise awareness about the institution's lived values and potentials. Only when we are clear of our purpose and aspire to give more of our virtuous selves are we fit and able to develop wise leaders.

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Introduction

The global financial crisis, regularly reported fraud cases and leadership misbehaviour raise some serious questions about the current practices of business schools and the value of business education to society. Prominent business scholars and practitioners argue that something is deeply problematic in business education today.

This paper calls for a critical review of business, management and leadership education and urges business schools to consider the fundamental questions around purpose and meaning. What is the purpose of business education? How could business schools develop a whole person and equip candidates both with instrumental and value rationalities? What needs to happen in business schools to ascertain that graduates leave not only with a qualification but also with a desire for lifelong learning, with an open mind, a curious intellect, a commitment to serve a higher purpose and contribute to a greater good? These are not easy questions and there are no quick-fix solutions. However, unless we pause to ask these questions and seriously consider the purpose and responsibilities of business schools and business educators we keep on delivering an education that is not fit for purpose and in some instances can have long term negative consequences.

The first part of the paper refers to some prominent business scholars and their concerns about business education.

Then following Flyvbjerg (2001) it will be argued that social sciences should not copy the methodologies and measurements of natural sciences. We need to appreciate the valuable differences between the two fields and make full use of the advancements in both fields in our educational processes.

The idea of wisdom and relevance of wise leadership will be explored followed by some examples of the author's teaching practice to illustrate how free space, reflection and student initiatives can lead to personal transformation and whole person education within the context of business education.

The paper suggests small changes in the curricula and connecting business and leadership education to society and organizational life. By promoting wisdom within the operation of business schools and devoting time to discuss with colleagues the real purpose of our work we have good opportunities to grow and to live and demonstrate what we are trying to teach.

Critiques of Business and Management Education

There is no shortage of criticism when it comes to business and management education.

Top business schools of the world produce leaders who take up high positions in all fields of the economy and society. Their actions have impacts on a global scale as the financial crisis of 2008 so acutely demonstrated. Those accountable for the fraud, manipulation and irresponsible behaviour were smart individuals with excellent business qualifications. Unfortunately they used their talent for personal and collective gain and disregarded ethics, morality and the financial consequences of their reckless actions. They created hardship and misery for millions of people, ruined large corporations and threatened the livelihood of many communities.

“Bad Management Theories Are Destroying Good Management Practices” by propagating ideologically-inspired amoral theories, business schools have actively freed their students from any sense of moral responsibility (Ghoshal 2005: 76).

Ian I. Mitroff (2004) claims that business school faculties are at best guilty of having provided an environment where corporate misbehaviour could take roots and flourish. At worst they are guilty of being active accomplices and co-conspirators in criminal behaviour. Mitroff argues that business schools promoted:

- (i) a mean-spirited and distorted view of human nature (by assuming that humans are completely and entirely ruthless, motivated solely by greed, and purely opportunistic);
- (ii) a narrow, outdated, and repudiated notion of ethics (materialistic egoism);
- (iii) a narrow and highly limited definition of the role of management (management is about making money and can be captured solely in economic terms);
- (iv) an overly reified conception of the sub-disciplines of management (a fragmented and separated division of interrelated issues);
- (v) a sense of learned helplessness and hopelessness among business professionals regarding control of their lives (maintaining an attitude that they have no power to change the system in which they find themselves). (quoted in Illes & Zsolnai, 2015)

O’Higgins and Pesqueux (2008) believe that management education as presented in the medium of business schools has acted as a cheerleader for the management models and practices. This is manifested and reinforced by (i) the managerialist perspective; (ii) deference to powerful stakeholders, especially companies/prospective employers of students, and students themselves as ‘consumers’; (iii) simplistic tools and formulas to train students; (iv) academic tenure and promotion systems; and (v) the extremes of populists and pedantic science.

Shrivastava (2011) argues that at present, most business schools teach corporate leaders the art of making money and fail to examine fair corporate governance. It is not surprising that corporate managers, educated without adopting an ethical viewpoint, do not have the framework to address the moral outrage over the societal and environmental impacts of big business that led to the growing criticism.

Leadership and Wisdom

Leadership is one of the most discussed and most researched phenomena. There is no shortage of definitions, models, frameworks, lists of competencies and qualities that are required from effective, efficient, charismatic and successful leaders. There are larger than life CEOs with larger than life egos and astronomical remuneration packages who seem to be infallible until they fall and disappear from the limelight. And there are quiet leaders across organisations. They work in challenging situations and negotiate through complex relationships.

“Never have so many laboured so long to say so little. Multiple interpretations of leadership exist, each providing a sliver of insight but each remaining as incomplete and wholly inadequate explanation.” (Bennis and Nanus, 1997 p.4)

Why is it so?

Maak and Pless (2006) suggest three reasons why there are so many discrepancies about leadership:

1. It is assumed that people who take on leadership positions have a high sense of responsibility so they do not need guidance.
2. Leadership is often mixed up with management and the leader is someone who motivate others to do things effectively
3. There is *an industrial paradigm* (Rost, 1991) in leadership research. It imposes a leadership effectiveness focus on researchers and it denies that leadership is a normative phenomenon.

It assumes that leadership research is value-free. As a leader one is expected to behave ethically but it is treated as a given, something that comes through upbringing and education so it has no room in scientific research.

In recent decades, leadership theory has embraced the dynamics of ‘leading’ people as a relational, continuously evolving social phenomenon. Some theories have approached leadership as driven by complex communication (Rindova et al., 2006). Others have explored institutional forces that constrain the decision-making power of individuals in executive positions. There are also accounts of the dark side of ‘good’ leaders (Bass & Steidlmeier, 1999). Recent developments in leadership theory have accounted for the critical role of followership and focused upon the concepts of the servant leader (Grint, 2005; Spears & Lawrence, 2002), humility (Morris et al., 2005; Owen & Hekman, 2012; Argandona, 2015), moral values (Gerard, 2017), spirituality (Fairholm & Fairholm, 2009; Cacioppe, 2000), mindfulness (Sinclair, 2012) and wisdom (Nonaka & Takeuchi, 2011).

There is a call for taking a broad view of leadership and include not only high profile roles but also every day cases where people “lead quietly” (Badaracco 2002. 2) at different levels of responsibility. They face dilemmas, ambiguity and need to take action. (Shotter, and Tsoukas, 2014). When one ‘leads quietly’, one needs to consider conflicting values and priorities, there are no pre-established patterns to follow, the context is given and one has to work with continuously evolving events.

Shotter and Tsoukas call for Phronetic leaders who in an Aristotelian spirit demonstrate practical wisdom and prudence. Phronetic leaders developed a “refined capacity to come to an intuitive grasp of the most salient features of an ambiguous situation and, in their search for a way out of their difficulties, to craft a particular path of response in moving through them, while driven by the pursuit of the common good” (Shotter, and Tsoukas, 2014. p.225).

Flyvbjerg (2001) developed a strong argument for basing social science on the foundation of the Aristotelian concept of phronesis. For Aristotle *phronesis* is a “true state, reasoned, and capable of action with regard to things that are good or bad for man.” (Aristotle, 1976. 1140a24-1140b12). “*Phronesis* goes beyond both analytical, scientific knowledge (*episteme*) and technical knowledge or know-how (*techne*) and involves judgements and decisions made in the manner of a virtuoso social and political actor. ...*phronesis* is commonly involved in social science, and that therefore attempts to reduce social science and theory either to *episteme* or *techne*, or comprehend them in those terms, are misguided.” (Flyvbjerg, 2001. p. 2).

Aristotelian approaches have long promoted the responsibility of practical wisdom and an inherent capacity to judge as the fundamental conditions for ‘good’ leadership. Nonaka & Takeuchi (2010) define wise leadership as the ability to handle situations, share knowledge

and stimulate values, rather than just achieving performance results. However, this wisdom, founded on such values, does not have the same effect within many contemporary contexts as cleverness – that is the demonstration of specific technical knowledge. As Revans remarked: “The Clever man will tell you what he knows; he may even try to explain it to you. The wise man encourages you to discover it for yourself even although he knows it inside out himself. But since he seems to give you nothing, we have no need to reward him. Thus, the wise have disappeared and we are left in the desolation of the clever.” (Revans, 1980. p.9).

Revans’ distinction between cleverness and wisdom clearly illustrates the imbalance between the intellectual virtues of instrumental-rationality and value-rationality. Redressing the balance is timely as value-rationality is vital to the happiness of citizens in any society (Flyvnjerg, 2001).

Although some authors use qualitative methods and probe into the complexities and the nature of leadership with the help of narratives, observations and stories many of the studies both in the field of leadership and wisdom use quantitatively analysed data in searching for the right ingredients of highly effective leadership.

Sternberg (2003) argues that to be a highly effective leader one needs to synthesize intelligence, creativity and wisdom. He distinguishes between academic and practical intelligence and argues that tacit knowledge is gained through experience and it is difficult to measure. Creativity enables one to generate ideas and products that are relatively novel, high in quality and appropriate to the task at hand. In his view creativity is a decision so one only needs to decide to be creative if one wants to be creative.

There are many definitions of wisdom. They emerge primarily from philosophy and psychology. The word philosophy itself means the ‘love of wisdom’ in Greek ‘philo’ means love and ‘sophia’ means wisdom. Plato identified three types of wisdom: Sophia, phronesis and episteme. Sophia is practiced by those who seek contemplative life in search of truth. Phronesis is a practical wisdom demonstrated typically by judges, lawyers and statesmen. Episteme is a scientific understanding. (Robinson, 1990 and 1989).

Socrates said that wisdom “consists of realising one’s own ignorance, the knowing of what one does not know.” In the Old Testament, wisdom is characterised by a sense of lawfulness, personified in the wise King Solomon. In Eastern philosophy wisdom is associate primarily with Confucius and the Buddha. Confucius believed that wisdom can be achieved through reflection, imitation and experience. And the Buddha said that wise people are blessed with good bodily conduct, verbal conduct and mental conduct. He taught that “A wise person, does actions that are unpleasant to do but give good results and doesn’t do actions that are pleasant to do but give bad results.” (quoted in Davis, 2010. p. 5.)

Ardelt (2004, 2008) defined wisdom as a personality characteristic that integrates cognitive, reflective and affective personality qualities. He argues that a person has to be willing to learn from life’s lessons and to be transformed in the process in order to develop wisdom.

Gluck and Bluck (2014) defined wisdom as a personal resource used to negotiate life’s challenge. Using their scale (MORE) they measured mastery, openness, reflexivity, emotional regulation and empathy. They argue that the higher one’s score is the more one is able to develop wisdom from life changes.

Davis, R.A. (2010) reflects on his work with executives and offers the following ten intangibles of leadership: Wisdom, will, executive maturity, integrity, social judgement,

presence, self-insight, self-efficacy, fortitude and fallibility. He illustrates his points with brief case studies and examples.

Sauders (2017) argues that leading cannot be explained by a set of virtues, sentences or verbs alone. The act of leading is so complex and continuously changing that it cannot be reduced to some generalised principles it needs to be examined and experienced in practice.

Leadership as Practice (L-A-P)

Leadership theory has been advancing towards an understanding of leadership practice that does not focus entirely on the individual traits of leaders or their actions to explain the sustainability of organizations. Raelin's (2016) edited volume on leadership practice offers the foundations of a new approach to leadership. Leadership as practice "depicts immanent collective action emerging from mutual, discursive, sometimes recurring and sometimes evolving patterns in the moment over time among those engaged in the moment and over time among those engaged in the practice." (Raelin, 2016. p.3.) Here the emphasis is on the practice not the practitioners. It is based on a process perspective and focuses in practice as it unfolds with the underlying belief that leadership occurs as a practice rather than reside in the traits or behaviours of individuals. Leadership-as-practice is less about what one person thinks or does and more about what people may accomplish together. It is thus concerned with how leadership emerges and unfolds through day-to-day experience. This approach is not only driven by a philosophical investigation of what practice theory can offer to leadership studies, it is also linked with a growing body in leadership theory that observes the 'leader' as a humble individual, a servant, or someone who mobilises resources and needs to engage with followers in order to be able to trigger change within complex systems. Such conceptualisation focuses on the need for a leader to go through a process of personal transformation (Blanchard, 1993: 109) and consider organisational life as a member of the community. The leader needs to deal with the moments, situations and emerging events while also being herself/ himself within a context of institutionalised habits and existing routines.

There are three critical aspects of the leader within a practice context: constructing shared meanings, stimulating creative thinking and maintaining a clear ethical consciousness.

Things happen and change happens in unpredictable ways. The role of the leader is to establish a process of sense-making, allowing individuals to understand the events and what they mean to them (Weick, 1999).

Leadership requires humility (Morris et al., 2005) and followership (Ladkin, 2010). The humble leader appreciates the limitations of power and uses power purposefully and wisely. Practice-driven leadership requires the individual to be ethically robust and morally prepared to handle complex events.

Leadership as practice and the resulted leadership characteristics (sense giving, humility and wisdom) leave leadership theory with a wide normative question mark. Is it possible to organise this leadership perspective within a practical and professional framework?

In a structured society where calculability and predictability have dominated social practice it would be hardly surprising to see the dominance of cleverness and the gradual disappearance of wisdom. Professionalization of certain domains of practice is still intrinsically linked to highly structured perceptions of obligations, and a framed view of ethical responsibilities. Herein lies the problem of a prescriptive approach to professionalism. The communicative nature of work and the competing loyalties and responsibilities towards different social

groups cannot be encompassed by a prescriptive code of conduct. Even simpler vocations and social roles cannot be comprehensively and easily placed under a technical framework and a set of guidelines. Leadership is a complex social role that does not fit easily into simplistic technical frameworks or guidelines.

However, scandals and leadership misbehaviour makes it rather timely to raise the questions of standards and professional requirements. Currently there is no professional guidelines and a grossly misbehaving leader cannot be stricken off of the register and banned from practicing leadership in the future.

Is it realistic or even possible for leaders to fit within a professional identity? The structured professionalization attempts of management and leadership usually fail to focus upon fundamental, practical self-identity questions such as: “who am I”, “why and how should I be as a leader”. They also fail to contribute to the ongoing debate on how leaders are currently developed and how they could be better supported within business schools. It is argued (Harding, et.al 2017) that leaders need a more phenomenological and practice-based view of organisations where the focus is on the development of character, of sense making and sense giving, on humility and wisdom as conditions of leadership. Harding (2017) and colleagues argue that leadership is a meta-profession that exceeds the prescriptive nature of the professional identity and imposes different kind of expectations upon the leader.

Leadership as a meta-profession

Leading is a process, always adapting to changing realities in which there is a constant co-development of the leader, followers and the organisation. In this perspective it is not the possession of knowledge, but the ability to share knowledge effectively that marks out the leader (Nonaka & Takeuchi, 2011). This sharing requires a certain mindset and practical wisdom from the leader. Professional leadership consists of a mindset that brings together the leader’s identity, personality and values with the organisational settings and challenges. Whether these personality dimensions are in place, or not, the leader as an individual enters into practice by putting the ‘self’ within a domain of experiences and actions.

A meta-profession is one that constantly and continuously reflects on existing practices, the external environment and the roles within the organisation. In this approach the leader does not resolve problems or change ‘reality’. The leader understands the “logic of practice” or the field of dynamics and applies wisdom and humility in everyday practice. Meta-leadership acknowledges the interconnected and continuously changing nature of organisational and social realities. It draws from the best practices of a whole range of professions and distils their essence into unique individual practices of the individual leaders’ own values, integrity, lived experiences and levels of practical wisdom. Harding et.al. (2017 p. 8.) argue that: *“Leaders are sense-making mechanisms, they provide meaning to complex situations, they enact, they translate ideas into practice and power into influence; in that respect they stand outside the norms of a profession yet their behaviours and decisions impact on all professions”*.

Leadership is a meta-profession as it provides both core and peripheral vision into other management practices and professions. At its best it embraces the professional principles of other disciplines, it highlights gaps and identifies issues within existing professional identities and frameworks and operates with wisdom as a periscope observing the efficiency and sufficiency of people working ‘professionally’ in modern corporations. More importantly leaders are the mechanisms for radical change and adaptation of the professional ethos itself by participating in changing norms and standards when needed with integrity, humility and moral power.

A meta-professional approach leads to the organisation of leadership through a process of ongoing self-development and critical reflection on one's daily activities, rather than a static checklist or a process of periodic assessment of meeting sets of specific criteria.

Leadership does not entail a number of formal requirements as much as the ability to embrace virtues, sense-making and strong cognitive adaptation as well as an inherent work ethic.

Ciulla (2011) calls for "good" leaders who are not only effective in the traditional sense of maximising value for shareholders, but who are also ethical and carefully consider the interests of all stakeholders and pay attention to the long-term impact of their decisions. In essence, "good" in Ciulla's sense means reliable, trustworthy, sound, safe and effective. The good leader is expected to be fully present in the workplace, to be embodied and in touch with their higher purpose, emotionally intelligent, authentic, listen deeply, be prepared to show their weaknesses and ask for the support of others. Those leaders who meet these high expectations work for the common good and create strong communities, and although there are examples of embodied and morally sound leaders, there can be no doubt in the light of recent events that they are in the minority. Why is this so?

Goodness cannot be guaranteed by legislation, and human frailty cannot be spirited away by new regulations. Without appropriate leadership, moral education and a re-examination of the very purpose of business there can be no lasting change. It is not that legislation and rules are unnecessary, rather that there is a wider whole which recognizes that there cannot be a set of rules for business which are at odds with those for life in general, that business cannot be seen as impersonal or amoral, and that we need to engage in discussion about what is of value. In that context, leadership, and particularly the personal example set by leaders, is an important and proven way of changing moral behaviour in the community, in the workplace and in politics (Illes, K. and Zsolnai, L. 2015).

Research in the fields of leadership studies, neurobiology, organisational and leadership development suggests that the socioeconomic, geopolitical and cultural-spiritual challenges of our time are interconnected (Guattari, F. 2000). To address them we need a fundamental change of perspective: "Not only do we have to change things, but we have to change the way we see things" (Brabandere, L. de. 2005, p. xi). Leaders, usually working under intense pressure exerted from within and without their organisations, have a key role to play in recognising individual and collective responsibilities and showing the way towards a more human and healthier way of life. Learning to see beyond the familiar requires a particular kind of deep personal and collective listening, and clarity about values, purpose and the intent to do good. The challenge is to achieve this in a fast-paced world. This is where leadership development has a role to play.

Leadership Development

Leadership development and executive training/coaching/mentoring is a thriving business with thousands of large and small providers of varying quality. The field is well established although not many books focus on leadership development specifically. The Handbook of Leadership Development (McCauley et.al., 1998) suggests that challenge, assessment and support need to be designed into leader development. A more recent publication, The Field guide to Leadership Development (Kempster, et.al. 2017) puts the emphasis on reflection, dialogue, creativity, relationality and a practice orientation in leadership development initiatives and offers practical applications and methods for a more integrated development of leaders.

The search for integrated and practical approaches to leadership and organisational development to support the well-being of leaders and followers in the workplace comes from many fields including critical management studies (Sinclair, A. 2007; Ford, J. and Harding, N. 2007; Cunliffe, A. 2009; Alvesson, M. and Spicer, A. 2012), philosophy (Ladkin, D. 2010), business and virtue ethics (Zsolnai, L. 2014; Ciulla, J. 2011) and neuroscience (Hanson, R. 2009).

The discussion among academics is ongoing. Some practitioners are also willing to experiment with more novel approaches to leadership development. There is a lot to learn from the wisdom traditions and the well-established contemplative spiritual practices because in their own unique ways they all contributed greatly to the development of wisdom and values led decision making over the centuries.

It is the action rather than the intention that plays a central role in determining the ethical outcome (Ladkin, 2017) so leadership and personal development programmes need to focus on ethical habit formation. Values and ethics are imbedded in ones habits and perceptions. The way one acts or relates to others, the way one makes decisions lead to outcomes that can be judged as ethical or unethical even if one's intentions are indeed to act ethically (Ladkin, 2015).

There are growing number of research papers offering theoretical underpinning and practical guidance on innovative leadership development initiatives. Unfortunately these initiatives rarely go beyond some academic communities. How to take up the innovative ideas and build them into the mainstream offering of Business Schools is a challenge for all of us who are passionate about bringing the best out of people and prepare graduates and executives not only for exams but for the growing challenges of life.

How could we help them to develop “the ability to live with uncertainty and not knowing and to do so without grasping after action, without irritability” (Keats, J. 1970, p.43).

A Practical and Personal Perspective

The author has been teaching in different business schools for over 20 years. It has become more and more apparent that the content of subjects taught in a traditional MBA for example might be intellectually challenging for students some of the time but they do very little for changing mindsets and strengthening one's values and character. The assignments and methodologies required are mainly quantitative. There is very little need for soul searching even if there is a reflective component to the task.

If we followed Flyvbjerg's (2001) proposition and accepted the clear distinction between the natural and social sciences and considered each valuable in its own right we could put social sciences on the foundation of practical wisdom (*phronesis*). For Aristotle *phronesis* is a “true state, reasoned, and capable of action with regard to things that are good or bad for man.” (Aristotle, 1976). “*Phronesis* goes beyond both analytical, scientific knowledge (*episteme*) and technical knowledge or know-how (*techne*) and involves judgements and decisions made in the manner of a virtuoso social and political actor. ...*phronesis* is commonly involved in social science, and that therefore attempts to reduce social science and theory either to *episteme* or *techne*, or comprehend them in those terms, are misguided.” (Flyvbjerg, 2001. p. 2).

Phronesis or practical wisdom is particularly important because it balances instrumental-rationality with value-rationality. Such balancing is necessary for sustained happiness in society. Current society and organisational life puts far too much emphasis on instrumental-rationality, measurements for the sake of measurements and short term solutions without considering the long-term, often negative consequences.

In his seminal work “Making Social Science Matter” Flyvberg (2001) argues that rather than trying to research, treat and measure social sciences (all business school subjects fall into this category) as natural sciences it is high time we put them on a different and solid ground of phronesis.

“Just as social science has not been able to contribute with Kuhnian normal science and predictive theory to scientific development, so natural science has had little to offer to the reflexive goals, values, and interests that is a precondition for an enlightened development in any society” (Flyvberg, 2001. p. 53.).

Where natural science is weak social science is strong and vice versa and they can complement each other in meaningful ways. Unfortunately over the centuries the emphasis was fully on scientific and instrumental rationality and value-rationality was pushed to the margins or was totally ignored. It is high time to start redressing the balance and give more prominence to value-rationality in business education and start building bridges between scientific knowledge (episteme; know why), technical skills or craftsmanship (techne; know how) and ‘prudence’ or practical wisdom (phronesis).

“Phronesis is that intellectual activity most relevant to praxis. It focuses on what is variable, on that which cannot be encapsulated by universal rules, on specific cases. Phronesis requires an interaction between the general and the concrete; it requires consideration, judgement and choice. More than anything else, phronesis requires experience.” (Flyvberg, 2001. P. 57)

The question is how to transform business education in a way that graduates could get sufficient experience to make decision based on value rationality as well as instrumental rationality. It is a considerable challenge since many highly regarded subject specialists currently teaching in business schools are products of an education based on scientific and instrumental rationality. Some might be deeply convinced that passing on their views and methods are the best and way of preparing students for their careers.

Rather than copying the methods and methodologies of natural sciences business education should focus on educating the whole person by putting equal emphasis on developing character and values as well as scientific knowledge and technical skills. Mintzberg (2004) criticized the business curricula (especially MBA programmes) arguing that people who take these courses will only be equipped with scientific tools for analysis and decision making. Consequently they will be without the art and craft of leadership and can cause more harm than good in high level corporate positions.

Most organisations have some sort of engagement with Corporate and Social Responsibility (CSR), and the topic is part of the curricula of most business schools together with business ethics. Unfortunately the concepts are often reduced to functional and instrumental management concepts and create an ethics management paradox (Bouckaert (2006). When only rational and technocratic management tools are used genuine moral feelings and genuine

moral commitments and values are suppressed. The impact of this is visible in the 'box ticking' mentality both in business schools and in corporations.

Most people would agree that the world needs wise leaders. There are numerous examples of corruption, greed, self-centredness, short-sightedness and foolish actions. These demonstrate the lack of wisdom and the lack of responsible leadership. Wisdom similar to trust is an elusive concept, difficult to define and we often start thinking about it when it is missing. Wisdom is not boastful, it is not self-serving, it is unassuming and when it is present it has a calming and uplifting influence on people and events.

The rhetoric is changing in business education but that does not necessarily mean the change of the dominating mind-set and behaviour. Business education has yet to embrace the responsibility of preparing students for life by giving them opportunities for self-discovery, and for development of personal mastery, integrity and wisdom.

Business education in its current form provides plenty of opportunities for the acquisition of rational knowledge. There is no shortage of support for those who buy into the ideology that promotes financial success as a measurement of value. Character formation, the development of virtues seems to fall outside the remit of business education (Wall, Platts, and Illes 2007). It can be argued that character is formed in the family and throughout primary and secondary education and in education for the profession only specific scientific and technical knowledge should be transmitted. But ethics and value-commitment are fundamental part of any mature profession and hence professional education has to deal with this problem.

Schools in their original sense provided free space for discovery and have played an important role in the formation of character and morality over the centuries. It would be timely to re-introduce the concept of '*free space*' of inquiry in business education and encourage students to formulate their own ideas through dialogue and personal reflection before they set their foot on the corporate ladder (Illes 2004).

Encouraging students to formulate their own definitions of success is one of the first basic steps that business school professors could do. Allowing time and creating opportunities to explore questions about meaning and the idea of a 'good life' can give students a chance to explore their own ideas about life in line with their conscience.

By including philosophy, ethics, and wisdom traditions into the curriculum of business education and allowing time and free space for honest dialogue on them educators can enable students to make the shift from competition to collaboration, from knowledge hoarding to knowledge sharing, from exploiting private opportunities to contributing to the overall well-being of society.

Examples of Personal Transformation through Business Education

The author has been teaching in business schools for over twenty years. She has always been interested in a whole person education and applied multi-disciplinary approaches to help students to bring the best out of themselves and grow.

Between 2009 and 2011 the author was working with a voice and drama therapist and offered 10 standalone workshops of approximately 2 hours duration to students of all faculties at a large UK university. This piece of research was explained in detail in Illes, K. and Zsolnai,

L.2015. The events were advertised by emails and flyers across the two campuses of the university. To attend an extra curriculum workshop required a certain level of curiosity, searching and readiness from the students. Participants came from arts, languages, and science, nursing, education and business backgrounds. They represented a variety of nationalities and were between the age of 21 and 45. There were between 10-15 participants in each workshop. At the end of each event participants were asked both for verbal and a brief written feedback.

The purpose of this research was to explore if it was possible to trigger the desire for self-discovery in university students by introducing them to techniques used in *voice training*, *mindfulness* and *drama therapy*. We intended to help participants to understand and experience the connection between the internal and external world and notice the interconnected nature of the physical, emotional and intellectual aspects of themselves. The workshops were set up as action research. Self and participant observation and reflection were used. Participant feedback recorded the experiences and the outcomes.

During the sessions techniques of vocal exercises, role plays, improvisation, creative writing and personal reflection were used. By creating a safe and trusting environment we enabled individuals to develop a connection between their abstract, intellectual views on leadership and their personal, bodily embedded experiences of leading and following. Participants had opportunities to take on both leading and supporting roles during the workshops.

The “Discover your Leading Qualities” workshop was inspired by Stanislavski’s work. Stanislavski (1948) believed that an actor must work all his life, cultivate his mind, train his talent systematically and develop his character. Stanislavski’s requirements can only be fulfilled by those who are passionate and fully committed to their chosen profession. The word ‘actor’ in the quote can be substituted by any other profession and the statement will still hold true.

The voice (similar to movement in Tai Chi or yoga) is a bridge between the inner and the outer worlds. If the voice is free it can reflect the inner world with great accuracy (Houseman, 2002). The body and the voice are expressions of the self, showing our ease or lack of ease with ourselves and the world. They cannot be bullied into shape so getting to know the body and the voice and fulfilling their potentials requires patience and commitment and need to be an integral part of one’s journey of development.

The safe, trusting and light hearted atmosphere of the workshops enabled individuals to establish a connection between their abstract, intellectual views on leadership and their personal, bodily embedded experiences of leading and following. By changing the question from “What is leadership?” to “What are my leading qualities that I can use to serve with passion?” leadership became a personal experience and developing one’s talent a personal responsibility.

The facilitators experienced a real life leadership challenge because they never knew who would turn up for the workshops. They could not be sure about the number of participants or their interests and background. It meant that the facilitators depended a great deal on their own authenticity and intuition. They created a safe space to experiment, improvise and articulate previously unexplored dreams, ideas and feeling about one’s leading qualities and future ambitions. This in the moment, spontaneous creative process energized participants and held the group together as an authentic community on a shared journey.

Each workshop was different both in content and in interaction. In order to succeed the facilitators had to have a high level of intuition, improvisation, courage and trust in each other and the process. The methods were used in the various workshops included rational thinking, working with the five senses, reflective and meditative exercises. Participants came

with a level of curiosity and uncertainty and by the end of the workshops there was a sense of co-creation.

Over the years the author has found that many course participants in business schools particularly on post-graduate programmes are at a cross-road and seeking to make changes in their lives and careers.

In her sessions the author consciously offers time and space to review values, purpose and meaning and invites participants to consider ‘what if’ questions. In the free space and through stimulating, and often challenging discussions participants start to consider issues from multiple perspectives and often emerge with a fresh outlook on life and with new sets of priorities. These are not only inspirational moments for the individual students. They have major impacts on learning groups and offer valuable confirmation to the usefulness of the approach. Participants are also given opportunities to slow down and get comfortable with silence. The author’s sessions always start with five minutes silence. Participants are invited to sit comfortably, be relaxed yet alert and let go of all busy thoughts that inevitably enter our minds when we start to look inwards. They learn a simple breathing technique and while focusing on the breath participants make a silent commitment to themselves to stay in the moment and make a contribution to the outcome of the session. Course feedbacks consistently confirm that participants engage more deeply, contribute more generously and co-create a deeper and more harmonious learning experience.

To illustrate the overall transformation that can happen in such a learning environment the author gives a factual account of how the lives and views of two course participants transformed during their post-graduate studies at a university.

- a. Jennifer is in her early forties. At the beginning of her MBA Jennifer took a leadership module that focused on the qualities and responsibilities of leaders. She became particularly interested in the moral obligations and our responsibility to take care of others, particularly the less fortunate and vulnerable around us. Jennifer attended a study trip to Ghana and saw personally the hardship that lack of clean water can cause to a community. When Jennifer saw a broken well and learnt that children from the village had to walk miles to get even some muddy water she decided to take action. Jennifer used her social network of friends and colleagues to raise sufficient funding for a well that was drilled shortly after the trip. This was a turning point in Jennifer’s life as she realized that individual actions can make a huge difference. She volunteered to work for an NGO and supported migrants and asylum seekers for six months in North London. This experience was truly life transforming and led not only to a first class dissertation but also to a more fulfilling and purpose driven career. She decided to change career and use her talent to serve the needs of the vulnerable.

When Jennifer joined the MBA she was a successful barrister and by the time of her graduation she set up her own social enterprise to work with victims of human trafficking and develop policy documents for government organisations to eliminate human trafficking in the UK. Although her working life is not easy she finds that her days are purposeful as she is able to make a difference and ease the suffering of vulnerable individuals.

- b. Rachel holds a senior financial position in a multi-national pharmaceutical company. She has always been highly aware of our responsibilities for the environment and

decided to use her time of study to set up impactful practical initiatives and raise awareness in the workplace. For her first assignment on the MBA she set up an initiative in the spirit of the UN's Sustainable Development Goals to increase the recycling of plastic in the whole organization. She organized fund raising events, raised awareness by talking to smaller and larger groups, recruited volunteers to collect and reduce plastic waste on the different production plants in different countries. She demonstrated that practicing corporate and social responsibility can strengthen the connections between people in the workplace and in the environment where the business is conducted. At the time of writing Rachel is half way through her two year MBA programme. She is currently organizing a fund raising campaign throughout her multinational pharmaceutical company to cover the costs of primary school education of 20+ children in rural India. Rachel intends to use her talent and education to make a difference in other people's lives. She uses her formal position to challenge irresponsible behaviour. Her responsible attitude to leadership raises awareness about our individual and collective responsibilities for each other and our environment.

Conclusion

The paper calls for a review of what, why and how we teach in Business Schools.

An overview of the recent leadership literature reveals that the conversation has moved from the static framing of leadership to a collective, relational construct of leadership where the leader, followers the context and the purpose are continuously interacting and evolving. There are some value-rationality based inquiries and conversations about values and wisdom in organisations and in society at large. The world needs wise leaders and although the concept of wisdom has been with us since Plato, there is a shortage of wise leaders and one cannot expect a radical increase until we genuinely start valuing wisdom over cleverness.

Wisdom requires lived experiences and the ability to reflect on and learn from one's experiences and apply them to the common good by making insightful and measured judgements and decisions.

Leadership as a practice offers wide-ranging methodologies for learning more about the complexities of the continuously emerging act of leading.

The paper also discussed the ideas of leadership as a profession and leadership as a meta-profession (Harding et.al. 2017).

The final part of the paper reflected on the gap between the available research findings and practical tools and the modest uptake of these creative initiatives in leadership development programmes. Personal practical examples were offered to illustrate simple ways to start developing the whole person.

By incorporating character building, development of ethical habits and discussing the concepts of leadership, practice and leadership as a meta-profession with students in business schools we could change the mindsets and shift the conversation from profit generation to value creation. The author argues that small and vital steps can begin to change mindsets and develop wise leaders with full responsibility for the wellbeing of employees, communities and the world we share and live in.

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