

Wisdom at the Helm: Redefining Leadership for a Complex World

White Paper | Centre for Wisdom in Leadership (CWIL)

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Acknowledgments



“Take up one idea, make that one idea in your life – think of it, dream of it, live on that idea.”

- Swami Vivekananda



Our endeavor at CWIL is to enhance current leadership development approaches with wisdom traditions from the East and the West. One of the ways to do this is to disseminate our shared knowledge to our fellow researchers, academicians, and practitioners. This whitepaper marks our first foray into the same. And just like it takes a village to create something meaningful, we have been privileged to get the support of our colleagues, Prof Varun Nagaraj, Prof Snehal Shah, Prof Sumita Dutta and Prof Anant Talaulicar, in shaping the whitepaper to its present form.

Foreword



In a world marked by rapid change and uncertainty, leadership stands as a critical differentiator for organizational success. In my role at the Centre for Wisdom in Leadership (CWIL) and during various Leadership Development Programs I conducted in the last ten years, I have witnessed firsthand the increasing complexity leaders face, from navigating ethical challenges and technological disruptions to balancing diverse stakeholder expectations and sustainable practices. Traditional leadership approaches, while insightful, often miss the nuanced depth required to effectively manage today's dynamic environments.

At CWIL, our mission is to bridge these gaps by integrating ancient wisdom traditions from the East and West with contemporary leadership practices. I strongly believe that Wisdom, with its emphasis on ethical clarity, deep reflection, and compassionate decision-making, needs to emerge as the pivotal force capable of guiding leaders through complexity towards meaningful and sustainable outcomes.

This white paper is our initial exploration into redefining leadership for the modern age. It synthesizes extensive research, practical insights, and conversations with distinguished members of our advisory board members, colleagues at SPJIMR and organisation practitioners. It is our hope that this work not only enriches academic discourse but also provides practical guidance for leaders and organizations seeking resilience and effectiveness in these challenging times.

We invite you to engage with this paper as a foundational resource for understanding and cultivating wise leadership. Together, let us build a future where wisdom at the helm becomes the norm, not the exception, guiding us toward more humane, inclusive, and sustainable organizational practices.



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Executive Summary



In today's rapidly changing global environment, organizations grapple with multifaceted challenges such as technological disruption, sustainability imperatives, socio-economic inequalities, and growing demands for emotional well-being and inclusivity. Leaders are increasingly expected to navigate these complexities adeptly, fostering robust and

inclusive workplaces capable of addressing ethical dilemmas, driving performance, and ensuring long-term viability. Despite considerable advancements in leadership theory and practice, traditional approaches often fail to fully equip leaders to meet these evolving demands, highlighting critical gaps in leadership development.

This white paper explores existing leadership frameworks—such as authentic, servant, transformational, and responsible leadership—to critically assess their strengths and limitations. A comparative analysis reveals that while each model contributes uniquely valuable insights into leadership practice, none comprehensively addresses the multi-dimensional nature of contemporary organizational challenges. Notably absent from current leadership discourse is a deep integration of wisdom—a construct encompassing ethical responsibility, self-awareness, reflective judgment, and compassionate action. The leadership literature remains fragmented, with each theory offering partial insights that are contextually bound in most cases. Stepping into the future of work, characterized by wicked problems and accelerating technological innovation—particularly the pervasive role of Artificial Intelligence (AI)—we find it imperative to advocate for a wisdom-based approach.

We propose that embedding wisdom into leadership practices provides a holistic approach uniquely capable of bridging identified gaps, especially as AI increasingly permeates organizational decision-making. Wisdom-based leadership emphasizes intentional influence, ethical decision-making, and long-term vision, harmonizing immediate performance needs with sustainable organizational and societal outcomes. Central to this approach is the leader's capacity for reflective thinking, emotional intelligence, humility, and adaptability, enabling effective decision-making in complex and ambiguous contexts. Moreover, by integrating wisdom-oriented governance of AI—such as AI ethics boards, reflective AI-supported decision-making practices, and dedicated roles for overseeing responsible AI use—organizations can ensure technological advancements augment rather than undermine essential human judgment and ethical discernment.

The paper concludes by suggesting practical strategies organizations can implement to

cultivate wisdom among leaders. These strategies include embedding ethical decision-making scenarios into leadership training, promoting reflective practices such as journaling and peer coaching, leveraging AI-driven tools that prompt reflection and enhance ethical deliberation, fostering adaptability through experiential learning and complex problem-solving tasks, defining clear, purpose-driven goals, encouraging humility and continuous learning via feedback mechanisms, and explicitly embedding wisdom-oriented values within organizational cultures.

Ultimately, the white paper advocates for a paradigm shift in leadership development, underscoring the necessity of wisdom, including the wise integration of AI, to meet the unprecedented demands of the contemporary workplace. By integrating wisdom into leadership frameworks, organizations can better equip leaders to balance ethical considerations, stakeholder interests, immediate performance pressures, and long-term sustainability—essential components for thriving in today's intricate and interconnected business landscape.

Introduction



The future of work promises to be exciting, intriguing, and challenging. The realities of digital nomadism, artificial intelligence (AI), renewed focus on sustainability, an evolving understanding of work-life balance, a shift in the meaning of work and employment, developing work norms for managing a multi-generation workforce, and the growing need for human connection are all transforming the way we look at work and organizations. The present and future of work are mired in paradoxes, such as random acts of kindness shown by strangers juxtaposed against instances of insidious behavior in the workplace. We witness leaders successfully steering businesses to unprecedented heights, yet simultaneously see an increase in ethical and moral infractions. The idea of diversity, equity, and inclusivity is widely celebrated, but its implementation remains relatively superficial. Amidst this complex landscape, AI emerges as both an extraordinary enabler of progress and a profound source of ethical dilemmas, highlighting the necessity of nuanced leadership capable of wisely navigating its opportunities and challenges.

A wicked problem refers to an inherently complex and practically unsolvable issue characterized by ambiguous, volatile, and contradictory requirements that are difficult to define and thus resist a one-size-fits-all solution (Hoffren & Laulainen, 2018). Wicked problems in leadership and organizational management are particularly compelling due to their interconnectedness with various other issues influencing

organizational ecosystems. Such problems require alternative, innovative, and reflective solutions. The integration of AI into organizational processes further complicates these wicked problems. While AI provides exceptional opportunities to enhance decision-making and efficiency, it also introduces critical ethical challenges, including concerns around accountability, transparency, moral judgment erosion, and the risk of human over-reliance on technology-driven decision-making.

We posit that developing leaders and leadership practices capable of addressing these complexities—including the wise and ethical integration of AI—constitutes a wicked problem in itself, not amenable to a universal solution. The UN Sustainable Development Goals (SDGs) underscore this point by urging global collaboration to address grand challenges vital for our collective future. Organizations aiming to advance these SDGs need innovative, agile, and wise leadership approaches that thoughtfully integrate AI's potential while mitigating associated risks. Recognizing this imperative, we must fundamentally re-think our approach to work, employment, leadership, management, and technology. By embedding wisdom into our leadership practices, particularly in the governance of AI, we can effectively address these grand challenges, thereby creating a more inclusive, sustainable, empathetic, and humane world.

Leadership Challenges



The field of leadership has emerged as a scholarly discipline distinct from the more traditional approaches to studying organizations and the qualities required by their leaders. Leadership is understood as a 'social process that enables individuals to work together to achieve results that they could never achieve working alone,' according to the Centre for Creative Leadership (CCL). The interest of academia and practice is very high, with several theories proposed on understanding, defining, measuring, and coaching leaders. In the context of the dynamic business landscape of today characterized by ambiguity, volatility, and uncertainty, the challenge for organizations is to develop leadership practices that espouse value-based growth, develop competencies of learning agility and emotional resilience, and focus on leading and managing change.

Shift in Mindset for Leaders

For decades, the attributes regarded as central to being a successful company have mirrored the qualities prized in leaders: focusing on earnings, demanding results, exercising authority and control, and being fiercely competitive. For organizations to thrive now, all these leadership characteristics must evolve.

In their article, Smet et al. (2023) suggest five pivotal shifts that leaders need to make to succeed in the future of work. They define the five shifts as beyond profit to impact, beyond expectations to wholeness, beyond

command to collaboration, beyond control to evolution, and competition to co-creation. (Infographic to be inserted later). They posit that a well-designed and executed leadership development program can help organizations build leaders' capabilities broadly and at scale. And these programs can be built on coaching, mentoring, and solving challenging problems by applying them in real-time to real work. Harvard Business Publishing shared a very useful infographic based on their extensive research on the unique set of skills that leaders need to have in their toolkits in the present context.



(Source - <https://www.harvardbusiness.org/insight/top-10-in-demand-leadership-skills-for-the-future-of-work/>)

Study by CWIL

A pilot study conducted by CWIL from SPJIMR has revealed the following leadership challenges as expressed by the business leaders of different organizations across various sectors in India.

Developing more empathetic leaders

“..the leader sitting at the helm of affairs has to understand that business is not just numbers or profits; it is the people, so empathy is not a desirable quality but a must have and through their actions and words, the others will observe and become more empathetic, it has even to be acknowledged, if not rewarded. The focus on the people has to be high for any leader, and I think there a lot of them are lacking”

(Mr Sameer Gupta, CMD, Jakson Group)

“...so, how do we look at leaders, through the followers they create, through the legacies they leave behind, whether they have upheld the values of the company and helped instill the same values in the newer crop, anyone can hit the numbers if the market is right, but have they created a company that people are happy to work in, people are proud of, where everyone feels safe, that is what we should strive for, empathy and compassion are underrated in leadership..”

(Anonymous participant, CXO, Manufacturing Organization)

The future of work will emphasize employee well-being, as organizations recognize the link between mental health and productivity. Leaders will need to develop a compassionate leadership style that prioritizes their teams' well-being, balancing the business's demands with the need to support employees' physical and mental health. This will involve cultivating resilience, empathy, and managing stress effectively.

Developing a culture based on values and ethics

“..it is important to know what kind of leaders you are promoting, what kind of leaders you are hiring, and what kind of leaders you are rewarding. And if they do not match your beliefs, your values, you have to be prepared as an organization to let them go; profit is a means to an end, but the ethos on which you build your company is fundamental and cannot be let go of”

(Mr. Pranav Kapuria, MD, Hi-Tech Gears Ltd.)

“...you have to ensure there is no fear in the employees because if there is fear, performance goes down. For leaders, it is important to find the right balance, where you empower people, give them directions, and coach them; that is what leaders should do.”

(Mr Arvind Balaji, M.D., India Nippon Electricals Ltd.)

With increasing scrutiny of corporate behavior, leaders must navigate ethical dilemmas and ensure their organizations operate with integrity. This includes addressing sustainability, data privacy, and social responsibility. Leaders who can embed ethical considerations into their decision-making processes will be better positioned to build trust with stakeholders and drive long-term success. Beyond individual ethics, leaders must ensure their organizations contribute positively to society. This includes practicing environmental sustainability, ensuring fair labor practices, and engaging in fair trade. Today's leaders must also be vigilant about their supply chains, ensuring that their business practices globally adhere to the highest ethical standards. Moreover, as data becomes central to business operations, ethical management of data privacy and security becomes a critical area of focus. Modern businesses are increasingly evaluated based on non-financial metrics,

such as environmental impact, social contribution, and internal workplace culture, alongside traditional financial metrics. Leaders must integrate these elements into the core business strategy to drive value-based growth. This approach enhances the company's reputation, attracts and retains top talent, secures investor confidence, and strengthens customer loyalty.

Being agile considering the dynamic business landscape

Agility in leadership transcends traditional management practices, emerging as a pivotal force in shaping the resilience and responsiveness of modern organizations. As the global business landscape continues to evolve at an unprecedented pace, the demand for leaders who can adeptly navigate this complexity and steer their organizations toward sustained success has never been more critical. This capability to adapt quickly and effectively sets agile leaders apart in today's dynamic markets.

"The world is changing very fast for any company or country, and if the leader is not agile, you cannot build or sustain for the future. We have to develop agility as a part of our leadership acumen; it has to be a part of the overall strategy, it is a means of survival."

(Mr Rajesh Kumar Singh, Head HR, KPIT)

"Human beings are very versatile and adapt to change. It's often an external trigger that initiates change. Would be helpful if that trigger comes from within, rather than constantly waiting for an external trigger. Agility is no longer an operational advantage, but a strategic imperative.

Leaders who exhibit agility can respond to market changes, technological advancements, and evolving customer preferences with speed and efficacy"

(Ms Meher Pudumjee, Chairperson, Thermax Limited)

Research underscores the value of agile leadership, as well. A study by McKinsey & Company (Aghina et al., 2018) found that organizations with agile leaders at the helm are 1.5 times more likely to outperform their industry peers regarding financial performance and operational efficiency. Furthermore, these leaders foster a culture of innovation where ideas can flourish, mistakes are learning opportunities, and adaptability is ingrained in the organizational DNA.

Developing objective measures to assess leadership competencies

Leadership involves interpersonal skills, strategic thinking, ethical judgment, and the ability to inspire and motivate others. These qualities are inherently subjective and influenced by organizational context, making standardization challenging. Traditional metrics like performance appraisals and 360-degree feedback provide some insights but can be biased by personal relationships and the circumstances under which they are conducted.

Values and culture start from the top of any organisation; the top sets the tone in their delivery and action or inaction.

A change in culture also has to come from the top. However, the challenge is in cascading this down to the middle management and to every employee in the organisation and the ecosystem.

How do we develop a system that helps us identify and measure critical competencies, not just what the business needs, but a measure of values and culture that will take us into the future sustainably."

(Ms Meher Pudumjee, Chairperson Thermax Limited)

Accurate assessments are crucial for several reasons. Firstly, they help organizations identify potential leaders and ensure that individuals with the right skills and attributes

are placed in roles where they can have the most impact. Secondly, objective measures allow for the tracking of development progress over time, giving HR departments data-driven insights to tailor leadership

programs more effectively. Finally, fair and transparent metrics enhance the credibility of leadership selection and development processes, promoting trust within the organization (Anderson et al., 2008).

Exploring Current Leadership Constructs



Leadership has become an extensively studied and yet increasingly complex phenomenon, with numerous theories and constructs proliferating across academic and organizational landscapes. Amidst this diversity, it becomes essential to identify core elements and distinguishing attributes of various leadership frameworks. In this section, we first propose a concise yet inclusive definition of leadership that distills the essential characteristics widely recognized across dominant leadership theories, following guidelines from leading scholars such as Suddaby (2010) and Podsakoff et al. (2016).

Building upon this foundational definition, we then present a comparative analysis of prominent contemporary leadership approaches, systematically capturing each model's strengths and highlighting their contextual limitations. Through a structured comparative table, we illustrate critical attributes such as self-awareness, ethical orientation, stakeholder focus, empowerment strategies, decision-making agility, and long-term sustainability orientation, allowing us to identify where different leadership theories converge and diverge.

Ultimately, by clearly mapping the terrain of contemporary leadership constructs, we aim to uncover critical gaps, areas where conventional leadership models fall short, and pave the way for introducing and justifying the concept of wisdom-based

leadership as a comprehensive, integrative approach uniquely suited to addressing contemporary organizational complexities.

An inclusive definition of leadership

To begin with, we propose the following concise, inclusive definition of leadership that aims to capture the essential characteristics common to a wide range of leadership models, while meeting the guidelines proposed by Suddaby (2010) and Podsakoff et al. (2016) for conceptual definitions

By encapsulating the dimensions—*influence, self-awareness, ethical underpinnings, empowerment, stakeholder focus, and time-horizon balance*, the proposed definition endeavors to be broad enough to subsume the most influential leadership theories while concise enough to avoid redundancy or overgeneralization.

Proposed Inclusive Definition of Leadership

“Leadership is the process by which an individual (or group) exercises intentional influence, rooted in self-awareness and ethical responsibility, to empower and guide followers and stakeholders toward shared objectives that balance immediate performance needs with long-term well-being.”

How are these elements inclusive of most leadership theories?

1. Intentional Influence: Nearly all leadership theories emphasize that leaders exert some form of influence or guidance (e.g., Authentic, Transformational, Servant). By specifying “intentional,” the definition underlines purposeful direction rather than accidental or purely positional influence.

2. Self-Awareness and Ethical Responsibility: Core leadership frameworks repeatedly highlight a moral/ethical dimension (Ethical, Responsible, Conscious) and the importance of self-reflection (Authentic, Mindful, Spiritual). These elements help distinguish leadership from mere management or coercion.

3. Empower and Guide: Leadership generally involves uplifting followers (Servant Leadership, Compassionate Leadership) and motivating teams (Transformational Leadership). The phrase

“empower and guide” underscores that leadership is not solely about top-down control but about enabling others to perform and develop.

4. Followers and Stakeholders: While many models focus on direct followers, emerging theories (Responsible, Sustainable) also include broader stakeholder considerations, communities, society, and even the environment. This expansion recognizes that leadership decisions often impact a broad network beyond the immediate team.

5. Shared Objectives Balancing Immediate and Long-Term Needs: Transformational, Sustainable, and Responsible Leadership underscore the duality of meeting short-term objectives and ensuring future well-being (economic, social, environmental). This captures the common thread that leadership must reconcile today’s performance with tomorrow’s viability.

Comparative Table of Leadership Constructs

This expanded table aligns each leadership construct with all attributes (columns), including the criticisms/weaknesses column with detailed references, ensuring a comprehensive view of strengths, limitations, and evidence from leading scholarly work. References for this table are cited in the Annexure.

Legend

- **H (High):** Construct places strong emphasis on this attribute
- **M (Moderate):** Construct moderately addresses the attribute but not as its primary focus
- **L (Low):** Construct has limited or tangential emphasis on this attribute

Leadership Approach	Self-Awareness	Ethical / Moral Focus	Follower Empowerment & Well-Being	Focus on Broader Stakeholders	Long-Term Orientation	Agility in Decision-Making	Primary Criticisms / Weaknesses
Authentic Leadership Sources: Luthans & Avolio (2003), Gardner et al. (2005), George (2003)	High (H) Explicitly emphasizes leader's self-awareness and reflective practice (Gardner et al., 2005; Luthans & Avolio, 2003).	Moderate-High (M/H) Centers on moral perspective and transparency; can be somewhat leader-centric (George, 2003; Gardner et al., 2011).	Moderate (M) Builds trust via authenticity but lacks a structured process for collective/team empowerment (Gardner et al., 2011).	Moderate (M) Can extend personal values to broader stakeholders, though often starts with the leader's own integrity (Walumbwa et al., 2008).	Moderate (M) Seeks enduring trust, yet not always explicit on ecological or societal sustainability (Gardner et al., 2011).	Moderate (M) Personal integrity can expedite certain decisions, but heavy reflection may slow responses in dynamic contexts (Ilies et al., 2005).	- Overemphasis on inward orientation can neglect broader organizational performance (Gardner et al., 2011). - Cultural relativity of "authentic" behavior (Eagly, 2005; Walumbwa et al., 2008). - Inconsistent measurement of "true self" (Cooper et al., 2005).
Servant Leadership Sources: Greenleaf (1977), Spears (1998), Patterson (2003)	Moderate (M) Focuses on humility/empathy but less on explicit personal introspection than authentic or mindful models (Spears, 1998; van Dierendonck, 2011).	High (H) Moral duty to serve followers' needs first (Greenleaf, 1977; Patterson, 2003).	High (H) Prioritizes follower growth, well-being, autonomy (Liden et al., 2008).	Moderate (M) Community-oriented, yet global/environmental emphasis depends on context (Spears, 1998; Liden et al., 2008).	High (H) Stewardship fosters stable, long-term relationships (Block, 1993).	Low (L) Consensus and collaboration can hinder rapid decisions in high-stakes scenarios (Yukl, 2010).	- Seen as "soft" or slow in competitive or crisis conditions (Anderson, 2018). - Not all cultures/industries reward humility (Mittal & Dorfman, 2012). - Role ambiguity: "followers first" can obscure authority lines (van Dierendonck, 2011).
Responsible Leadership Sources: Maak & Pless (2006), Waldman & Galvin (2008), Doh & Quigley (2014)	Moderate (M) Leaders reflect on accountability and societal impacts; self-insight is implied but not a central theme (Maak & Pless, 2006).	High (H) Stresses ethical behavior plus social/environmental concerns (Maak & Pless, 2006; Doh & Quigley, 2014).	Moderate (M) Not as purely follower-centric as servant leadership but does demand accountability for ethical/social outcomes (Waldman & Galvin, 2008).	High (H) Encompasses multiple stakeholders (NGOs, communities, environment) (Pless et al., 2012).	High (H) Focuses on sustaining social and environmental well-being over time (Doh & Quigley, 2014).	Low-Moderate (L/M) Balancing varied stakeholder interests can slow decisive action (Maak & Pless, 2006).	- Broad or vague definitions hamper consistent application (Waldman & Galvin, 2008). - Tension with short-term shareholder demands (Doh & Quigley, 2014). - Measuring intangible societal/environmental impact can be difficult (Aguinis & Glavas, 2012).
Ethical Leadership Sources: Brown et al. (2005), Treviño & Brown (2004), Ciulla (1995)	Moderate (M) Leaders model integrity; deeper personal reflection is not always emphasized (Brown et al., 2005).	High (H) Fairness, honesty, and consistent moral principles (Treviño & Brown, 2004; Ciulla, 1995).	Moderate (M) Improves moral climate, but direct follower empowerment is secondary (Brown & Treviño, 2006).	Moderate (M) Focuses on internal ethical culture; external social impacts can vary (Ciulla, 1995; Resick et al., 2011).	Moderate (M) Grounds decision-making in moral standards; not inherently tied to sustainability (Brown et al., 2005; Resick et al., 2011).	Moderate (M) Transparent decisions build trust, but complex ethical dilemmas can stall action (Treviño & Brown, 2004).	- Ethics vary across cultural contexts (Resick et al., 2011). - May be seen as idealistic if under heavy financial pressures (Treviño & Brown, 2004). - Narrow scope on internal ethics may overlook broader societal/environmental issues (Ciulla, 1995).
Conscious Leadership Sources: Mackey & Sisodia (2014), Fry & Kriger (2009), Reitz et al. (2020)	High (H) Stresses mindfulness and deep inward awareness connecting to ethical action (Mackey & Sisodia, 2014; Reitz et al., 2020).	Moderate-High (M/H) Purpose-driven, values-based approach; depth varies by leader (Fry & Kriger, 2009).	Moderate (M) Encourages empathy and a supportive culture; not as explicitly follower-centric as servant or compassionate leadership (Reitz et al., 2020).	High (H) Advocates a stakeholder-centric model: seeing business as a force for good (Mackey & Sisodia, 2014).	High (H) Aims for sustained positive impact ("conscious capitalism"); sees long-range benefits to society (Fry & Kriger, 2009).	Moderate (M) Deep reflection and seeking consensus can delay quick responses in hypercompetitive markets (Kantabutra, 2020).	- Perceived as "idealistic" in aggressive or profit-first settings (Mackey & Sisodia, 2014). - Demands broad cultural buy-in, or it collapses into superficial branding (Reitz & Chaskalson, 2016). - Measuring leaders' "consciousness" is challenging (Fry & Kriger, 2009).

Transformational Leadership Sources: Bass (1985), Bass & Avolio (1994), Podsakoff et al. (1990)	Moderate (M) Self-insight helps inspire others, but is less central than vision-casting or charisma (Bass, 1985).	Moderate (M) Moral dimension is implied, but "pseudo-transformational" leaders may exploit charisma (Bass & Steidlmeier, 1999).	Moderate-High (M/H) Strives to elevate followers, driving motivation and performance (Bass & Riggio, 2006).	Moderate (M) Vision can extend beyond the firm, but depends heavily on the leader's personal ethics/values (Podsakoff et al., 1990).	Moderate (M) Long-term success is a theme, but not always tied to environmental or social sustainability (Bass & Avolio, 1994).	High (H) Charismatic inspiration often fosters rapid change and mobilization (Yukl, 2010).	- Ethical ambiguity: charismatic influence can be self-serving (Bass & Steidlmeier, 1999). - Over-reliance on a single leader's vision (Kark & Shamir, 2002). - Risk of team burnout if transformation efforts are relentless (Bass & Riggio, 2006).
Spiritual Leadership Sources: Fry (2003), Dent et al. (2005), Benefiel et al. (2014)	High (H) Focuses on inner life, calling, sense of meaning (Fry, 2003; Dent et al., 2005).	High (H) Positions compassion, altruism, and morality as intrinsic (Benefiel et al., 2014).	Moderate-High (M/H) Cultivates belonging, emotional well-being, and sense of higher purpose among followers (Fry & Nisiewicz, 2013).	Moderate-High (M/H) Often addresses societal impact via "transcendent" values or ethical activism, though scope varies by leader (Fry, 2003).	Moderate-High (M/H) Potentially supports sustainable outcomes, given emphasis on purpose beyond profit (Dent et al., 2005).	Low-Moderate (L/M) Deep reflection can slow crisis decisions or large-scale pivoting (Dent et al., 2005).	- Subjective and challenging to measure "spirituality" in organizational terms (Dent et al., 2005). - Cultural or religious resistance in secular workplaces (Benefiel et al., 2014). - Indirect financial links can be hard to demonstrate (Fry & Nisiewicz, 2013).
Sustainable Leadership Sources: Avery & Bergsteiner (2011), Hargreaves & Fink (2006), Suriyankietkaew & Avery (2014)	Moderate (M) Leaders reflect on consequences for future generations, though personal introspection is not the focal point (Hargreaves & Fink, 2006).	Moderate-High (M/H) Ethical principles intertwined with ecological and societal well-being (Avery & Bergsteiner, 2011).	Moderate (M) Encourages continuity and stable team functioning, but not always empowerment-focused like servant leadership (Suriyankietkaew & Avery, 2014).	High (H) Considers environmental and social impacts for future generations (Hargreaves & Fink, 2006).	High (H) Positions sustainability (resources, people, processes) as core to success over time (Avery & Bergsteiner, 2011).	Low (L) Can be hampered by immediate profit pressures in volatile markets (Hargreaves & Fink, 2006).	- Complex to implement: requires systemic organizational/cultural shifts (Suriyankietkaew & Avery, 2014). - Shareholder pressure vs. sustainability invests can create conflicts (Hargreaves & Fink, 2006). - Long-term ROI tough to measure, as environmental/social benefits can emerge slowly (Avery & Bergsteiner, 2011).
Mindful Leadership Sources: Reb & Atkins (2015), Good et al. (2016), Renshaw et al. (2020)	High (H) Stresses present-moment awareness, emotional regulation, and reflection (Reb & Atkins, 2015).	Moderate (M) Greater awareness can foster ethical choices, but explicit moral frameworks vary (Good et al., 2016).	Moderate (M) Improves psychological safety and lowers stress, though not always structured as direct "empowerment" (Renshaw et al., 2020).	Moderate (M) Focuses largely on internal team culture; external stakeholder well-being is less explicit (Reb & Atkins, 2015).	Moderate (M) Encourages calm, stable environments, which can support future well-being (Good et al., 2016).	Low-Moderate (L/M) Intense reflection may slow fast decisions in crises or hypercompetitive scenarios (Reitz & Chaskalson, 2016).	- Hard to quantify ROI of mindfulness; practice consistency can vary (Good et al., 2016). - May clash with high-pressure, short-horizon workplaces (Reb & Atkins, 2015). - Conceptual ambiguity around "mindfulness" complicates standardizing processes (Renshaw et al., 2020).

Compassionate Leadership Sources: Boyatzis et al. (2012), Worline & Dutton (2017), Frost (1999)	Moderate (M) Requires emotional intelligence and partial self-awareness, focusing mostly on outward empathy (Worline & Dutton, 2017).	High (H) Moral core grounded in caring, empathy, and altruism (Boyatzis et al., 2012).	High (H) Centers on employee well-being, inclusion, and psychological safety (Frost, 1999).	Moderate (M) Sometimes extends to community-level compassion, but global/systemic issues are less central (Atkins & Parker, 2012; Worline & Dutton, 2017).	Moderate (M) Can build trusting cultures that support stability, but seldom explicitly addresses future ecological or societal sustainability (Boyatzis et al., 2012).	Low (L) Hesitation around "tough calls" can slow decisions in crises (Frost, 1999).	- Viewed as too "soft" in competitive or cost-driven contexts (Worline & Dutton, 2017). - Balancing empathetic care with financial/strategic imperatives remains challenging (Boyatzis et al., 2012). - Narrowly emphasizes individual/team empathy without necessarily addressing wider systemic or environmental concerns (Atkins & Parker, 2012).
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The Attributes of Leadership

1. Self-Awareness: Self-awareness is widely regarded as a core component of effective leadership across numerous theories. Leaders who possess deep self-awareness tend to demonstrate authenticity, emotional intelligence, and better-regulated behaviors. Authentic leadership relies on a leader's heightened self-awareness, including self-reflection and self-regulation (Gardner et al., 2005). Ashforth and Fugate (2001) point out that self-awareness is a critical element in identity formation and transition, which in turn influences leadership style and effectiveness

2. Ethical / Moral Focus: Many modern leadership paradigms explicitly incorporate an ethical dimension. Whether labeled "ethical leadership," "moral leadership," or "values-based leadership," the ethical component is often pivotal in how leaders influence organizational culture. Research (Brown & Trevino, 2006; Ciulla, 1995) frames ethical leadership as role-modeling behaviors tied to ethics, fairness, and integrity and argues that understanding the ethical dimensions of leadership is quite significant in improving leadership studies. Leaders who demonstrate an ethical focus serve as role models and encourage ethical behaviors (Schwepker et al., 2021)

3. Follower Empowerment & Well-Being: Many leadership theories address how

leaders nurture, empower, or develop followers (e.g., servant leadership, transformational leadership). Followers' sense of psychological safety, motivation, and development is central to organizational performance. Transformational leaders elevate and empower followers by boosting collective efficacy and fostering personal growth (Bass & Riggio, 2006). Liden et al., (2008) articulate how servant leaders prioritize follower well-being, autonomy, and growth and may enhance both job performance and organizational commitment in the employees. Eva et al., (2019) summarize the literature on servant leadership to reflect its positive relationship with individual behaviors such as citizenship behaviors, creativity, and task performance; team behaviors such as team performance, and customer satisfaction, return on investment at the organizational level.

4. Focus on Broader Stakeholders: Some leadership approaches (e.g., responsible leadership, conscious leadership, sustainable leadership) push leaders to look beyond just the organization (or shareholders) toward the environment, community, and multiple stakeholder groups. Maak and Pless (2006) argue that "responsible" leaders must be attentive to a network of stakeholders, including NGOs, communities, and future generations. Mackey and Sisodia (2014) emphasize how leadership expands the "stakeholder" umbrella to suppliers, society, and the environment.

5. Long-Term Orientation: Certain theories place emphasis on sustainable, future-focused thinking—seeing beyond short-term profitability toward enduring impact on people, planet, and organizational viability. Avery and Bergsteiner (2011) define how “sustainable leadership” specifically promotes long-horizon planning and stewardship while Hargreaves and Fink (2006) discuss effective leadership that sustains learning, people, and the environment over the long run.

6. Agility in Decision-Making: Contemporary organizations face rapidly shifting markets and crises (economic, technological, etc.). A leadership model’s “agility” or speed in decision-making has become a crucial performance differentiator. Yukl (2010) suggests that effective leaders balance participative processes with decisive action. D’Aveni’s (1994) extensive work, although not a “leadership” text per se, underscores how dynamic environments require quick strategic maneuvers—leaders who are overly deliberative can face competitive disadvantages.

7. Primary Criticisms / Weaknesses: Every leadership approach has downsides or contextual limitations. Including a “criticisms/weaknesses” column helps decision-makers and scholars see where each model can fail or needs augmentation. It is critical to consider the other side of these elements of leadership to avoid any potential destructive behavior. For example, the work of Bass and Steidlmeier (1999) points out how “transformational” can become “pseudo-transformational” if leaders use charisma for self-serving goals. Anderson (2018) notes critiques of servant leadership’s speed and assertiveness in high-stakes contexts.

Why is “Agility in Decision-Making” not a part of the inclusive definition

In the inclusive definition of leadership proposed, several key attributes (e.g., intentional influence, self-awareness, ethical

responsibility, empowerment, stakeholder considerations, and balancing short-term performance with long-term well-being) were highlighted because they appear as fundamental threads across most major leadership theories (Authentic, Servant, Responsible, Ethical, Transformational, etc.). Agility in decision-making, while important in some contexts, is typically treated as a derivative skill or situational outcome rather than a universally acknowledged “essential characteristic” of leadership across the theoretical spectrum.

Linking These Attributes to the Broader Leadership Landscape

1. Self-awareness emerged prominently in Authentic and Mindful leadership research, which placed introspection and emotional regulation at the forefront.

2. Ethical/moral focus has been pivotal in Ethical, Responsible, and parts of Transformational leadership (especially “authentic transformational,” as opposed to “pseudo-transformational”).

3. Follower empowerment/well-being ties back to Servant (Greenleaf, 1977), Transformational (Bass & Riggio, 2006), and Compassionate leadership (Boyatzis et al., 2012) research.

4. Stakeholder scope is rooted in Responsible (Maak & Pless, 2006), Conscious (Mackey & Sisodia, 2014), and Sustainable (Avery & Bergsteiner, 2011) leadership theories.

5. Long-term orientation is deeply ingrained in Sustainable and Responsible paradigms, which highlight the future impact of today’s decisions.

6. Agility/decision-making speed acknowledges the tension between collaborative or reflective leadership and the need for swift action in dynamic markets, a theme in Yukl’s (2010) work on situational approaches.

7. Criticisms/weaknesses ensure we recognize the context in which each leadership approach may or may not be effective.

In essence, these attributes were chosen because they repeatedly surface in the academic discourse as distinguishing features or limitations within leadership models. Researchers often compare theories around ethical grounding, follower orientation, stakeholder breadth, future-focused sustainability, and decision-making style—all of which hinge on whether the leader is self-aware enough to enact these constructs well. Moreover, highlighting criticisms helps underscore the practical constraints of each approach.

By synthesizing these core concerns and emphases across multiple leadership frameworks, we arrive at a parsimonious yet comprehensive set of columns that capture where leadership constructs converge, diverge, and where organizations might see gaps in implementing each style.

Primary criticisms/weaknesses: “What Is Missing” (The Gap)

1. Fragmented Focus: Each leadership approach emphasizes certain core ideals—ethical behavior, concern for followers, broader social responsibility, or personal self-awareness. However, none offers a fully integrated map covering all these dimensions with equal clarity.

2. Balancing Multiple Demands: Short-term agility versus long-term, sustainable impact remains a challenge across the board. For instance, Servant and Sustainable leadership excel in care and stewardship but can struggle to meet pressing market demands. Transformational and Conscious leadership can generate innovation and momentum but might overlook systematic, inclusive safeguards or long-term sustainability unless carefully managed.

3. Measurability & Practical Application:

Many models (e.g., Spiritual, Mindful, Compassionate) focus on inner qualities like altruism or presence but lack straightforward frameworks to measure tangible outcomes. Responsible and Sustainable leadership propose broader stakeholder metrics, yet can be unwieldy in everyday business contexts without systematic methods.

4. Holistic Decision-Making Under Complexity:

Modern organizations face complex, fast-evolving challenges (ethical dilemmas, environmental crises, digital disruption). Leaders often need to integrate moral clarity, mindfulness, agility, stakeholder balancing, and results orientation all at once. Most of these theories address one or two dimensions deeply but do not fully encompass the complexity of holistic decision-making across multiple domains.

The need for a new approach

The landscape of leadership theories—authentic, servant, responsible, ethical, conscious, transformational, spiritual, and sustainable—presents a range of approaches designed to enhance organizational effectiveness. Each of these leadership approaches has strengths and valuable contributions to organizational culture, ethical practice, and stakeholder engagement. However, no single approach comprehensively addresses every dimension of leadership needed in today’s complex environment. These models have inherent limitations that impact their universal applicability.

Organizations face increasing complexity, particularly with the rise of ethical and environmental responsibilities. Concepts like corporate social responsibility, the triple bottom line, and sustainability have become central to business discussions. Organizations are no longer isolated entities but are deeply intertwined with societal

systems, requiring them to meet a wide range of legal and ethical expectations from various stakeholders.

As these dynamics evolve, leadership models are being reassessed to address the complexity and ambiguity that leaders now face. Leadership in today's world must address the overwhelming flow of information, multiple interpretations of challenges, and conflicting commercial and ethical pressures. While transformational, charismatic, and authentic leadership have explored themes like ethics, trust, and the social good, they do not fully account for how wise leaders navigate today's multifaceted business landscape.

This highlights the need for a foundational element to holistically integrate these diverse approaches: wisdom. This is the “missing piece” in many existing frameworks—an overarching capacity to balance seemingly opposing needs (rapid decisions vs. deep reflection; immediate shareholder returns vs. stakeholder well-being; personal authenticity vs. collective team performance) in a way that is contextually appropriate and sustainable over time.

We propose that Wisdom may act as the meta-construct as it could offer the potential to fill these gaps by providing what is needed to manage ambiguity and guide organizations through complex and uncertain environments.

We will now attempt to show how a wisdom-based approach to leadership integrates self-awareness, ethics, empathy, and a capacity for nuanced judgment in navigating contradictory stakeholder demands. Developing “wise leadership”—which integrates reflective judgment, moral clarity, stakeholder awareness, and agility—could provide a more holistic response to the current and future demands of organizations.

Wisdom in Leadership



In this next section, we will first explain the concept of wisdom as understood from the perspective of Western psychology and philosophy and then take a look at some of the models of wisdom in leadership.

What is Wisdom?

This part delves into the concept of wisdom, drawing on Western philosophical traditions. It examines wisdom as a blend of intellectual, ethical, and reflective qualities essential for navigating life's complexities. Different models of wisdom will be explored, including Monika Ardelt's Three-Dimensional Wisdom Model (3D-WS), which integrates cognitive, reflective, and affective dimensions; the Berlin Wisdom Paradigm, focused on expert knowledge of life; Sternberg's Balance Theory, emphasizing the balancing of personal and external interests; and the Common Wisdom Model, which highlights meta-cognition, moral aspirations, and self-transcendence. These models, while differing in emphasis, complement each other, offering a holistic view of wisdom that integrates critical thinking, compassion, and self-awareness.

Let's look at some of the prominent models of wisdom. The detailed descriptions of these models and their components are provided in the Annexure.

Wisdom, according to Robert Sternberg, isn't just about intelligence, education, or having life experience. It's about using those tools (knowledge, creativity, common sense) with strong ethical grounding to make decisions that benefit not only oneself but also others

and society. Sternberg's Balance Theory of Wisdom focuses on how people make thoughtful, ethical choices by balancing different interests, timeframes, and ways of responding to situations – all with the aim of serving the common good. Wise individuals manage three levels of interests:

- Intrapersonal – their own goals, values, and needs (e.g., ambition, personal growth).
- Interpersonal – the needs of people around them (e.g., team members, family).
- Extrapersonal – larger concerns affecting the community, organization, or world (e.g., environment, future generations).

These interests often conflict, so wisdom involves carefully weighing them. Not all interests are given equal weight, decisions are evaluated based on how well they serve a shared, ethical outcome.

Sternberg also emphasizes the importance of **tacit knowledge** i.e. the practical, often unspoken understanding that people gain through life experience. It's what helps someone navigate complex situations even if they can't always explain their thought process.

But knowledge alone doesn't make someone wise. What sets wisdom apart is the presence of **ethical intent** – using one's abilities for the common good. This focus on values differentiates wise individuals from those who are simply clever or strategic. Sternberg warns that many leadership failures happen not because of a lack of intelligence, but due to **foolish thinking** – like arrogance, ethical disengagement, or the belief that one is invincible. Wisdom guards against these traps by encouraging humility, reflection, and compassion.

Ardelt's (2003) Three-Dimensional Wisdom Model (3D-WS)

Wisdom isn't just about what you know – it's also about how you reflect and how you treat others. That's the central message of Monika Ardelt's Three-Dimensional Wisdom Model, one of the most widely cited psychological frameworks for understanding personal wisdom.

Ardelt argues that wisdom is not a single trait or ability, but a combination of three interconnected dimensions: **Cognitive, Reflective, and Affective**. Together, these form the foundation of a wise person's mindset and behavior.

1. Cognitive Dimension: This dimension refers to a person's understanding of life and the deeper meaning of phenomena, particularly in intrapersonal and interpersonal matters. It involves recognizing the limits of knowledge, understanding the complexities of human nature, and being comfortable with life's uncertainties. Cognitive wisdom includes the ability to perceive the world with tolerance for ambiguity and unpredictability.

Key features include knowledge of the paradoxical aspects of human nature, awareness of the unpredictability of life, and a willingness to seek deeper comprehension.

2. Reflective Dimension: The reflective

dimension is essential for the development of cognitive wisdom. It involves the ability to view events and experiences from multiple perspectives to overcome subjectivity, projections, and biases. Through reflective thinking, individuals gain self-awareness, develop insight into their own and others' motivations, and reduce egocentricity.

It focuses on self-awareness, the capacity to reflect on one's actions and motives, and the ability to see things from diverse perspectives without projecting personal biases.

3. Affective Dimension: The affective dimension refers to the presence of compassion, empathy, and sympathetic love towards others. As individuals reduce self-centeredness through reflection and gain a deeper understanding of life, they develop more positive emotions and actions toward others. This dimension is characterized by a sense of empathy and care, demonstrating that wisdom is not purely intellectual but involves a compassionate attitude towards others. Compassion, empathy, and altruism are the hallmarks of this dimension, leading to caring and helpful behavior.

These three dimensions are interdependent and need to be simultaneously present for a person to be considered wise. The cognitive dimension provides the knowledge base, the reflective dimension reduces personal bias and promotes understanding, and the affective dimension ensures that this understanding is coupled with care and compassion towards others. Knowledge without compassion can become arrogance while compassion without reflection can lead to burnout. This model is very relevant in understanding and advocating self-reflection, self-awareness, and ethical action as leaders.

The Berlin Wisdom Model

The Berlin Wisdom Paradigm (Baltes et al., 2002), is one of the foundational

psychological models that attempts to define and measure wisdom in a structured way. This model views wisdom not as a mystical or purely philosophical concept, but as a form of expert knowledge about the fundamental pragmatics of life – in other words, deep, experience-based understanding of how to navigate complex life situations. According to the Berlin group, wisdom is about knowing how to deal with life's biggest questions: how to live well, how to deal with loss, how to make difficult trade-offs, and how to contribute meaningfully to others and society. What makes the Berlin Wisdom Paradigm unique is that it doesn't treat wisdom as a personal trait or a fixed quality – instead, it sees wisdom as a form of contextual expertise that helps people make sound judgments in situations that are emotionally charged, morally complex, and without easy answers. The researchers outline five key criteria that together define wisdom: (1) rich factual knowledge about life (for example, understanding how relationships, work, and aging typically unfold), (2) procedural knowledge – knowing how to handle life's problems, not just what they are, (3) life-span contextualism, which means seeing events in terms of broader life stages and cultural contexts, (4) value relativism, or the ability to acknowledge and respect different perspectives, norms, and goals, and (5) awareness and management of uncertainty, which reflects the wise person's understanding that life is unpredictable and that good decisions often require humility and flexibility rather than control. Importantly, the Berlin model emphasizes that wisdom is rarely found in isolation – it is fostered through social dialogue, mentorship, and life experience. It also stresses that wisdom isn't about always having the “right” answer, but about the ability to navigate complexity and competing values with thoughtfulness, humility, and care. For instance, a wise individual might not know exactly how to respond to a friend's grief, but they would understand the importance of listening, being present,

and accepting that there may be no perfect response. The model has been influential because it offers a research-based way to assess wisdom, often through hypothetical dilemmas that ask people how they would respond to real-life, morally and emotionally challenging situations. Their responses are then evaluated based on the five criteria. In this way, the Berlin Wisdom Paradigm helps distinguish wisdom from intelligence, education, or personality traits. It shows that wisdom is not just about being smart or kind – it's about the integration of knowledge, judgment, empathy, and experience in service of thoughtful living. In our fast-paced, polarized world, this model offers a compelling vision of wisdom as a practical and social resource – one that helps individuals and societies make better decisions, especially when things are uncertain, values conflict, and simple solutions no longer suffice.

Models of Wisdom in Leadership

The Five Principles of Wise Leadership by McKenna, Rooney, and Boal (2009)

The Five Principles of Wise Leadership, proposed by McKenna, Rooney, and Boal, present a compelling approach to understanding how leaders can exercise wisdom in the face of complexity, ethical challenges, and organizational pressure. The authors argue that leadership in the modern world requires more than technical expertise or charisma – it demands practical wisdom, or phronesis, rooted in ethical judgment, emotional awareness, and contextual understanding. This model outlines five interconnected principles that define how wise leaders think and act. (infographic to be inserted later)

The first principle is that wise leaders must be able to make logical arguments and clear observations based on reason. The second principle is about the ability to grasp the meaning of contradictory information allowing for non-rational and subjective

Logical Reasoning & Clear Observation

Integrating Contradictions with Creativity & Foresight

Ethics, Values & Humane Decision-Making

Pragmatism in Everyday Actions

Sensory, Emotional & Aesthetic Awareness

elements as well during decision making. This is not contrary to the first principle but rather advocates the use of creativity, imagination, and foresight as essential in making rational decisions. The third principle is rooted in ethics and values where wise leaders are expected to be humane and produce virtuous decisions grounded in fairness and morality. The next is to have decisions that propose actions that are pragmatic and aids in navigating through everyday concerns of self and others. The fifth principle promotes understanding of the sensory and emotional aspects of work that look at the aesthetic dimensions to understand that decisions need to be balanced and context-sensitive.

What makes this model especially practical is that it captures the balance that wise leaders must maintain: between thinking and doing, ethics and pragmatism, emotion and reason, caution and boldness. It presents wisdom as a dynamic process, not a personality trait – something that leaders can develop over time, particularly through reflection on challenging experiences. In short, McKenna and colleagues offer a roadmap for leadership that is not only effective but also responsible and humane. Their five principles invite us to think of leadership not as control or domination, but as stewardship – where wisdom means acting with awareness, integrity, and care in service of others and the common good. In an era of high stakes and moral complexity, this model reminds us that truly great

leaders are not just smart or skilled – they are wise.

Common Model of Wisdom (Grossman et al., 2020)

Grossman et al., (2020) propose a common wisdom model that incorporates the following key elements:

1. Meta-cognition: This refers to thinking about one's own thinking, and includes intellectual humility, open-mindedness, and the ability to reflect on different perspectives and contexts. Meta-cognition allows individuals to manage cognitive biases, understand the limits of their knowledge, and approach problems with greater objectivity.

2. Moral Aspirations: Moral grounding is a central aspect of wisdom in this model, involving the balance between self-oriented and other-oriented interests. Wise individuals aim for the common good and share a sense of humanity beyond in-group/out-group distinctions. This aspect emphasizes a morally grounded approach to problem-solving and decision-making.

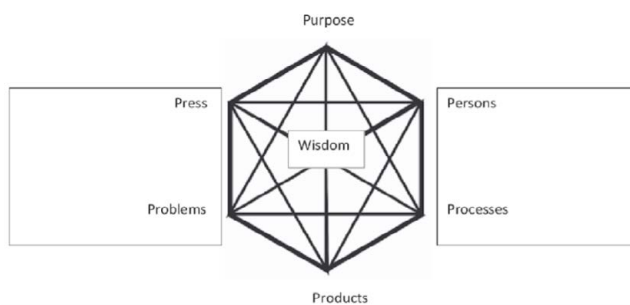
3. Self-transcendence: Wise individuals demonstrate the ability to go beyond personal biases, seeing situations from a broader, more detached perspective. This self-transcendence helps them navigate complex social and moral dilemmas by integrating multiple viewpoints.

These elements are proposed as core characteristics that converge in the empirical study of wisdom across various disciplines. The model integrates both cognitive (meta-cognitive processes) and affective (moral and self-transcendent) elements, emphasizing the practical application of wisdom in real-world, complex scenarios.

Unified 6P Framework of Wisdom by Sternberg and Karami (2021)

The Unified 6P Framework of Wisdom,

brings together key insights from decades of wisdom research into a single, integrated model. The framework identifies six interconnected components – or “6 Ps” – that collectively define what it means to be wise. These components are: **Perspective, Problem-solving, Pragmatism, Purpose, Personal competencies, and Practice.** Each plays a distinct role, but together they form a holistic view of wisdom as both a mindset and a set of capabilities that develop over time.



Purpose

Purpose refers to the overarching goal of wise actions, which is often the pursuit of the common good. In business, this means aligning strategies not just for profit but for ethical practices, social responsibility, and long-term sustainability. Wise leaders guide their companies with a clear purpose that balances the interests of shareholders, employees, customers, and the broader community, ensuring actions contribute positively to society and the environment.

Press

Press involves external pressures that demand wise responses. In a business context, these pressures can include market changes, technological advances, regulatory shifts, and social or cultural trends. Wise leadership requires understanding and adapting to these forces, anticipating future challenges, and using them as opportunities for strategic decisions that drive resilience and success.

Problems

Problems in this model refer to complex

challenges that don't have straightforward solutions. Businesses often face such problems, which require a blend of technical expertise, ethical considerations, and long-term thinking. Leaders must navigate issues like integrating new technologies, balancing sustainability with profitability, or managing crises that involve conflicting interests.

Persons

Persons are the individuals who demonstrate wisdom. In leadership, this includes not only intelligence and strategic thinking but also emotional intelligence, empathy, and ethical integrity. Wise leaders possess the qualities necessary to manage diverse teams, foster innovation, and navigate complex situations while maintaining ethical standards and fostering a positive organizational culture.

Processes

Processes involve the ways in which decisions are made and actions are taken. Wise processes are thoughtful, ethical, and open to new perspectives. In business, this means leaders use critical thinking, reflection, and judgment to make well-informed decisions. Processes are transparent and inclusive, ensuring decisions align with both organizational goals and ethical values.

Products

Products are the outcomes of wise decisions and processes. In business, wise products are solutions that address problems sustainably and ethically. These can be tangible, like eco-friendly products, or intangible, like improved community relations. Wise products not only meet immediate needs but also contribute positively to long-term organizational success and societal well-being.

What makes the 6P framework particularly useful is that it integrates psychological, ethical, and practical dimensions of wisdom. It also offers a developmental view,

recognizing that people can become wiser over time as they accumulate experience and reflect deeply on their actions. This model highlights that wisdom is not about being perfect or having all the answers – it's about learning to respond thoughtfully to life's complexity with perspective, compassion, and courage. In this way, the Unified 6P Framework provides a grounded, realistic, and aspirational map for anyone seeking to lead, live, or grow more wisely.

Polyhedron Model of Wisdom Karami et al., 2020

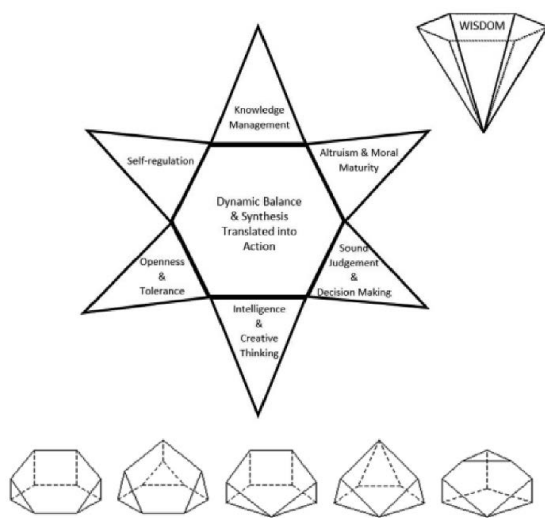


Figure 1. The Polyhedron Model of Wisdom and varying heptahedral forms.

The Polyhedron Model of Wisdom (Karami et al., 2020) identifies seven interconnected components that collectively define wisdom, providing a structured approach for fostering wisdom in various contexts: (explain in table/ infographic)

Knowledge Management

Wisdom isn't just about having information; it's about effectively applying knowledge in complex situations. It involves knowing when and how to use different types of knowledge, crucial for both personal decision-making and leadership. This component also includes self-awareness, evaluating the limits and scope of one's knowledge, which is critical in complex decisions.

Self-Regulation

Self-regulation involves managing emotions, thoughts, and behaviors to achieve personal goals and maintain social harmony. It's key in leadership and personal growth, helping individuals make balanced decisions that consider broader societal impacts.

Altruism and Moral Maturity

This component focuses on acting with compassion, integrity, and fairness towards others. It ensures that decisions benefit not just the individual but society as a whole, reflecting a deep commitment to ethical principles and social responsibility.

Openness and Tolerance

Navigating a complex, diverse world requires openness to new ideas and tolerance for different perspectives. This aspect of wisdom involves embracing uncertainty and diversity, crucial in leadership and education where decisions often involve diverse stakeholders.

Sound Judgment and Decision-Making

Central to wisdom is the ability to make ethical, informed decisions. This involves analyzing information, weighing potential consequences, and choosing actions that are both effective and just.

Intelligence and Creative Thinking

Wisdom draws on both intelligence and creativity. This component highlights the importance of innovative problem-solving and thinking outside the box to address challenges effectively.

Dynamic Balance and Synthesis Translated into Action

Wisdom isn't just theoretical; it's about applying knowledge and values in practical ways. This component emphasizes the importance of translating thoughtful analysis into balanced, real-world actions.

The model aims to provide a comprehensive,

multidimensional approach to understanding wisdom, addressing the limitations of previous theories by integrating various aspects into a cohesive framework.

What we can learn from all these diverse models

Across the seven models of wisdom explored in this whitepaper, we observe both shared foundations and distinct contributions. While some focus on

individual inner development, others emphasize social interaction, contextual responsiveness, or leadership in action. Taken together, they provide a multi-dimensional and culturally inclusive understanding of wisdom – one that can better guide leadership in our complex and interconnected world.

Wisdom Model	Perspec tive-taking	Emotional Maturity	Ethical Grounding	Contextual Sensitivity	Action Orientation	Develop mental Focus	Social/ Relational Lens
Sternberg's Balance Theory	Strongly emphasized	Clearly integrated	Central to decision-making	Explicitly addressed	Core component	Implicitly present	Actively considers multiple interests
Ardelt's Three-Dimensional Model	Core dimension (reflective)	Core dimension (affective)	Deeply embedded through compassion	Indirectly addressed	Not directly emphasized	Fundamental to the model	Minimally emphasized
Berlin Wisdom Paradigm	Strongly emphasized	Acknowledged but not central	Addressed through value relativism	Central to the framework	Not the main focus	Not a key element	Emphasizes shared meaning-making
McKenna et al.'s Wise Leadership	Essential for wise leadership	Clearly integrated	Explicit moral foundation	Strongly emphasized	Strong focus on applied wisdom	Developed through leadership experience	Discussed in limited scope
Social Practice Wisdom (SPW)	Emphasized through dialogue	Present and responsive	Centered on moral concern	Core to the model	Framed as improvisational and responsive	Less explicitly discussed	Central to the model (dialogue-based)
Unified 6P Framework	Clearly emphasized	Clearly emphasized	Present through life purpose	Strongly integrated	Core practical element	Explicit developmental framing	Strong focus on empathy and humility
Polyhedron Model	Strong emphasis on multiplicity	Strong emphasis on emotion	Clearly highlighted	Central and culturally responsive	Framed as adaptable and flexible	Deeply connected to identity and narrative	Central to model's narrative and relational framing

Despite their diversity, all models emphasize some core elements of wisdom:

- **Perspective-taking and reflection:**

The ability to step outside one's own view and see complexity from different angles is universal across models.

- **Ethical commitment:** Wisdom is inseparable from values – whether framed as moral grounding, responsibility, or pursuit of the common good.

- **Emotional insight and regulation:**

Nearly all models include empathy, compassion, or emotional maturity as key ingredients.

- **Situational awareness and**

contextual judgment: Wisdom is not applied blindly but flexibly, based on what the situation calls for.

- **Developmental potential:** Most models suggest wisdom is not fixed – it grows through experience, reflection, and relationships.

Proposing an Integrated Model of Wise Leadership



These six wisdom-based leadership models share several common elements, despite their differing emphases and approaches. The Sanskrit word for discernment is Viveka, which translates to the wisdom to discern, to distinguish, and make sound judgements. Discernment is one of the essential threads in the fabric of wise leadership – a quality that allows leaders to balance competing demands, align decisions with deeper values, and consider long-term impacts. Although rooted in different traditions and disciplines, these models suggest shared understanding of what it means to lead with integrity and insight.

In their pioneering work on ‘The Wise Leader,’ Nonaka and Takeuchi (2011) prescribe a practical guide to develop specific abilities in wise leaders to make them more effective. Borrowing from Aristotle and Japanese leadership philosophy, they posit ‘phronesis’ as a central value where phronesis refers to ‘practical wisdom’ – the ability to make decisions that are founded in ethical judgement, acute awareness of the context, and an understanding of the human element. They identify six core abilities of wise leaders that set them apart and demonstrate their practical wisdom or phronesis.

We compared the different models of wisdom in leadership that and found the features that reflect the core characteristics of wisdom as applied to leadership. Based on that, we propose an integrated model which include the following eight dimensions.

1

Judging the goodness of ends

discerning what is ethically and socially right.

2

Grasping the essence

identifying the deeper meaning beneath surface-level complexity.

3

Creating shared context

fostering collective understanding among diverse stakeholders.

4

Communicating the essence

using narrative and metaphor to inspire and align.

5

Exercising political power

influencing ethically and navigating organizational dynamics.

6

Fostering phronesis in others

mentoring and cultivating wisdom in teams.

The 8 D Integrated Model

1. Ethical Judgment and Moral Responsibility:

All six models emphasize the importance of ethical decision-making. Whether through McKenna, Rooney, and Boal's focus on ethical judgment or the Polyhedron Model's component of altruism and moral maturity, wise leadership is seen as fundamentally grounded in a commitment to the greater good, ensuring decisions benefit both organizations and society.

2. Balance Between Rationality and Non-Rational Elements:

A recurring theme is the need to balance logical reasoning with non-rational elements such as intuition, emotional intelligence, and foresight. For example, McKenna, Rooney, and Boal emphasize integrating both rational and non-rational insights, while Intezari and the Polyhedron Model underscore the importance of cognitive-emotional mastery, which combines intellectual and emotional processes.

3. Adaptability and Flexibility in Decision-Making:

Each model stresses the need for leaders to be adaptable and responsive to change. The SPW model highlights humility and adaptability in complex environments, while the Polyhedron Model's focus on dynamic balance and the Unified 6P Framework's inclusion of processes suggest that leaders must continuously adjust their strategies based on evolving circumstances.

4. Multi-Perspective Consideration:

Another key element is the ability to consider multiple perspectives when making decisions. Sternberg's Balance Theory highlights reconciling competing interests, while Intezari's framework emphasizes multi-perspective consideration, ensuring that decisions take into account diverse stakeholder values and long-term impacts.

5. Humility and Self-Awareness: Humility and self-awareness are central to wise leadership in most models. The SPW model explicitly includes humility as a virtue,

and the Polyhedron Model highlights self-regulation and knowledge management, including knowing the limits of one's knowledge and integrating feedback.

6. Practical Application of Wisdom: All models emphasize that wisdom is not just theoretical but must be applied practically in real-world contexts. For instance, McKenna, Rooney, and Boal stress practicality in everyday decision-making, while the Unified 6P Framework and Intezari's model focus on the actionable application of wisdom through decision-making processes that align with ethical and organizational goals.

7. Long-Term, Sustainable Decision-Making:

Many of the models focus on the long-term impact of decisions, moving beyond immediate gains to consider sustainable outcomes. The Unified 6P Framework, with its emphasis on purpose and long-term goals, and Sternberg's Balance Theory both emphasize the importance of decisions that serve long-term societal and organizational well-being.

8. Complexity and Uncertainty Management:

Handling complexity and uncertainty is a common thread across the models. Leaders are expected to navigate ambiguous situations and paradoxes. McKenna, Rooney, and Boal, the SPW model, and Sternberg's theory all stress the need for leaders to be comfortable with uncertainty and to act with foresight and ethical clarity in such situations.

In essence, the six current models of wise leadership converge on key principles: ethical and moral responsibility, the integration of rational and non-rational elements, adaptability, multi-perspective consideration, humility, practical application, long-term thinking, and managing complexity. Our proposed Integrated Model of Wise Leadership takes into account these common elements to underscore the holistic nature of wisdom in leadership, positioning leaders to respond to modern challenges with both practical efficacy and moral clarity.

How is this integrated wisdom-based approach distinct from traditional approaches of leadership

Traditional leadership approaches—such as Transformational, Authentic, Servant, Ethical, Responsible, or Sustainable leadership—

emphasize certain discrete aspects (e.g., authenticity, servant orientation, ethical practices, or sustainability). In contrast, our proposed 8D model of wise leadership stands distinct by explicitly integrating several critical dimensions into a single cohesive framework, thereby addressing inherent limitations in traditional theories.

Distinctive Elements of Wise Leadership

Element	How Wise Leadership is Distinct	Contrast with Traditional Approaches
Ethical Centrality	Wisdom places ethical and moral considerations explicitly and centrally, not peripherally. Leaders operate fundamentally from virtue, moral judgment, and commitment to the common good (McKenna, Rooney & Boal, 2009; Sternberg & Karami, 2021).	Traditional models (e.g., transformational, authentic) treat ethics as important but often secondary or implicit rather than central.
Integration of Rational and Non-Rational Dimensions	Wise leadership combines rational thinking with intuition, emotional insight, creativity, and spiritual or metaphysical understanding (Intezari & Pauleen, 2017; Kaipa & Radjou, 2013).	Mainstream leadership theories typically prioritize either rational analysis (e.g., strategic leadership, transformational) or emotional intelligence (servant, authentic) separately, rarely fully integrating both dimensions.
Adaptability and Tolerance of Ambiguity	Wise leadership emphasizes humility, adaptability, and openness to experience, equipping leaders to navigate uncertainty and complexity (SPW Model: McKenna & Rooney, 2019; Polyhedron Model: Karami et al., 2020).	Traditional leadership theories frequently offer fixed or rigid competency frameworks, limiting their responsiveness to unpredictable scenarios.
Multi-Perspective Consideration	Wisdom frameworks explicitly emphasize leaders' ability to view situations from diverse perspectives and consider a wide range of stakeholder needs simultaneously (Intezari & Pauleen, 2017; Sternberg's Balance Theory, 2003).	Many mainstream leadership approaches emphasize either internal stakeholder groups (followers) or external stakeholders (communities, environment), but seldom both comprehensively.

Practical Wisdom (Phronesis)	Wise leadership focuses explicitly on practical application in everyday real-world contexts, blending ethics, experience, and judgment to achieve ethically sound outcomes in ambiguous situations (McKenna, Rooney, & Boal, 2009; Kaipa & Radjou, 2013; Nonaka & Toyama, 2007).	Traditional leadership approaches often emphasize theoretical knowledge or generalized leadership traits and behaviors without explicit emphasis on practical wisdom.
Long-Term, Holistic Outcomes	Wise leadership explicitly commits to sustainable decisions benefiting organizational and societal well-being over the long-term (Unified 6P Framework, Sternberg & Karami, 2021; Kaipa & Radjou, 2013).	Traditional theories (e.g., transformational or authentic leadership) frequently highlight immediate organizational objectives, often without explicit attention to broader societal and environmental sustainability.
Dynamic Balance and Reflexivity	Wise leadership prioritizes continuous reflective practice (reflexivity) and dynamic balancing among competing interests, values, and stakeholder priorities (Intezari & Pauleen, 2017; Polyhedron Model: Karami et al., 2020).	Traditional approaches rarely make dynamic balance and continual reflective learning central or explicitly embedded in the leadership process.

How Wisdom Addresses Organizational Leadership Gaps

The reviewed leadership theories each have limitations or areas where they perform less effectively. Our Integrated 8D Wise Leadership Model explicitly addresses these identified gaps:

- Ethics vs. Performance:** Wisdom integrates ethical clarity into high-performance contexts, reducing ethical trade-offs.
- Complexity and Ambiguity Management:** Wise leadership equips leaders for uncertainty, providing adaptability where rigid competency-based models fail.
- Short vs. Long-term Orientation:** Wise leaders balance immediate performance demands and long-term sustainability, overcoming short-termism.
- Stakeholder Integration:** Wise leadership explicitly attends to both internal follower empowerment and broader stakeholder interests, addressing partial stakeholder views found in other models.
- Rational-Intuitive Balance:** Leaders guided by wisdom effectively integrate analytical rigor and intuitive judgment, correcting the rational/non-rational dichotomy typical in other leadership theories.
- Continuous Reflexivity and Learning:** The wisdom-based leadership approach explicitly incorporates ongoing reflection, enabling leaders to continuously adapt and learn—critical in fast-paced, ambiguous environments.

Revised Definition of Leadership Incorporating Wisdom

To reflect explicitly these distinctive wisdom-based dimensions, we propose the following definition of leadership:

“Wise leadership is a reflective, ethically grounded, and integrative process by which leaders intentionally combine rational analysis, intuitive insights, and moral discernment to effectively navigate complexity, empower diverse stakeholders, and achieve ethically sound outcomes, harmonizing immediate demands with sustainable long-term flourishing for individuals, organizations, and society at large.”

Why This Revised Definition is Distinctly “Wise”

- **Ethical Core:** Central and explicit ethical foundation (moral discernment, ethical grounding).
- **Integrative approach:** Balances rational and non-rational (intuition and emotional intelligence) dimensions explicitly.
- **Adaptability:** Highlights navigating complexity, uncertainty, and ambiguity through reflective practice.
- **Holistic stakeholder view:** Actively incorporates internal (team members) and external (society, environment) stakeholders.
- **Long-term flourishing:** Explicitly prioritizes sustainable, virtuous outcomes over merely short-term results.

In short, this definition clearly articulates why wise leadership uniquely responds to contemporary organizational needs by explicitly embedding ethics, intuitive and rational thought, stakeholder inclusivity, adaptability, and a long-term holistic

orientation at its core. This comprehensive, wisdom-based perspective thus sets wise leadership apart distinctly from mainstream and traditional leadership theories, providing a robust framework for effectively addressing complex challenges in modern organizations.

Human Wisdom in the Age of Artificial Intelligence

The increasing integration of Artificial Intelligence (AI) in organizations presents a compelling opportunity to reflect deeply on the critical role of human wisdom. While AI’s analytical prowess—manifested in data-driven insights, efficiency, and automation—is undeniably valuable, recent interdisciplinary discussions clearly establish that genuine wisdom transcends analytical capabilities alone. Wisdom inherently embodies ethical discernment, emotional intelligence, reflective judgment, contextual understanding, and moral intuition—qualities fundamentally human and beyond the reach of AI systems, regardless of their sophistication (Ardelt, 2025; Sternberg, 2023).

Indeed, scholarly literature highlights essential distinctions between AI-driven intelligence and human wisdom. Monika Ardelt’s widely referenced three-dimensional wisdom model—consisting of cognitive, reflective, and affective dimensions—clarifies this distinction. While AI effectively excels at cognitive tasks, offering significant analytical depth, its reflective capacity remains indirect, prompting human reflection but lacking authentic self-awareness or emotional insight. Crucially, the affective dimension—encompassing genuine empathy, compassion, and ethical sensitivity—is inherently absent in AI, as these qualities require lived experience, consciousness, and genuine human connection.

Robert Sternberg’s balance theory of wisdom further emphasizes that wisdom

requires the balancing of diverse interests (personal, interpersonal, and societal) guided by deep ethical considerations. AI, while capable of processing information and presenting analytical outcomes aligned with programmed objectives, inherently lacks the capacity to independently discern moral values or prioritize human-centric interests without explicit human guidance.

Thus, the future of organizational leadership must not consider AI as a substitute for human wisdom, but rather as a complement that augments and supports human capacities. AI's potential in leadership contexts lies in enhancing human reflection by surfacing hidden biases, presenting diverse perspectives, and facilitating informed deliberation. However, this potential comes with significant ethical risks if not carefully managed, including moral deskilling—where excessive reliance on AI diminishes human judgment capacities—and the loss of accountability due to opacity in AI-driven decision-making.

The responsible integration of AI in organizations thus necessitates wise governance. Organizations should actively develop frameworks ensuring AI tools augment rather than replace human judgment. This includes transparency and explainability in AI processes, ethical oversight through dedicated roles (such as AI ethicists or Chief Wisdom Officers), and continuous cultivation of human wisdom through reflective practices and ethical training.

In essence, while AI may simulate aspects of wisdom, we strongly believe that it does not and cannot genuinely embody it. Human wisdom remains uniquely essential, serving not only as a moral compass in technology-rich environments but as the guiding principle ensuring AI serves broader humanistic and ethical ends.

How to leverage wisdom approach in organizations: a CEO Playbook



Leadership frameworks often describe what wisdom is but struggle to explain how wisdom can be practiced in organizations. **The 8 Dimensions of Wise Leadership (8D)** provide a conceptual map: purpose and long-term vision, ethical foresight, reflection, adaptability, perspective-taking, knowledge integration, humility, and practical wisdom. They identify the domains where wisdom is most needed.

Yet wisdom must also be understood as something enacted in practice. Here the work of **Ikujiro Nonaka and Hirotaka Takeuchi** adds vital clarity. In their HBR article *The Wise Leader* (2011) and their book *The Wise Company* (2019), they outline **Six Leadership Practices of Wise Leaders**, which reveal how wisdom manifests in action:

- **Judging Goodness** – discerning what is good for the company and society, not just shareholders.
- **Grasping the Essence** – seeing through complexity to grasp the true nature of events and people.
- **Creating Ba** – building shared spaces (physical, virtual, relational) where collective knowledge and wisdom emerge.
- **Communicating the Essence** – conveying insights through stories, metaphors, and historical imagination.

- **Exercising “Political” Power** – mobilizing people, bridging divides, and aligning diverse interests to spur action.
- **Fostering Practical Wisdom in Others** – developing successors and apprentices so wisdom multiplies across the organization.

Mapping 8D to the Six Practices of Wise Leaders

The 8D framework provides the what; the Six Practices of Wise Leaders provide the how. Together, they form a blueprint for practice:

- **Purpose & Long-Term Vision (8D)** - supported by Judging Goodness and Communicating the Essence.
- **Ethical Foresight (8D)** - enacted through Judging Goodness and Exercising Political Power.
- **Reflection & Humility (8D)** - realized in Creating Ba and Grasping the Essence.
- **Adaptability (8D)** - enabled by Grasping the Essence.
- **Perspective-Taking (8D)** - reinforced by Exercising Political Power and Creating Ba.

- **Knowledge Integration (8D)**

- aligned with Creating Ba, Communicating the Essence, and Knowledge Integration practices.

- **Practical Wisdom (8D)** - embedded through Fostering Practical Wisdom in Others.

We therefore propose this synthesis in the form of **six Integrated Wisdom Practice Areas that CEOs** can focus on to embed wisdom in organizational life.

Six Integrated Wisdom Practice Areas for CEOs

1. Anchoring in Purpose and Judging Goodness

(8D: Purpose & Long-Term Vision; Nonaka: Judging Goodness, Communicating the Essence)

Wise leadership begins with purpose that is more than words on a website. It requires leaders to judge what is genuinely good for the company and for society, and to communicate this essence in ways that resonate and mobilize.

Examples: Tata Group has repeatedly prioritized societal good over short-term gain, e.g., committing resources to disaster relief beyond core business interests and sustainability commitments. Unilever's "Sustainable Living Plan" showed how embedding purpose can shape strategy and brand equity.

Action Steps:

- **Define purpose-linked metrics:** Require every business unit to set 2–3 KPIs explicitly tied to purpose (e.g., % of sustainable revenue, inclusion targets, community impact), alongside financial metrics. Review them quarterly at the board level.
- **Conduct a “purpose audit”:** Examine

whether current strategies, investments, and product lines align with the stated purpose. Sunset or reshape initiatives that conflict with core values.

- **Build purpose into strategy reviews:**

- Add a “purpose lens” slide to every strategic decision presented to the board. The slide must answer: How does this serve our long-term societal impact?

- **Leadership storytelling:** Run quarterly leadership forums where executives share personal narratives about how purpose guides their decisions. Capture these stories in short videos or podcasts to cascade through the organization.

- **AI scenario stress tests:** Use AI-powered foresight tools to model whether your purpose commitments (e.g., net zero, inclusion goals) still hold in different disruption scenarios (climate, tech, geopolitical).

Why it Matters: Without judging goodness, purpose risks being rhetoric. Communicating the essence turns it into shared conviction, aligning the organization around long-term legitimacy.

2. Practicing Ethical Foresight and Exercising Judgment in Context

(8D: Ethical Decision-Making & Foresight; Nonaka: Judging Goodness, Exercising Political Power)

Ethical foresight means anticipating the societal and stakeholder consequences of business choices. CEOs must discern what is right in specific contexts and use political skill to align constituencies around ethical outcomes.

Examples: Microsoft delayed some AI deployments until fairness safeguards were tested, choosing principle over speed. Johnson & Johnson's handling of the Tylenol

crisis set a benchmark for ethical response, prioritizing consumer trust over immediate profit.

Action Steps:

- **Introduce ethics sprints:** When facing a major dilemma (e.g., layoffs, new AI product), convene a cross-functional sprint team (legal, HR, operations, ethics officers) to debate scenarios within 48 hours and present options that consider stakeholder impacts.
- **Ethics + impact checklists:** Make it mandatory that any board-level proposal include a completed ethics checklist, with explicit notes on societal, employee, and environmental implications.
- **Cross-functional ethics panel:** Create a standing panel (rotating members from HR, sustainability, technology, and external advisors) to review contentious decisions and ensure context-sensitive judgments.
- **Scenario-based leader training:** Run semi-annual workshops for senior executives using real dilemmas the company has faced (e.g., AI adoption, data privacy, supply chain ethics). Ask them to practice judgment calls under pressure.
- **Use AI for foresight, not decision:** Deploy AI to model unintended consequences of policies (e.g., workforce impact of automation) but keep final decision authority explicitly human.

Why it Matters: Ethical dilemmas cannot be solved by rules alone. They demand contextual judgment and the political ability to build support for principled choices.

3. Creating Ba for Reflection and Collective Resonance

(8D: Reflection & Humility; Nonaka: Creating Ba, Grasping the Essence)

Reflection becomes transformative when leaders create ba – shared spaces of dialogue and meaning. In such spaces, collective reflection deepens insight, humility is cultivated, and leaders can resonate authentically with others.

Examples: At Uniqlo, CEO Tadashi Yanai emphasizes open dialogue forums that cut across hierarchies. In Japanese firms, hansei (collective reflection) after projects embeds organizational learning. Google's "TGIF" meetings also created ba-like spaces where leaders reflected with employees.

Action Steps:

- **Monthly reflection circles:** Create regular 90-minute circles for the executive team, facilitated by a coach, where each leader shares a tough decision, what drove it, and what they learned.
- **Design safe "ba spaces":** Establish dedicated spaces (both physical retreats and digital platforms) where employees across levels can share candid reflections on projects, including failures.
- **Embed reflection in rituals:** Begin board meetings with a 10-minute pause for reflection on past decisions. In townhalls, start with a reflection exercise to build collective resonance.
- **AI-assisted reflection:** Use AI to anonymize and aggregate decision data (e.g., project post-mortems, customer feedback) and present reflection prompts like "Where did we overestimate certainty?"

- **Leader openness:** Encourage senior leaders to model vulnerability by sharing personal learning moments. This builds resonance and signals that humility is valued.

Why it Matters: Ba institutionalizes reflection across levels, preventing it from being an isolated practice. Resonance emerges when leaders open themselves to others in these shared spaces.

4. Adapting and Grasping the Essence of Complexity

In volatile conditions, leaders must discern the essence of complexity – what truly matters beneath surface noise – and adapt responses quickly but wisely.

Examples: Toyota’s kaizen philosophy emphasizes grasping root causes rather than reacting to symptoms. During COVID-19, Airbnb pivoted rapidly to “virtual experiences,” reflecting an ability to grasp the essence of its value proposition beyond physical travel.

Action Steps:

- **Run annual crisis simulations:** Simulate disruptive events (cyberattacks, supply-chain collapse, AI misuse, regulatory shocks). Debrief not just technical fixes but leadership judgment and adaptability.
- **Establish complexity labs:** Form small, cross-functional teams tasked with exploring ambiguous problems (e.g., ethical use of AI in customer service) through rapid prototyping.
- **Leadership rotations:** Rotate senior executives into new domains for 6–12 months (e.g., a CFO spending time in sustainability, or a COO in digital). Use this to cultivate adaptive breadth.
- **AI scenario planning:** Use AI foresight tools to model multiple futures

(climate scenarios, regulatory shifts, competitor actions). Use these not as predictions but as inputs for human sense-making.

- **Root-cause reviews:** Require post-crisis reviews that go beyond symptoms to ask: What was the essence of the failure? What pattern did we miss?

Why it Matters: Adaptability without essence risks reactive opportunism. Grasping the essence ensures agility is value-driven and strategic.

5. Perspective-Taking and Exercising Political Power for Stakeholder Balance

Wise leadership requires the ability to see through multiple eyes, balance competing interests, and use political skill to align divergent voices around legitimate trade-offs.

Examples: Patagonia integrates environmental groups directly into stakeholder dialogues. Tata Steel consults communities before opening new operations. Starbucks has involved employees (“partners”) in co-creating social initiatives.

Action Steps:

- **Stakeholder immersion programs:** Require senior leaders to spend at least 2–3 days annually embedded with frontline staff, customers, or community groups. Capture insights as part of their performance evaluation.
- **Board-level stakeholder maps:** Make stakeholder mapping a standard part of strategic presentations. Require identification of winners, losers, and mitigation plans for affected groups.
- **AI-enabled ecosystem scans:** Use AI sentiment analysis and media monitoring to track stakeholder concerns (employees, regulators, NGOs, customers) in real time. Share results at leadership meetings.

- **Multi-stakeholder forums:** Convene regular forums (with NGOs, regulators, suppliers, and employees) to co-create solutions on contentious issues (e.g., sustainability, AI ethics).
- **CEO political leadership:** Use the CEO's convening power to bring stakeholders together in moments of conflict, signaling that difficult trade-offs are addressed openly, not behind closed doors.

Why it Matters: Stakeholder legitimacy is critical to long-term survival. Wise use of political power aligns diverse constituencies without alienating trust.

6. Integrating Knowledge and Fostering Practical Wisdom in Others

The hallmark of wise organizations is their ability to integrate knowledge into judgment and then foster wisdom in others, ensuring it multiplies across generations.

Examples: Canon created cross-disciplinary teams to merge science, design, and customer knowledge. Toyota mentors apprentices to pass down tacit wisdom in engineering. Netflix encourages leaders to share context widely so decisions are decentralized and wise.

Action Steps:

- **Wisdom councils:** Establish councils at corporate and BU levels that bring together diverse voices – technologists, frontline staff, ethicists, customers. Task them with advising on major initiatives.
- **Cross-silo knowledge platforms:** Use digital platforms (enhanced by AI) to aggregate diverse inputs, but ensure decisions are made through in-person dialogue.
- **Promotion criteria:** Embed judgment quality as a formal criterion in promotion and succession processes. Require

evidence of wise decision-making, not just performance outcomes.

- **Apprenticeship and mentoring:** Pair senior leaders with emerging talent in an apprenticeship model. Emphasize tacit knowledge transfer and phronesis, not only skills.
- **Knowledge storytelling:** Encourage leaders to communicate complex insights through stories and metaphors, making integrated knowledge accessible and inspiring.

Why it Matters: Knowledge without judgment remains fragmented. Practical wisdom integrates knowledge into purposeful action and reproduces wisdom across the organization.

Phased Roadmap for CEOs

Embedding wisdom in organizations is not a “big bang” exercise. CEOs must pace the journey so that symbolic moves create momentum, structural foundations sustain progress, and cultural embedding makes wisdom irreversible. **The Six Integrated Wisdom Practice Areas** – *Anchoring in Purpose and Judging Goodness, Practicing Ethical Foresight, Creating Ba for Reflection, Adapting and Grasping the Essence, Perspective-Taking for Stakeholder Balance, and Integrating Knowledge & Fostering Wisdom in Others* – should be introduced in stages.

Phase 1 – Quick Wins (0–6 months)

The goal of this phase is to **signal seriousness** and create early momentum. Focus on small but visible practices that show leaders are committed to wisdom.

- **Anchoring in Purpose and Judging Goodness:** Launch purpose audits and purpose-linked KPIs at unit level. Begin leadership storytelling sessions on purpose.

- **Practicing Ethical Foresight:**

Introduce ethics + impact checklists in board proposals. Pilot a short “ethics sprint” exercise for one upcoming decision.

- **Creating Ba for Reflection:** Start monthly reflection circles for the top team. Embed 5–10 minutes of reflection in board or leadership meetings.

Why this matters: These moves don't require major restructuring but immediately change tone and behavior. Employees and stakeholders see that leaders are serious about embedding wisdom.

Phase 2 – Foundations (6–18 months)

With momentum built, the focus shifts to structural supports that institutionalize wisdom practices.

- **Adapting and Grasping the Essence:** Run annual crisis simulations and establish a small “complexity lab” to prototype responses to disruptive issues.
- **Perspective-Taking for Stakeholder Balance:** Institutionalize stakeholder immersion programs and integrate stakeholder maps into all board-level strategy discussions.
- **Creating Ba for Reflection (expanded):** Establish safe ba spaces (digital and physical) for wider organizational reflection and dialogue.
- **Integrating Knowledge & Fostering Wisdom in Others:** Create wisdom councils across business units and embed cross-silo knowledge platforms. Begin formal mentoring and apprenticeship initiatives.

Why this matters: Foundations require investment and planning, but they create durable mechanisms – spaces, processes, and councils – that keep wisdom alive beyond symbolic gestures.

Phase 3 – Transformation (18–36 months)

In the final stage, wisdom becomes part of the organization's DNA through governance, succession, and cultural embedding.

- **Anchoring in Purpose and Judging Goodness:** Rearticulate purpose at the enterprise level, ensuring it is stress-tested against future disruption scenarios. Make purpose alignment a board-level review item.
- **Practicing Ethical Foresight:** Embed ethical foresight into governance through permanent ethics panels, and ensure executive bonuses and evaluations reflect ethical impact as well as performance.
- **Integrating Knowledge & Fostering Wisdom in Others:** Build wisdom-based criteria into succession planning, promotions, and leadership assessments. Develop a “phronesis track” in leadership development.
- **Communicating and Multiplying Wisdom:** Encourage leaders to communicate complex insights through metaphors and stories, and recognize those who mentor others in judgment.

Why this matters: Transformation embeds wisdom into structures that outlast individuals. Governance, succession, and purpose alignment ensure wisdom is systemic, not dependent on a few leaders.

Common Challenges

Implementing wisdom is demanding. CEOs must anticipate challenges that can derail progress:

- **Short-termism:** Market and board pressures often push for quarterly results, undermining long-term orientation. Wisdom requires courage to balance short-term demands with long-term stewardship.

- **Symbolism without depth:** Reflection rituals or purpose statements can easily become hollow if leaders don't embody them authentically. Employees quickly spot the gap between rhetoric and action.
- **Cultural resistance:** Middle managers often feel squeezed between top-level rhetoric and operational demands. Without their engagement, wisdom initiatives remain superficial.
- **Over-reliance on AI:** Leaders may be tempted to outsource judgment to AI systems. Without clear guardrails, this erodes human responsibility and ethical discernment.
- **Fragmentation:** Trying to implement all practice areas at once leads to initiative fatigue. Sequencing is critical.
- **Leadership inconsistency:** If CEOs and their top teams don't consistently model wise behavior, the initiatives lose credibility. Wisdom must be seen, not just said.

Criteria for Success

Wisdom takes root when changes in leadership behavior and organizational outcomes become visible.

- **Decision quality improves:** Decisions show longer foresight, balance multiple interests, and require fewer reversals.
- **Reflection rituals become lived practice:** Reflection circles, retreats, and forums are institutionalized and feed directly into decision-making.
- **Purpose is operationalized:** KPIs, board reviews, and strategy updates reference purpose explicitly alongside financials.
- **Stakeholder trust deepens:** Employees, regulators, and communities

express higher levels of trust, measured through surveys and sentiment analysis.

- **AI augments but does not replace:** AI supports foresight and integration, but judgment remains human-led.
- **Resilience in crises:** The organization demonstrates the ability to adapt wisely to shocks, learning from them without compromising values.
- **Leadership pipeline evolves:** Succession systems elevate leaders not only for performance but for judgment quality, humility, and wisdom behaviors.

CEO Takeaway

By combining the **8D Wisdom Framework** with **Nonaka & Takeuchi's Six Leadership Practices**, CEOs gain a roadmap that is both conceptually grounded and operationally actionable. The **Six Wisdom Practice** areas, phased roadmap, and success criteria outlined here move wisdom from rhetoric to reality. The ultimate test is when your organization consistently makes decisions that are fast and fair, innovative and ethical, profitable and purposeful.

What lies ahead



While wisdom in leadership represents one of the many existing leadership models, it is crucial to understand how it differs from other forms, such as authentic leadership, ethical leadership, and servant leadership. Although the traits associated with wise leaders—such as humility, virtue, shared accountability, and responsibility—are highly desirable, wisdom should not be viewed as a universal panacea for all challenges faced by organizations. Instead, wisdom in leadership should be considered as an effective and nuanced approach capable of addressing specific contemporary challenges, particularly in contexts where traditional leadership approaches have fallen short.

Relevance of Wise Leadership

In an increasingly complex landscape shaped profoundly by Artificial Intelligence (AI), wise leadership becomes particularly relevant. AI has extraordinary potential to enhance organizational efficiency and decision-making, yet also introduces significant ethical complexities, including concerns about transparency, accountability, bias, and the erosion of human moral judgment. The wise integration of AI into leadership practices requires balancing technological capabilities with deep ethical reflection, compassionate judgment, and a clear commitment to societal well-being.

Taking inspiration from Stoicism, wisdom advises not passive contemplation but

informed and deliberate action. For organizations prioritizing leadership development rather than merely developing individual leaders, adopting wisdom as a foundational construct means embedding it deeply into the organizational fabric, particularly regarding technology and AI governance. Leaders must foster a culture of reflective and ethical decision-making, guided by humility and openness to continuous learning—especially regarding emerging technologies.

Operationalize Wisdom

The insights shared in this paper are intended as starting points for a broader and essential conversation about cultivating exemplars of wise leadership. Wisdom, while appearing nebulous at first, can become tangible and actionable through structured dialogues, focused research, and cross-disciplinary collaboration. By bringing together wisdom researchers, business leaders, and technology experts, organizations can better define and operationalize wisdom, ensuring its integration into everyday leadership practices—including responsible AI usage—becomes both clear and impactful.

Developing wise leadership is a continuous journey involving lifelong learning and personal growth, where leaders continuously enhance their understanding of themselves, others, and the complex dynamics of the modern business world,

particularly the ethical implications of technology. Leaders must move beyond management roles to become visionaries, effectively guiding their teams through ambiguity and complexity with wisdom, foresight, and conscientious use of advanced technologies such as AI.

Future directions for CWIL

CWIL has embarked on this transformative journey by partnering with a global network of researchers, industry leaders, social organizations, public policymakers, and technology ethicists. This collaborative effort fosters multidisciplinary dialogues bridging ancient wisdom traditions and contemporary leadership and technological practices. By integrating insights from neuroscience, philosophy, developmental and organizational psychology, spirituality, ethics, economics, sociology, and the evolving fields of AI ethics and governance, CWIL seeks to address today's complex problems through a comprehensive, wisdom-oriented lens.

CWIL plans to conduct research projects addressing these pressing issues from the foundation of wisdom and responsible technology use. This multidisciplinary approach draws upon pertinent findings across diverse fields to inform leadership practices and organizational strategies, ensuring interventions and educational programs are comprehensive, evidence-

based, and ethically grounded. By synthesizing Eastern philosophies—including Indian Knowledge Systems, Buddhism, Taoism, Jainism, and others—with contemporary technological perspectives, CWIL aims to advance a nuanced understanding of wisdom in leadership suitable for today's interconnected and AI-driven environment.

A pivotal aspect of CWIL's future agenda includes developing robust, evidence-based methods for measuring key components of wisdom—such as exploratory orientation, cognitive flexibility, empathy, compassion, emotional regulation, self-transcendence, and humility—and assessing their integration with responsible AI practices. Establishing metrics to measure these dimensions will be crucial in evaluating the effectiveness of interventions designed to enhance practical wisdom and ethical technology use in leadership roles.

By pursuing these ambitious objectives, CWIL aims to significantly contribute to both the academic and practical understanding of wisdom in leadership. Through deliberate integration of ethical AI practices and continuous reflection, CWIL seeks to pave the way toward a future guided by deep insight, ethical integrity, technological responsibility, and sustained organizational and societal well-being.

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Annexure



A. Detailed Explanation of Leadership Theories

Authentic Leadership

The concept of authentic leadership, introduced by Luthans, Avolio, and Gardner (2003, 2005), was designed to respond to the increasing skepticism surrounding corporate leadership. This model underscores the importance of **self-awareness**, a clear understanding of their thoughts, behaviors, and the environment in which they operate. They strive to remain consistent in their values, aligning their beliefs, words, and actions across personal and professional domains.

Bill George (2003) highlights the role of **ethical principles** in shaping the behaviors of authentic leaders. Authentic leadership prioritizes moral and ethical considerations in decision-making, which, in turn, enhances long-term trust within organizations. It is not just about leading with integrity but about demonstrating behaviors that align with the organization's and its people's greater good. Furthermore, **relational transparency**, or the open sharing of thoughts and emotions with followers, is another crucial aspect of this leadership style. Authentic leaders foster trusting and open relationships, encouraging followers to engage in a two-way dialogue. **Internalized moral perspective**—a self-regulation process that helps leaders stay aligned with their ethical standards despite external pressures—is also central to the model.

Some advocates of authentic leadership emphasize the importance of **positive values**, including self-transcendence, emotional intelligence, and a sense of spirituality. **Balanced processing** is also critical, where leaders seek input from multiple perspectives and make fair decisions rather than relying solely on personal biases.

Despite these strengths, the theory has faced criticism. It has been argued that this inward focus can lead to a lack of consideration for ethical responsibilities and the needs of others. This critique raises concerns about whether authentic leadership benefits organizations, as its emphasis on personal integrity, may not always translate into broader contributions to team or company success. Moreover, some argue that authentic leadership lacks a concrete framework for promoting **collective outcomes or team performance**.

For CHROs, L&D professionals, and business leaders, the question becomes how to develop leadership that balances **self-awareness** with a broader, more **outward-facing approach**. Authentic leadership can foster personal solid integrity and build trust-based relationships. Still, its impact on driving collective performance and promoting a positive organizational culture may require additional elements such as **inclusive leadership** and **team-oriented development**. A more holistic approach may be necessary to ensure that leaders not only understand themselves but also inspire

and support those around them, cultivating a work environment where **psychological safety** and **team cohesion** thrive.

- Case in point

Howard Schultz, the former CEO of Starbucks, embodies many key elements of authentic leadership. His leadership is rooted in self-awareness, often sharing his personal story of growing up in a working-class family and how those experiences shaped his values of dignity, respect, and empathy. Schultz frequently reflected on his motivations, staying grounded in his purpose as a leader, which was to create a company that treated employees, customers, and suppliers with respect. Schultz is also known for his relational transparency, fostering open communication within Starbucks. He was consistently honest about his vision and the challenges the company faced, promoting a culture of trust. For instance, during the financial crisis of 2008, Schultz openly discussed the difficult decisions ahead, helping maintain morale and trust among employees during a turbulent period.

A strong internalized moral compass guided Schultz's leadership. He prioritized social responsibility and ethical practices, championing fair trade sourcing of coffee beans and offering healthcare benefits to employees long before it was common in corporate America. His actions reflected a commitment to doing the right thing, even when it wasn't the most profitable path in the short term, aligning him closely with ethical leadership principles. Schultz's leadership was deeply values-driven. He aimed to build a company that not only excelled in customer service but also made a positive contribution to society. His promotion of diversity, advocacy for social justice, and public stances on issues like racial inequality and immigration underscored his dedication to an ethical foundation in leadership.

Furthermore, Schultz practiced balanced processing in decision-making, ensuring he

consulted various stakeholders, gathered diverse perspectives, and made well-rounded judgments. This was evident in initiatives like offering benefits for part-time workers, including healthcare coverage and stock options, demonstrating his commitment to considering the broader impact of his decisions on the employee base.

Servant Leadership

Servant leadership is especially suited to address the ethical challenges of the twenty-first century by embedding a moral and human-centered approach to leadership. It provides the ethical grounding and social consciousness required from leaders in today's complex business environment.

The servant leader's focus is on the well-being of their followers and fostering their growth and development. According to Greenleaf (1977), servant leaders prioritize other people's needs, aspirations, and interests above their own, as their primary role is to serve, not to lead: "It begins with the natural feeling that one wants to serve, to serve first". While servant leadership involves a deep commitment to the success of the organization, it extends beyond traditional leadership roles by emphasizing a **moral responsibility** to create a positive impact not only for employees but also for customers, communities, and other relevant stakeholders.

The values or virtues upon which this leadership style is built, are: love (a selfless, caring love), **humility, altruism, vision, trust, empowerment, and service (Patterson, 2003)**. These virtues shape the servant leader's attitudes, characteristics, and behaviors, creating a leadership style that fosters **trust, collaboration, and shared responsibility within organizations**.

Beyond these virtues, servant leaders exhibit a **long-term orientation**, emphasizing sustainable organizational success by cultivating the well-being of their teams and

communities. They practice **stewardship**, where they view leadership as an act of responsibility and caretaking, ensuring that the organization serves the greater good and leaves a lasting, positive legacy for future generations (Block, 1993).

Servant leadership is also rooted in **listening and empathy**. Effective servant leaders actively listen to their employees' concerns and aspirations, demonstrating empathy and understanding, which builds deeper relational connections and promotes an inclusive work environment (Spears, 1998). This focus on emotional and relational intelligence enables servant leaders to create a culture of psychological safety, where individuals feel valued and supported in both their professional and personal growth.

In contrast to other leadership models that may emphasize **power and control**, servant leaders prioritize **employee empowerment**, encouraging autonomy and ownership among team members. By delegating authority and trusting their followers, servant leaders help employees develop confidence, competence, and a sense of accountability (Russell & Stone, 2002). This empowerment is key in fostering innovation, creativity, and engagement, contributing to higher organizational performance over time.

However, servant leadership is not devoid of challenges. While it promotes a people-centric approach, some critics argue that its heavy focus on follower needs could potentially limit its ability to address **urgent business demands or rapid decision-making** in high-stakes environments. For CHROs, L&D professionals, and business leaders, the challenge is to integrate servant leadership in ways that balance **employee well-being** with organizational performance, ensuring that a focus on service does not compromise business agility.

- Case in point

Herb Kelleher, the co-founder and former CEO of Southwest Airlines, is a business leader who exemplifies the principles of servant leadership. Kelleher consistently prioritized the well-being of his employees, believing that if they were treated well and felt valued, they would, in turn, treat customers well. This people-centric approach was foundational in shaping Southwest Airlines' culture of customer service and employee satisfaction. Kelleher often said, "The business of business is people," reflecting his belief that the success of the company was rooted in the care and respect shown to its employees. He was known for empowering employees at all levels, giving them autonomy and trusting them to make decisions that benefited both the customers and the company. This trust fostered a culture of ownership, responsibility, and innovation, where employees felt deeply engaged in their work.

Humility was another hallmark of Kelleher's leadership. He regularly credited Southwest's success to the efforts of his employees rather than to his own leadership, famously stating, "It is my employees who made Southwest what it is today." Kelleher was approachable and often interacted personally with employees, showing genuine interest in their well-being, which helped build strong loyalty and trust across the organization.

His leadership also reflected a long-term vision and commitment to stewardship, as he focused on creating a sustainable organization that served the long-term interests of its stakeholders. Kelleher believed in fostering a positive work environment, where employees felt respected and motivated to stay with the company for years, contributing to high retention rates and sustained profitability. Known for his empathy, Kelleher encouraged open feedback from employees and made a point of listening to their concerns, offering support during difficult times. This focus

on listening and valuing each employee's contributions built a strong sense of community within the company, making Southwest Airlines' culture unique.

Responsible Leadership

Responsible leadership theory focuses on the accountability of leaders, not only for their organization's financial success but also for the broader societal and environmental impact of their decisions. It emphasizes the need for leaders to take into account the needs of various stakeholders, such as employees, customers, communities, and the environment, rather than focusing solely on shareholders. Ethical decision-making is at the heart of this theory, with leaders expected to balance profitability with moral principles, ensuring that their actions align with ethical standards and contribute positively to society. Responsible leadership also prioritizes sustainability, encouraging leaders to consider the long-term effects of their actions, particularly in relation to environmental and societal well-being. This theory views leadership as a relational process, focusing on how leaders engage with and foster trust among stakeholders, which in turn leads to stronger collaboration and mutual respect.

Key contributors to the development of responsible leadership include Thomas Maak and Nicola Pless, who emphasized the importance of ethical behavior, stakeholder engagement, and sustainability. Avery and Bergsteiner introduced the honeybee leadership model, which promotes leadership practices that emphasize long-term success over short-term profits. Other researchers, such as Dirk Ulrich Gilbert and Andreas Rasche, explored how responsible leadership intersects with corporate social responsibility (CSR), highlighting the role leaders play in fostering ethical behavior and sustainability within organizations. Archie B. Carroll's CSR pyramid, which outlines the different layers of responsibility—economic,

legal, ethical, and philanthropic—also informs the theory by showing how leaders are expected to fulfill all these roles.

Despite its many strengths, responsible leadership theory has limitations. One of the primary challenges is its broad and sometimes vague definition, which can lead to differing interpretations and difficulty in practical application. Balancing the needs of multiple stakeholders can be challenging, especially when their interests conflict, such as prioritizing environmental sustainability over short-term profitability. Additionally, measuring the impact of responsible leadership is not straightforward. While financial success is traditionally easy to quantify, the broader social and environmental outcomes championed by responsible leadership can be harder to assess. The emphasis on long-term sustainability also conflicts with the short-term pressures that many leaders face, especially in publicly traded companies. Cultural differences further complicate the application of responsible leadership, as norms around ethical behavior can vary across regions. Finally, the sheer complexity and scope of the responsibilities outlined in the theory can overwhelm leaders, making it difficult to balance all aspects effectively.

- Case in point

A notable example of a business leader who exemplifies responsible leadership is **Paul Polman**, the former CEO of Unilever. Polman is widely recognized for his focus on sustainability, ethical business practices, and stakeholder engagement during his tenure at Unilever, making him a prime example of responsible leadership in action.

Polman made a significant impact by shifting Unilever's business strategy from a traditional profit-driven model to one that prioritized long-term sustainability and the well-being of multiple stakeholders. Early in his leadership, he launched the **Unilever**

Sustainable Living Plan, which aimed to decouple the company's growth from its environmental impact while increasing its social responsibility. This plan focused on reducing the company's environmental footprint, improving health and well-being for over a billion people, and enhancing the livelihoods of millions across the supply chain. His approach demonstrated a strong commitment to balancing financial success with ethical considerations, a key aspect of responsible leadership.

One of Polman's most notable actions was his decision to move away from quarterly financial reporting, which is a standard practice for most publicly traded companies. This was a bold move aimed at reducing the short-term pressures often placed on businesses by financial markets, allowing Unilever to focus on long-term, sustainable growth rather than immediate profits. Polman argued that this shift was necessary to foster a business culture that emphasized sustainable value creation over short-term financial performance, a hallmark of responsible leadership.

Polman's leadership also emphasized stakeholder inclusivity. He consistently engaged with not only shareholders but also employees, customers, suppliers, governments, and NGOs, understanding that leadership must be relational and consider the diverse needs of all parties involved. His commitment to the United Nations' Sustainable Development Goals (SDGs) further highlights his broader view of corporate responsibility, as he worked to align Unilever's business practices with global efforts to tackle issues such as climate change, poverty, and inequality.

Although his approach was sometimes criticized for focusing too much on sustainability at the expense of short-term profitability, Polman's leadership style is a clear representation of the principles of responsible leadership. He prioritized long-term success, ethical behavior, and a broad stakeholder orientation, while

remaining transparent and accountable for the company's impact on society and the environment. Under his leadership, Unilever grew both financially and in terms of its reputation as a global leader in corporate sustainability.

Ethical Leadership

Ethical leadership theory centers on the idea that leaders should guide their organizations and make decisions based on ethical principles, promoting integrity, fairness, and respect for others. At its core, ethical leadership is about more than achieving organizational goals; it's about how those goals are pursued. Leaders who follow this theory act as role models, setting a standard for ethical behavior within their organizations. They not only abide by moral guidelines themselves but also encourage and expect the same from their employees. Transparency, honesty, and accountability are fundamental aspects of ethical leadership, where decisions are made with a sense of responsibility toward both internal and external stakeholders.

A key component of ethical leadership is the leader's role in creating and maintaining an ethical climate. This involves fostering a work environment where ethical behavior is encouraged, rewarded, and consistently modeled by the leadership. Leaders must also ensure that their organizations are socially responsible, meaning that their decisions positively impact not just shareholders but also employees, customers, and the community at large. Ethical leaders are mindful of how their decisions affect others and seek to align their actions with the long-term interests of all stakeholders.

The concept of ethical leadership has been researched by several prominent scholars. One of the main contributors is Brown, Treviño, and Harrison, whose work in 2005 provided a comprehensive understanding of ethical leadership by linking it to social learning theory. They argued that leaders act as ethical role models, and their

behavior is observed and emulated by followers. Treviño and colleagues have also emphasized the role of ethical leaders in shaping organizational culture by promoting ethical conduct and discouraging unethical behavior. Another influential researcher is Linda K. Treviño, who explored the impact of ethical leadership on organizational behavior, noting how it contributes to reducing misconduct and fostering an environment of trust and respect. Similarly, Robert A. Giacalone and Carole L. Jurkiewicz have examined the role of ethical leadership in creating spiritually healthy organizations, where leaders not only act with integrity but also support the personal growth and well-being of employees. Joanne Ciulla, another important voice in this field, has studied the philosophical foundations of ethical leadership, stressing the importance of moral values in leadership and decision-making processes.

Despite its strengths, ethical leadership theory is not without limitations. One challenge lies in its inherent subjectivity. What is considered “ethical” can vary significantly across different cultures, industries, and individual perceptions, making it difficult to establish a universal framework for ethical leadership. Additionally, the theory can be criticized for being somewhat idealistic, as it assumes that leaders will consistently prioritize ethical considerations, even when doing so might conflict with profitability or competitive advantage. In reality, leaders often face pressure to meet financial targets, and in such situations, ethical concerns may be sidelined. Another limitation is the potential conflict between the leader’s personal ethics and the organization’s goals. Ethical leaders may find themselves at odds with the expectations of shareholders or higher management if these goals prioritize financial outcomes over ethical behavior. Furthermore, while ethical leadership has been shown to reduce misconduct and improve employee satisfaction, it can be difficult to measure its impact on long-term business performance, especially in

competitive markets where profit margins are tight and external pressures are high.

- Case in point

A prominent example of a business leader who embodies ethical leadership is Indra Nooyi, the former CEO of PepsiCo. During her tenure, Nooyi was widely regarded for her commitment to ethical principles, transparency, and social responsibility, which aligned closely with the core elements of ethical leadership theory.

Nooyi’s approach to leadership was guided by a deep sense of integrity and responsibility. One of her hallmark initiatives was “Performance with Purpose,” a strategy that focused on aligning PepsiCo’s business goals with sustainable and socially responsible practices. This initiative emphasized improving the company’s environmental impact, promoting healthier products, and supporting communities, demonstrating her commitment to long-term ethical outcomes beyond just short-term profitability. Under her leadership, PepsiCo made significant strides in reducing its environmental footprint, including water usage and packaging waste, while also improving the nutritional profile of its products.

Nooyi’s ethical leadership extended to how she treated employees and stakeholders. She fostered a culture of inclusivity and respect, encouraging diversity within the company and ensuring that all employees felt valued. She was known for her empathy, regularly engaging with employees at all levels and maintaining a transparent leadership style. Her practice of writing personal letters to the parents of her senior executives, thanking them for their children’s contributions to PepsiCo, exemplifies her deep respect for individuals and her belief in recognizing the human side of business.

In addition to her focus on ethical business practices, Nooyi was committed to transparent communication with

shareholders and customers. She believed that being upfront about both successes and challenges was essential to maintaining trust. Even when faced with difficult decisions, such as reducing the company's reliance on sugary products in response to growing concerns about health and obesity, Nooyi remained steadfast in her ethical principles, prioritizing long-term sustainability and societal well-being over short-term gains.

Conscious Leadership

Conscious leadership theory emphasizes the idea that leaders should be highly self-aware, mindful of their impact on others, and deeply committed to ethical and purpose-driven leadership. At its core, conscious leadership is about leading with awareness and presence, being fully attuned to one's inner motivations, thoughts, and emotions, as well as the needs and well-being of others. This theory encourages leaders to operate from a place of personal integrity, aligning their actions with their values, and to inspire others through authenticity and empathy. Conscious leaders focus on creating environments where trust, collaboration, and purpose thrive, recognizing that business success is tied to the overall well-being of employees, stakeholders, and society at large. Rather than purely pursuing profits, conscious leaders see their role as stewards of broader value creation, integrating financial success with positive social and environmental impact.

One of the key proponents of this theory is John Mackey, the co-founder of Whole Foods Market, and Raj Sisodia, a professor and co-author of the book *Conscious Capitalism*. They argue that conscious leadership is essential for conscious businesses, which seek to serve all stakeholders—not just shareholders—and operate with higher ethical standards. The conscious leadership model is built on four main tenets: higher purpose, stakeholder orientation, conscious leadership, and conscious culture. The

idea is that conscious leaders should first and foremost be driven by a higher purpose, something beyond profit, that guides the organization's mission. They must also be acutely aware of the needs of all stakeholders, from employees to customers, suppliers, and the environment, making decisions that benefit the broader ecosystem. Mackey and Sisodia believe that conscious leaders can create thriving, resilient businesses by fostering trust and purpose at every level of the organization.

Other researchers like Fred Kofman, author of *Conscious Business*, have expanded on the personal development aspect of conscious leadership, focusing on the importance of self-awareness, emotional intelligence, and mindfulness. Kofman emphasizes that conscious leaders must take responsibility for their inner state, cultivate emotional mastery, and lead with authenticity and compassion. This emphasis on inner development aligns with the notion that conscious leaders should be continuously evolving, both personally and professionally, in order to create a positive impact within their organizations.

Despite its appeal, conscious leadership theory has limitations. One critique is that it can sometimes be perceived as idealistic, especially in highly competitive business environments where short-term financial pressures often take precedence over long-term ethical considerations. Implementing conscious leadership requires a significant cultural shift, which can be difficult in organizations that are traditionally driven by profit maximization and rigid hierarchies. Additionally, the theory's emphasis on personal development may not always translate into practical, measurable business outcomes. There is also the challenge of scalability—while conscious leadership may work well in smaller or purpose-driven organizations, it can be harder to apply in large multinational corporations where diverse interests and short-term financial performance are critical. Moreover, critics argue that conscious leadership, while

well-intentioned, may not provide sufficient guidance on how to handle complex ethical dilemmas in the real world, where competing interests and difficult trade-offs are often unavoidable.

- Case in point

A prime example of a business leader who embodies conscious leadership is John Mackey, the co-founder and former CEO of Whole Foods Market. Mackey is a vocal advocate for conscious capitalism and leadership, and his approach to running Whole Foods reflects the core principles of conscious leadership theory.

As a conscious leader, Mackey promoted a culture of trust, collaboration, and mutual respect within Whole Foods. He emphasized self-awareness and mindfulness in leadership, often discussing how his personal values of health, well-being, and environmental stewardship guided his decisions as a CEO. His leadership style was rooted in emotional intelligence, empathy, and a desire to create a positive impact through business.

Mackey led Whole Foods with a clear sense of higher purpose beyond just profitability. He aimed to create a business that promoted healthy living, sustainable food practices, and ethical treatment of suppliers and employees. Under his leadership, Whole Foods became known for its commitment to natural and organic products, as well as its efforts to build long-term, trusting relationships with farmers, suppliers, and local communities. This focus on purpose-driven leadership aligns closely with the idea that conscious leaders should guide their organizations toward creating value for all stakeholders.

Mackey's emphasis on stakeholder orientation is another key element of his conscious leadership. He believed that a business should serve not only its shareholders but also its employees, customers, suppliers, and the broader

community. This approach was evident in how Whole Foods empowered its employees through a decentralized management structure, giving them greater autonomy and a voice in decision-making processes. Mackey also championed transparency and ethical practices in sourcing products, ensuring that suppliers were treated fairly and that the company's values of sustainability and ethical responsibility were upheld.

Transformational Leadership

Transformational leadership theory, as introduced by Burns in 1978, revolves around the idea that leadership occurs when leaders and followers engage with one another in a way that elevates both to higher levels of motivation and morality. Transformational leaders inspire by shifting focus from individual concerns to collective goals and a shared vision of a greater purpose. The essence of this leadership style is to inspire and motivate followers to transcend their self-interests for the benefit of the group or organization, thereby fostering a sense of mission and aligning followers around an inspirational vision. This vision is often built on powerful imagery, values, and deeply held beliefs that resonate with the broader team or community. Bass (1985, 1998) expanded on Burns' work by emphasizing the role of charisma, which became central to the concept of transformational leadership. Charismatic leaders are often seen as role models, exhibiting confidence and vision that inspire their followers to achieve beyond what they might normally accomplish. Through their charisma, transformational leaders articulate a compelling vision that engages followers emotionally and intellectually.

Key behaviors of transformational leaders include intellectual stimulation, individualized consideration, and inspirational motivation. These leaders challenge followers to think creatively, question assumptions, and embrace new ways of thinking. They provide personalized

attention to followers' individual needs for growth, development, and encouragement. Additionally, transformational leaders create a shared sense of purpose, motivating followers with a vision that transcends everyday tasks and connects them to a broader, more meaningful goal. This leadership style is often contrasted with transactional leadership, which focuses more on exchanges and rewards based on performance, whereas transformational leadership is about fostering intrinsic motivation and growth.

However, the moral dimension of transformational leadership remains somewhat ambiguous. While some transformational leaders, particularly those with a strong moral compass, emphasize deeply held personal values like integrity, justice, and societal well-being, not all transformational leaders align their charismatic appeal with moral or ethical goals. Research has shown that while some charismatic leaders evolve to adopt values rooted in ethics and societal impact, others may misuse their power for personal gain, manipulation, or narcissism. Bass and Steidlmeier (1999) pointed out that not all charismatic leaders act with moral intent, raising concerns about the potential for self-serving leadership under the guise of transformational leadership. Studies, such as those conducted by Waldman and Yammarino (1999), have shown no statistically significant relationship between charismatic leadership and corporate social responsibility (CSR), suggesting that charismatic appeal alone does not necessarily lead to positive societal impact. In fact, some leaders identified as "personalized charismatic" may exploit their followers or focus on self-aggrandizement rather than serving the broader collective or promoting ethical values.

This ambiguity in the moral dimension of transformational leadership is a key limitation of the theory. Unlike leadership models that place a clear emphasis on ethical behavior, personal development, and

a higher societal purpose, transformational leadership does not always ensure that leaders are focused on the well-being of society or fostering personal growth in their followers. Some transformational leaders may prioritize their own power or status over ethical outcomes. While the theory has been highly influential in leadership research, this lack of clarity around the moral and ethical dimensions of transformational leadership is a critical area of critique, as it can lead to the conflation of charismatic yet ethically questionable leaders with those who genuinely seek to uplift and inspire positive change. Thus, transformational leadership, while effective in fostering motivation and commitment, does not inherently guarantee ethical leadership or a focus on societal benefit.

- Case in point

A prime example of a business leader who exemplifies transformational leadership is Steve Jobs, the co-founder and former CEO of Apple. Jobs was known for his ability to inspire and motivate his teams to achieve extraordinary results by articulating a compelling vision that transcended individual roles and focused on a shared purpose. His leadership style was characterized by his ability to challenge conventional thinking, drive innovation, and push his employees beyond what they believed was possible, which are key elements of transformational leadership.

Jobs had a clear vision for Apple, one that centered on creating beautifully designed, user-friendly products that would revolutionize the way people interact with technology. He communicated this vision with passion and conviction, inspiring both employees and customers to buy into his dream of innovation and simplicity. His focus on creating products that would make a significant impact on people's lives aligned with the transformational leader's ability to provide a sense of mission and purpose that went beyond financial goals.

Intellectual stimulation was a core aspect of Jobs' leadership. He constantly challenged his teams to think differently and break new ground in design and technology. He encouraged creativity and innovation, often pushing his employees to question assumptions and explore new possibilities. This approach helped Apple develop groundbreaking products like the iPhone, iPad, and Mac, which redefined entire industries.

Jobs also displayed individualized consideration, as he had a unique ability to recognize the talents and potential of his employees, pushing them to excel while providing the support and resources they needed to succeed. His leadership helped foster a culture of excellence and dedication within Apple, where employees were motivated to achieve high standards and contribute to the company's success in meaningful ways.

However, like many transformational leaders, Jobs' charisma and ability to inspire also came with a demanding leadership style that sometimes created a high-pressure work environment. His relentless pursuit of perfection and high expectations for his teams could be intense, but his clear vision and ability to inspire others to achieve greatness made him one of the most iconic transformational leaders in business history.

Spiritual Leadership

Spiritual leadership theory integrates transcendental values, workplace spirituality, and the concept of spiritual survival. The theory, first proposed by Fry in 2003, focuses on intrinsically motivating both leaders and followers through values, attitudes, and behaviors that promote a sense of spiritual survival. This survival is framed around two core concepts: calling and membership. Calling refers to the idea that individuals find meaning in their work and believe they are making a difference, often driven by a higher purpose. Membership is about creating a sense of belonging, where individuals feel

part of something larger than themselves, supported by a community of shared values. Fry and colleagues, such as Vitucci and Cedillo, emphasize the role of altruistic love in spiritual leadership. Altruistic love fosters compassion, patience, kindness, humility, forgiveness, and other virtues that guide leaders and followers toward a state of harmony, well-being, and emotional wholeness. This leadership style aims to transcend destructive emotions like fear, anger, failure, and pride, replacing them with a nurturing environment that encourages personal and collective growth.

Spiritual leadership theory also highlights the connection between workplace spirituality and organizational performance. Leaders who practice spiritual leadership create workplaces where individuals feel valued, cared for, and motivated to contribute meaningfully. This sense of purpose and connectedness in the workplace is seen as a key factor in driving employee engagement, satisfaction, and productivity. The theory suggests that organizations that foster spirituality can gain a competitive advantage by aligning their values with the inner search for meaning that many people experience in their personal and professional lives. Spiritual leadership encourages leaders to create environments where work is not just a means to an end but is tied to deeper values and a collective vision. Research by scholars such as Crossman, Mitroff, Denton, and Pandey has explored how spirituality in the workplace can turn companies into cohesive communities with shared purposes and values, ultimately strengthening organizational culture and performance.

Despite its positive emphasis on values and purpose, spiritual leadership theory has its limitations. One of the main challenges is its inherent subjectivity, as spirituality can be deeply personal and vary widely across cultures and individuals. What one person finds spiritually meaningful might not resonate with another, making it difficult for leaders to create universally effective

spiritual environments. Additionally, the theory's reliance on transcendental and altruistic concepts may not always align with the practical realities and pressures of highly competitive business environments. Critics also point out that while spirituality can enhance meaning at work, it may be challenging to measure its direct impact on organizational performance, making it harder to justify in settings where tangible outcomes are prioritized. Finally, spiritual leadership could be misunderstood or misapplied, particularly in diverse, secular workplaces, where leaders may struggle to balance personal beliefs with the need to respect varying perspectives on spirituality. Despite these challenges, spiritual leadership offers a framework for leaders seeking to foster deeper, values-driven engagement in their organizations.

- Case in point

A business leader who exemplifies spiritual leadership theory is Yvon Chouinard, the founder of Patagonia. Chouinard has long been known for his deep commitment to environmental sustainability, ethical business practices, and creating a workplace that aligns with a higher purpose. His leadership reflects the core elements of spiritual leadership, as he built Patagonia on a foundation of values that prioritize the well-being of the planet, his employees, and the larger community.

Chouinard's sense of calling and higher purpose is evident in Patagonia's mission: "We're in business to save our home planet." This strong sense of purpose is deeply embedded in the company's culture, where employees are encouraged to feel that their work is making a meaningful contribution to environmental sustainability. Chouinard has fostered a sense of membership within Patagonia, creating a community where employees share a commitment to a common cause. He emphasizes the importance of creating meaningful work, encouraging employees to engage with

initiatives like environmental activism and sustainable product design.

Patagonia's corporate culture, under Chouinard's leadership, also reflects the values of altruistic love emphasized in spiritual leadership theory. Chouinard has demonstrated patience, humility, and compassion in his leadership style, notably prioritizing long-term environmental goals over short-term profits. He has also instituted workplace policies that reflect care and concern for employees, such as offering paid time off for environmental activism and implementing sustainable work practices that align with the company's broader values.

Chouinard's leadership style addresses the spiritual survival of his employees, giving them a sense of purpose and belonging that goes beyond traditional corporate objectives.

Sustainable Leadership

Sustainable leadership theory exists and has gained prominence in recent years, particularly as businesses face increasing pressure to balance profitability with environmental, social, and long-term considerations. The theory of sustainable leadership is centered on the idea that leadership should not only focus on immediate organizational success but also ensure the long-term sustainability of the organization, society, and the environment. Sustainable leadership takes a broad view, emphasizing that leadership should create value across multiple domains—economic, social, and environmental—without compromising the ability of future generations to meet their needs.

A key element of sustainable leadership is long-term thinking. Leaders practicing sustainable leadership prioritize the future well-being of the organization, its stakeholders, and the environment over short-term gains. This often involves making decisions that may not yield immediate

financial returns but are essential for maintaining the organization's health and reputation over time. Sustainable leadership encourages a balance between economic growth and the responsibility to the environment and society, aligning with principles of corporate social responsibility (CSR) and the growing emphasis on environmental, social, and governance (ESG) factors.

Stakeholder inclusivity is another critical component of sustainable leadership. Leaders must consider the interests of all stakeholders—employees, customers, communities, and the planet—rather than focusing solely on shareholders. This approach aligns with the broader concept of stakeholder theory, which advocates that companies have a responsibility to all who are affected by their operations, not just those who provide capital. Leaders are expected to foster inclusivity, collaboration, and a shared sense of responsibility for the long-term success of the organization and society.

Researchers like Andy Hargreaves and Dean Fink have contributed significantly to the development of sustainable leadership theory, particularly in the context of education, where sustainable leadership emphasizes the importance of ensuring that educational systems are resilient and capable of thriving in the long term. They argue that sustainable leadership is about developing capacity, promoting collaboration, and ensuring continuity and stability. The theory has since expanded beyond education into the business world, where it addresses leadership practices that protect and nurture resources, both human and environmental, for future generations.

One of the main limitations of sustainable leadership theory is that its emphasis on long-term goals and environmental or social responsibilities may conflict with the short-term financial demands of shareholders or investors. Companies that are publicly traded or operate in highly competitive markets may

find it challenging to implement sustainable leadership practices if there is constant pressure to deliver quarterly profits or immediate results. Additionally, measuring the success of sustainable leadership can be difficult, as many of its outcomes—such as reduced environmental impact or improved community well-being—are intangible or take years to materialize.

Another limitation is that sustainable leadership requires significant cultural and organizational shifts, which can be difficult to implement, particularly in industries or regions where there is less emphasis on sustainability. Leaders must navigate complex trade-offs, balancing profitability with ethical considerations, and this can create tension or resistance within the organization, especially if the long-term benefits are not immediately apparent to employees or stakeholders.

- Case in point

An example of sustainable leadership is Anand Mahindra, the chairman of the Mahindra Group. Under his leadership, the Mahindra Group has become a model for sustainability in the Indian corporate landscape, with a strong focus on long-term value creation, environmental stewardship, and community development.

Anand Mahindra has led the Mahindra Group with a deep commitment to environmental sustainability. One of the key initiatives under his leadership is Mahindra's significant investment in clean energy and electric vehicles. The company's Mahindra Electric division is one of India's leading producers of electric vehicles, reflecting a proactive response to the global push for greener transportation. Mahindra also launched the Mahindra Rise for Good platform, which aligns the company's growth strategy with sustainability goals, focusing on building resilient, environmentally conscious businesses that contribute positively to society.

Mahindra is a strong advocate of long-term thinking and sustainable growth, often expressing the view that businesses must be stewards of the environment and society, not just drivers of profits. The Mahindra Group has adopted various sustainability goals, including becoming carbon neutral, reducing water usage, and enhancing biodiversity across its operations. These initiatives reflect Mahindra's belief that sustainability is not just a responsibility but also a source of competitive advantage for businesses in the long run.

His leadership emphasizes stakeholder inclusivity, where he has placed a strong focus on the well-being of communities and employees. Mahindra has initiated several corporate social responsibility (CSR) projects aimed at improving rural livelihoods, enhancing education, and promoting gender equality. The Mahindra Group's focus on social sustainability is evident in its widespread community programs, which include projects for rural development and health, ensuring that the company's success also benefits the broader society.

Anand Mahindra's forward-looking approach to leadership, especially in sectors like clean energy and electric mobility, shows a deep commitment to addressing global challenges such as climate change. He has been a vocal supporter of corporate responsibility and the need for businesses to take an active role in tackling environmental and social issues.

While his emphasis on sustainability sometimes requires significant investments and long-term planning that may not deliver immediate financial returns, Mahindra's leadership shows that sustainable business practices can also drive innovation and profitability in the long run.

Mindful Leadership and Compassionate Leadership

These are two relatively recent and increasingly popular leadership theories

that emphasize self-awareness, emotional intelligence, and the well-being of others.

Mindful leadership centers on the practice of mindfulness, which is the ability to remain fully present and aware in the moment, without judgment. A mindful leader is someone who cultivates this presence of mind in both personal and professional contexts, allowing them to approach leadership with greater clarity, focus, and emotional regulation. The key elements of mindful leadership involve self-awareness, focused attention, emotional intelligence, and the ability to manage stress and uncertainty. Leaders who practice mindfulness are more attuned to their own thoughts and emotions, which enables them to lead with greater insight and make more thoughtful, balanced decisions. They also tend to be more empathetic and responsive to the needs of their team, fostering an environment of psychological safety and collaboration.

Research on mindful leadership has been championed by authors such as Jon Kabat-Zinn, a pioneer in the field of mindfulness in general, and Michael Carroll, who wrote *The Mindful Leader*. These researchers highlight the value of mindfulness in leadership for enhancing concentration, reducing stress, and improving decision-making. Mindful leaders are better equipped to navigate complex challenges because they are able to remain calm under pressure and approach problems with a clear, non-reactive mindset. The practice of mindfulness in leadership has also been linked to improved workplace well-being, as leaders model behavior that encourages work-life balance and reduces burnout.

However, one limitation of mindful leadership is that it requires consistent practice and personal commitment, which can be difficult for leaders in fast-paced, high-pressure environments. Additionally, while mindfulness can improve individual and team performance, its long-term

organizational impact can be harder to quantify, making it challenging to justify in traditional corporate settings where short-term results are often prioritized.

Compassionate leadership, on the other hand, emphasizes empathy, kindness, and the desire to alleviate suffering in others. A compassionate leader is one who genuinely cares for the well-being of their employees and stakeholders, and actively seeks to understand their needs and challenges. Compassionate leadership goes beyond empathy by driving leaders to take action to support and help their team members in meaningful ways. Compassionate leaders create a culture of care, respect, and mutual support, where employees feel valued not just for their contributions but for who they are as individuals.

Key elements of compassionate leadership include empathy, altruism, emotional intelligence, and the commitment to supporting others. These leaders are attentive to the emotional and mental states of their employees, ensuring that the workplace is a space where people feel safe, heard, and understood. Compassionate leadership is particularly effective in creating an inclusive culture, as it encourages diversity, equity, and the recognition of individual differences. Leaders like the Dalai Lama and Karen Armstrong have been strong proponents of the power of compassion in leadership and life, emphasizing how it can bring about not only personal fulfillment but also societal and organizational harmony.

A prominent author in this field is Rasmus Hougaard, who co-authored *The Mind of the Leader*, focusing on mindful and compassionate leadership as the foundation for employee engagement and effective leadership in the modern workplace. Hougaard emphasizes that compassionate leaders foster stronger bonds with their teams, leading to higher levels of trust, loyalty, and collaboration, which can ultimately boost organizational performance.

One limitation of compassionate leadership is that it can be perceived as overly soft or unrealistic in highly competitive business environments. Leaders may struggle to balance compassion with the need to make difficult decisions, such as layoffs or performance evaluations, that could harm employee morale in the short term. Additionally, as with mindfulness, the impact of compassionate leadership can be difficult to measure directly, which may lead to resistance in organizations focused on more traditional, results-driven approaches.

Both mindful and compassionate leadership emphasize the importance of inner awareness and emotional intelligence in leading effectively, particularly in fostering trust, collaboration, and long-term employee engagement. However, they face challenges in terms of applicability in certain competitive environments and in measuring their direct impact on business outcomes.

B. Detailed Summary of Models of Wisdom

“A Balance Theory of Wisdom” by Robert Sternberg

Summary

The article “A Balance Theory of Wisdom” by Robert Sternberg (1998) presents a unique theoretical model to define and understand wisdom. Sternberg’s approach, called the “balance theory of wisdom,” emphasizes wisdom as a practical skill rooted in the application of tacit knowledge and the ability to balance multiple interests and perspectives to achieve a common good. This theory contrasts with other models by defining wisdom as the ability to navigate between personal, interpersonal, and environmental demands in a balanced way to promote well-being and adaptation.

Definition of Wisdom According to Sternberg

In this model, wisdom is defined as the application of tacit knowledge, guided by values, to balance three major types of interests:

- 1. Intrapersonal interests:** The individual’s own needs and desires.
- 2. Interpersonal interests:** The needs and desires of others involved in the decision.
- 3. Extrapersonal interests:** The broader, societal or environmental factors that need to be considered.

Moreover, wisdom involves balancing responses to environmental contexts, which include:

- **Adaptation:** Adjusting one’s behaviors or strategies to fit existing situations.
- **Shaping:** Modifying the environment

to align with one’s goals.

- **Selection:** Choosing environments that are more conducive to personal or societal goals.

The balance among these various interests and the ability to adjust one’s actions based on the specific context is what defines wisdom in Sternberg’s view. Wisdom, therefore, is not just about knowing what is right or good but knowing how to integrate different perspectives and factors to make decisions that benefit everyone involved.

Contribution to Wisdom Research Literature

Sternberg’s balance theory offers several contributions to the research literature on wisdom:

1. Integration of Tacit Knowledge:

Sternberg draws on the concept of tacit knowledge—knowledge that is gained through experience and not formally taught. This concept is central to his understanding of wisdom. Tacit knowledge allows individuals to make judgments in complex, real-world situations, drawing on practical knowledge and experience rather than abstract, academic learning.

2. Distinction from Other Constructs:

The balance theory is careful to differentiate wisdom from other cognitive constructs such as intelligence and creativity. While intelligence and creativity are important, wisdom is specifically about balancing interests and making decisions that serve a greater good, often involving trade-offs and compromises. This is what sets it apart from other cognitive skills that may focus more on personal or task-specific outcomes.

3. Connection with Practical

Intelligence: Sternberg links wisdom to practical intelligence, another concept he

developed earlier. Practical intelligence refers to the ability to solve everyday problems by utilizing tacit knowledge. Wisdom, however, is a subset of practical intelligence, specifically when it is used to balance different interests in a way that benefits both the individual and society. The theory suggests that wisdom involves not just applying knowledge, but using it in a manner that is ethical and promotes collective well-being, even if that requires personal sacrifice.

4. Philosophical and Developmental Insights: Sternberg's model incorporates both philosophical and developmental perspectives. Philosophically, wisdom is seen as a virtue and an ideal, akin to concepts of moral or ethical goodness. From a developmental standpoint, Sternberg posits that wisdom evolves over the course of a lifetime. It is shaped by experiences and the ongoing process of learning and adapting to the complexities of life. Unlike static intelligence tests, wisdom is not something that can be easily measured by conventional metrics; instead, it is assessed by its application in real-life situations, often involving ambiguous or conflicting interests.

5. Implications for Education and Society: One of Sternberg's most compelling arguments is the need for wisdom to be emphasized in education. While schools often focus on teaching knowledge and intelligence, Sternberg argues that there should be more attention to teaching students how to navigate complex life situations, balance different interests, and make ethical decisions. This would encourage a society where decisions are not only made based on individual success but also on the collective good. This perspective encourages the development of programs or curricula that foster wisdom through experiential learning, role models, and critical

thinking about societal issues.

6. Measurement of Wisdom: Sternberg also addresses the measurement of wisdom. Since wisdom is applied in real-life scenarios, its measurement cannot be confined to academic tests or theoretical exercises. He suggests that wisdom should be assessed through performance-based tasks that require individuals to balance competing interests and solve problems that reflect the complexity of real-world situations. This approach moves away from simplistic measures of knowledge and intelligence and focuses on more holistic and practical assessments of wisdom.

Conclusion

Sternberg's balance theory of wisdom offers a comprehensive and dynamic framework for understanding how wisdom operates in human life. By emphasizing the importance of tacit knowledge, balancing competing interests, and making decisions for the greater good, the theory provides a deeper insight into the nature of wise behavior. It contrasts with other theories by focusing on the interaction between the individual and the environment, rather than just internal cognitive processes. This makes it a valuable contribution to the literature on wisdom and offers practical implications for how wisdom can be cultivated in both individuals and society.

Wisdom A Metaheuristic to Orchestrate Mind and Virtue" by Paul Baltes and Ursula Staudinger

The article "Wisdom: A Metaheuristic to Orchestrate Mind and Virtue" by Paul Baltes and Ursula Staudinger, published in 2000, presents a model of wisdom based on psychological research, specifically the Berlin Wisdom Paradigm. This paradigm defines wisdom as an expert knowledge system that addresses the fundamental pragmatics of life. It outlines the processes and criteria through which wisdom can

be identified, operationalized, and studied within a developmental framework.

Definition of Wisdom in the Article

In this Paradigm, wisdom is framed as expertise in the conduct and meaning of life, emphasizing a deep understanding of life's challenges, decisions, and responsibilities. Wisdom is not merely the accumulation of knowledge but involves an integration of knowledge with virtue. The model positions wisdom as both cognitive and motivational, with the overarching goal of orchestrating mind and virtue toward excellence in both personal and collective life.

Key to this definition is the notion of wisdom as a metaheuristic, meaning a high-level cognitive tool that integrates diverse knowledge systems to guide individuals in making judgments and decisions. Wisdom functions as an organizing principle that helps individuals navigate life's complexities, offering strategies for action that balance personal well-being with the common good. In essence, wisdom facilitates the coordination of various aspects of life, ensuring they contribute to human flourishing and societal well-being.

The Five Criteria for Wisdom

The authors propose five core criteria for assessing wisdom-related knowledge and judgment:

1. Rich Factual Knowledge about Life:

This includes a deep understanding of life's conditions, variability, and the human experience, particularly regarding life's development, challenges, and significant events.

2. Rich Procedural Knowledge: Wisdom involves knowing how to manage life challenges and make decisions. It includes strategies for life management, decision-making, conflict resolution, and goal setting.

3. Lifespan Contextualism: Wisdom requires the ability to consider life's experiences and decisions within a broad temporal and contextual framework. It involves understanding that life is a dynamic process shaped by history, culture, and personal development.

4. Relativism of Values and Life

Priorities: A wise person recognizes that values and priorities can vary across cultures and contexts. Wisdom involves appreciating these differences and adapting one's judgments accordingly.

5. Recognition and Management

of Uncertainty: Wisdom involves acknowledging the limits of one's knowledge and understanding that many aspects of life are uncertain and ambiguous. A wise person can cope with uncertainty without resorting to rigid beliefs or simplistic solutions.

The Contribution to Wisdom Research

The primary contribution of this model to the field of wisdom research lies in its integration of cognitive and motivational dimensions of wisdom. The model broadens the scope of wisdom beyond personality traits or static wisdom-based judgments, offering a more dynamic and complex understanding. By conceptualizing wisdom as a metaheuristic, the article shifts the perspective on wisdom from a rare, abstract quality to a practical tool for improving life decisions and outcomes.

The article also introduces the concept of life-span development in the study of wisdom, suggesting that wisdom-related knowledge and judgment evolve over time. It emphasizes the importance of experience and reflection in the development of wisdom. Additionally, it underlines the cultural and collective aspects of wisdom, suggesting that wisdom is not merely an individual trait but something that is shared and transmitted across generations.

The empirical findings discussed in the article also reinforce this model. Through studies, the authors examined how wisdom-related performance can be assessed in real-life contexts. They used tasks based on life problems, where responses were evaluated against the five criteria, and found that older adults often performed better than younger adults in wisdom-related tasks. This supports the idea that wisdom is developed through a combination of life experiences and reflection, not just aging.

Moreover, the authors argue that wisdom can be cultivated. They propose that wisdom is a form of expertise that individuals can develop over time through mentorship, experience, and exposure to life's complexities. This insight opens new avenues for training and enhancing wisdom in various domains, including clinical psychology, education, and leadership.

Conclusion

In summary, Baltes and Staudinger's article presents a sophisticated framework for understanding and measuring wisdom, emphasizing the integration of knowledge, virtue, and life experience. It contributes significantly to wisdom research by proposing a metaheuristic model that links cognitive and motivational aspects of human functioning. By operationalizing wisdom through empirical criteria, the article lays the groundwork for future studies that explore how wisdom can be applied to improve decision-making and life outcomes. This research highlights wisdom as a vital component of human development, with the potential to guide individuals toward a more meaningful, harmonious life.

Three-Dimensional Wisdom Model by Monika Ardelt

The Three-Dimensional Wisdom Model (3D-WS) proposed in 2003 that wisdom consists of the following three interrelated dimensions:

1. Cognitive Dimension: This dimension refers to a person's understanding of life and the deeper meaning of phenomena, particularly in intrapersonal and interpersonal matters. It involves recognizing the limits of knowledge, understanding the complexities of human nature, and being comfortable with life's uncertainties. Cognitive wisdom includes the ability to perceive the world with tolerance for ambiguity and unpredictability.

Key features include knowledge of the paradoxical aspects of human nature, awareness of the unpredictability of life, and a willingness to seek deeper comprehension.

2. Reflective Dimension: The reflective dimension is essential for the development of cognitive wisdom. It involves the ability to view events and experiences from multiple perspectives to overcome subjectivity, projections, and biases. Through reflective thinking, individuals gain self-awareness, develop insight into their own and others' motivations, and reduce egocentricity.

It focuses on self-awareness, the capacity to reflect on one's actions and motives, and the ability to see things from diverse perspectives without projecting personal biases.

3. Affective Dimension: The affective dimension refers to the presence of compassion, empathy, and sympathetic love towards others. As individuals reduce self-centeredness through reflection and gain a deeper understanding of life, they develop more positive emotions and actions toward others. This dimension is characterized by a sense of empathy and care, demonstrating that wisdom is not purely intellectual but involves a compassionate attitude towards others.

Compassion, empathy, and altruism are the hallmarks of this dimension, leading to caring and helpful behavior.

These three dimensions are interdependent and need to be simultaneously present for a person to be considered wise. The cognitive dimension provides the knowledge base, the reflective dimension reduces personal bias and promotes understanding, and the affective dimension ensures that this understanding is coupled with care and compassion towards others.

Why This Model in View of Other Wisdom Theories

1. A Comprehensive, Multi-Dimensional Approach: Ardel's model was proposed to address the limitations of prior wisdom theories that tended to focus on single aspects of wisdom. For instance, the Berlin Wisdom Paradigm primarily emphasized cognitive aspects, defining wisdom as "an expert knowledge system in the domain of fundamental life pragmatics" (Baltes & Staudinger, 2000). Ardel's model, by contrast, integrates cognitive, reflective, and affective dimensions to provide a more holistic view of wisdom, capturing not only intellectual capacities but also emotional and reflective qualities.

2. Integration of Eastern and Western Wisdom Traditions: Ardel's model draws from both Western and Eastern philosophical traditions. While Western theories often emphasize cognitive aspects of wisdom (e.g., analytical reasoning and knowledge), Eastern traditions include compassion, emotional regulation, and a balanced state of mind. By incorporating both perspectives, Ardel aims to create a model that is more universally applicable, recognizing wisdom as a balanced integration of intellectual, emotional, and reflective processes.

3. Focus on Personality Development

Over Time: Unlike some theories that treat wisdom as a set of competencies or performance-based characteristics (e.g., the Berlin Wisdom Paradigm's focus on expertise in life management), Ardel's model views wisdom as a personality trait that develops over time through life experiences and reflection. This perspective aligns with Erik Erikson's theory of human development, which describes wisdom as the virtue that emerges in old age from the resolution of the integrity versus despair crisis.

4. Emphasis on Reflection as Central to Wisdom: Ardel places special importance on the reflective dimension, considering it the crucial component that fosters both cognitive understanding and affective empathy. This emphasis on reflection distinguishes her model from other wisdom theories that may prioritize cognitive processing. Reflection allows individuals to move beyond self-centered thinking, enabling them to engage with the world in a more balanced and compassionate way. Ardel argues that without reflection, wisdom becomes incomplete, as it lacks the necessary self-awareness and depth of understanding.

5. Addressing the Emotional and Compassionate Aspect: One of the key reasons for proposing the 3D-WS is to correct the neglect of the emotional or affective component in many wisdom theories. As the study shows, the affective dimension—such as feelings of compassion and empathy—was frequently mentioned by study participants as essential to wisdom. This contrasts with more cognitive-heavy models like those from the Berlin group, where the affective element is underrepresented. By including the affective dimension, Ardel ensures that wisdom is not just about intellectual insight but also involves a deep emotional engagement with others.

6. A Focus on Life Satisfaction and Well-Being: Ardel's model connects

wisdom with positive outcomes in life, such as well-being and life satisfaction, especially in old age. Research indicates that wisdom, as defined by the 3D-WS, correlates with a person's ability to cope with life's challenges, including aging, physical decline, and death. This contrasts with some other models, like Sternberg's Balance Theory, which emphasizes balancing competing interests but does not explicitly link wisdom with subjective well-being.

In conclusion, Monika Ardelt's Three-Dimensional Wisdom Model addresses gaps in prior theories by offering a more comprehensive, integrated view of wisdom. It combines cognitive, reflective, and affective dimensions to reflect the full complexity of wisdom, incorporating insights from both Eastern and Western traditions. The model emphasizes reflection and emotional engagement as key aspects of wisdom, positioning it as a trait deeply tied to personality development, well-being, and compassionate action.

Defining and Assessing wisdom by Bangen et al.

Their article, written in 2013, identifies several common elements of wisdom that emerge from various empirical studies and definitions. These elements, which appear in many of the reviewed theories, include:

- 1. Social Decision-Making and Pragmatic Knowledge of Life:** Wisdom involves the ability to make sound decisions in social contexts, relying on practical knowledge about life. This includes social reasoning, giving good advice, and demonstrating life skills.
- 2. Prosocial Attitudes and Behaviors:** Empathy, compassion, warmth, and a sense of fairness are central to wisdom. Wise individuals tend to prioritize the well-being of others and act in a prosocial manner.

3. Reflection and Self-Understanding:

Wisdom includes introspection, insight, self-knowledge, and self-awareness. The ability to reflect on one's experiences and motivations is essential for understanding oneself and others.

4. Acknowledgment of Uncertainty:

Wise individuals recognize the limits of their knowledge and the unpredictability of life. They are comfortable with ambiguity and uncertainty, and they can cope effectively with these challenges.

5. Emotional Homeostasis: The ability to regulate emotions and maintain self-control is an important aspect of wisdom. Wise individuals can manage their emotions in stressful or challenging situations.

6. Value Relativism and Tolerance:

Wise people are non-judgmental and open to different value systems. They can accept and tolerate diverse viewpoints without imposing their own beliefs.

7. Openness to New Experiences: Being open to new ideas and experiences is another trait of wisdom. Wise individuals are curious, flexible, and willing to learn from new situations.

8. Spirituality: Spirituality, which may involve a sense of connectedness to something greater than oneself, appears in some definitions of wisdom. It reflects a deeper sense of meaning and purpose in life.

9. Sense of Humor: Humor, particularly the ability to maintain a light-hearted perspective in difficult situations, is also mentioned as a component of wisdom.

These nine elements overlap in many empirical definitions of wisdom, although the weight given to each component may vary across different theories.

Significance of this work

The authors conducted this research for several reasons:

1. Addressing Conceptual Ambiguities:

Wisdom is a complex and multifaceted concept that has been defined in various ways by different researchers. The authors sought to clarify the common elements of wisdom across multiple empirical studies, providing a clearer understanding of the construct. By identifying overlapping components, they aimed to resolve some of the conceptual ambiguities surrounding wisdom.

2. Facilitating Comparisons Across Studies:

The lack of consistency in wisdom definitions and assessment methods made it difficult to compare findings across different studies. The authors wanted to standardize the understanding of wisdom to allow for better integration of research results. A common framework would help researchers compare their findings and build upon existing knowledge.

3. Improving Wisdom Assessment:

The authors reviewed existing wisdom assessment instruments and identified strengths and limitations. They aimed to improve the ways wisdom is measured by highlighting which elements are commonly assessed and which methods are most effective. They suggested that a multimodal approach—combining self-report, informant-based, and performance-based measures—would provide a more comprehensive and accurate assessment of wisdom.

4. Promoting Further Empirical Research:

By summarizing the common elements of wisdom, the authors hoped to guide future empirical research in the field. They emphasized the need for studies that involve larger, more diverse samples, as most existing

wisdom research had focused on relatively homogenous groups. The goal was to ensure that definitions and measures of wisdom are generalizable and applicable to various cultures and demographics.

5. Addressing Practical Applications:

The authors highlighted the importance of wisdom for successful aging, better physical health, and improved quality of life, particularly among older adults. They proposed that wisdom-based interventions could be developed to promote well-being and positive social behavior. By providing a clearer understanding of wisdom, the authors aimed to inform interventions that could cultivate wisdom in individuals and enhance social functioning.

Common Wisdom Model by Grossman et al

This common wisdom model, proposed by Grossman et al., in 2020, incorporates the following key elements:

1. Meta-cognition: This refers to thinking about one's own thinking, and includes intellectual humility, open-mindedness, and the ability to reflect on different perspectives and contexts. Meta-cognition allows individuals to manage cognitive biases, understand the limits of their knowledge, and approach problems with greater objectivity.

2. Moral Aspirations: Moral grounding is a central aspect of wisdom in this model, involving the balance between self-oriented and other-oriented interests. Wise individuals aim for the common good and share a sense of humanity beyond in-group/out-group distinctions. This aspect emphasizes a morally grounded approach to problem-solving and decision-making.

3. Self-transcendence: Wise individuals demonstrate the ability to go beyond

personal biases, seeing situations from a broader, more detached perspective. This self-transcendence helps them navigate complex social and moral dilemmas by integrating multiple viewpoints.

These elements are proposed as core characteristics that converge in the empirical study of wisdom across various disciplines. The model integrates both cognitive (meta-cognitive processes) and affective (moral and self-transcendent) elements, emphasizing the practical application of wisdom in real-world, complex scenarios.

Why a Common Model of Wisdom is necessary?

The authors propose this Common Model of Wisdom in response to the following limitations and gaps in existing wisdom models:

1. Clarifying Conceptual Ambiguities:

Previous models of wisdom, such as the Berlin Wisdom Paradigm or Sternberg's Balance Theory, have either focused too heavily on cognitive or affective components, or have left room for confusion regarding how wisdom can be empirically measured. This model was designed to consolidate a common understanding across these theories, focusing on elements like meta-cognition and moral grounding that consistently appear in empirical research.

2. Addressing Divergence in Wisdom

Definitions: The wisdom literature has been marked by a variety of definitions, creating challenges for both theory and research. By focusing on elements like meta-cognition, moral aspirations, and self-transcendence, the authors aim to find common ground in a field with many competing theories.

3. Empirical Focus: While many previous models of wisdom incorporated

abstract or philosophical elements, this common model aims to provide an empirically testable framework. The authors concentrate on aspects that can be measured and observed in real-life decision-making, such as intellectual humility, the ability to balance different perspectives, and moral decision-making.

4. Adapting to Polarization and

Complexity: In the face of increasing social and political polarization, as well as the complexity of global challenges, the authors emphasize that wisdom is necessary for navigating moral dilemmas and fostering social cohesion. The model addresses this by integrating prosocial concerns with cognitive flexibility, making it relevant to the complexities of modern life.

In conclusion, the authors propose the common wisdom model to unify divergent approaches to wisdom, provide empirical clarity, and offer a framework that can be practically applied to contemporary societal challenges.

Integrative Model of Wise Behavior by Gluck and Westrate

Gluck and Westrate emphasize in their article published in 2022 that wisdom involves both cognitive and non-cognitive components, necessary for navigating real-life challenges. Their model represents an effort to integrate various wisdom theories into a cohesive framework. Here are the core elements:

1. Cognitive Components:

- **Knowledge (Self and Life Knowledge):** Wise individuals have deep knowledge about themselves and life, which helps them understand different perspectives and the limitations of their knowledge.
- **Metacognitive Capacities:** This

involves the awareness of one's thought processes and the ability to reflect on different perspectives.

- **Self-Reflection:** Wise individuals possess the ability to introspect, recognize biases, and view their own decisions from an objective stance.

2. Non-Cognitive Components:

- **Exploratory Orientation:** The willingness to explore new ideas and embrace uncertainty is critical to wise behavior.
- **Concern for Others:** Empathy and compassion are essential for balancing personal needs with those of others, especially in complex situations.
- **Emotion Regulation:** The ability to manage one's emotions and remain calm under pressure enables wise individuals to maintain clarity and make well-grounded decisions.

These elements work together to produce wise behavior, which the authors define as the ability to navigate difficult, uncertain, and emotionally challenging situations. Wise individuals combine emotional stability and open-mindedness with reflective thinking and life knowledge to resolve conflicts in ways that benefit the common good.

The Why of This Model

Glück and Weststrate propose the Integrative Model of Wisdom to address several gaps and inconsistencies in the existing wisdom literature. Their model is rooted in the understanding that wisdom is a multifaceted and situational construct, requiring both cognitive (e.g., knowledge and metacognition) and non-cognitive (e.g., compassion and emotion regulation) abilities to manifest in real life. The reasons for proposing this model are:

1. Integration of Cognitive and Non-

Cognitive Components: Many wisdom theories focus on either cognitive aspects (like knowledge and reasoning) or non-cognitive traits (like compassion and emotional balance), but few integrate both domains. Glück and Weststrate's model bridges this gap by showing that both are necessary for wise behavior. A person may have vast knowledge but, without emotional regulation and concern for others, may fail to act wisely in emotionally charged situations.

2. Real-Life Application: The authors emphasize that wise behavior is context-dependent, and their model addresses how wisdom functions in real-life, emotionally challenging situations. This approach contrasts with wisdom models that primarily focus on abstract reasoning or laboratory-based problem-solving. They argue that wisdom must be able to manifest in everyday life, where emotions, relationships, and uncertainty complicate decision-making.

3. Resolving the Personal vs. General Wisdom Debate: Previous models distinguish between personal wisdom (wisdom applied to one's own life) and general wisdom (wisdom applied to others' lives). The integrative model proposes that personal and general wisdom exist on a continuum, rather than being entirely separate. This allows for a more nuanced understanding of how people navigate both personal and interpersonal challenges.

4. Addressing Low Correlations Between Wisdom Measures: The model helps explain why different measures of wisdom have shown low correlations in empirical studies. Since different wisdom scales measure distinct components (e.g., some emphasize cognitive factors, while others stress emotional traits), the integrative model suggests that measures aligned with more components will show stronger

correlations. This provides a clearer understanding of the inconsistencies found in wisdom research.

5. Fostering Wisdom Through Interventions:

The model highlights the importance of both short-term and long-term interventions to cultivate wisdom. Short-term interventions might activate wisdom-related competencies in a specific situation (such as by imagining another's perspective), while long-term strategies could foster the development of both cognitive and non-cognitive components over time. The model's integration of emotional, cognitive, and social capacities offers a foundation for designing interventions to promote wisdom in educational or organizational settings.

C. Current Models of Wise Leadership

This part focuses on how wisdom is integrated into current leadership models, examining the strengths and limitations of different approaches. It will cover several key frameworks that incorporate wisdom-related qualities, such as McKenna, Rooney, and Boal's Five Principles of Wise Leadership, which highlight rationality, ethical judgment, and practical decision-making. The Social Practice Wisdom (SPW) model emphasizes the importance of virtue, humility, and adaptability in navigating complex social and organizational dynamics. Intezari's framework on wise decision-making outlines qualities like multi-perspective consideration and cognitive-emotional mastery, while Sternberg's Balance Theory adds to this by stressing the need for balancing competing interests. By reviewing these models, this section aims to identify the elements of wisdom embedded within modern leadership theories and to suggest ways they could more fully integrate wisdom to meet the demands of contemporary organizational challenges.

The Five Principles of Wise Leadership

McKenna, Rooney, and Boal (2009) propose five principles as a meta-theoretical construct for evaluating wise leadership. These principles serve as an ideal framework for guiding leaders and evaluating their actions in complex, uncertain environments. Here's a summary of the five principles:

1. Reason and Careful Observation:

Wise leaders use rational thinking and observation to make decisions. They gather facts and use logical reasoning to evaluate the truth-value of propositions. However, they also remain epistemologically skeptical, questioning "common sense" and accepted knowledge when needed. Leaders must focus on the right aspects of information, filtering out irrelevant noise to make sound decisions.

2. Incorporating Non-Rational Elements:

Wisdom is not limited to logical reasoning; it also involves intuition, foresight, and imagination. Leaders need to acknowledge the importance of gut instincts and subjective elements in decision-making. This principle highlights that wise leaders are capable of transcending rational processes and integrating metaphysical or spiritual insight when necessary.

3. Ethical Judgment and Virtue:

At the core of wise leadership is ethical behavior. Wise leaders are committed to humane and virtuous outcomes, acting with concern for the well-being of others. This ethical foundation is vital for fostering trust and ensuring that decisions contribute to the greater good. Wise leaders value humane and virtuous outcomes.

4. Practicality and Everyday Life:

Wisdom, particularly in leadership, is inherently practical. Leaders must

apply their knowledge and judgment in everyday, real-world situations, including the workplace. Wise leaders understand the pragmatics of life and how to act in ways that improve the material and social well-being of their organizations and stakeholders.

5. Communication and Aesthetic

Sensibility: Wise leaders must be able to communicate their insights and decisions effectively. They must engage others, not just intellectually but also emotionally and aesthetically. This involves understanding the affective needs of followers and articulating wise decisions in ways that resonate with their audience. Effective communication of wisdom brings intrinsic rewards and contributes to the “good life.”

Why the Authors Propose This Model:

1. A Response to the Limitations of Existing Leadership Models:

McKenna, Rooney, and Boal argue that while leadership theories such as transformational, authentic, and spiritual leadership incorporate elements of ethics, foresight, and trustworthiness, they fall short in addressing the full complexity of contemporary leadership challenges. These models often lack the depth required to manage ambiguity, competing demands, and ethical dilemmas in a nuanced way. The authors believe that by applying a wisdom framework, leaders can better navigate these complexities.

2. Addressing Complexity and

Uncertainty: The authors emphasize that contemporary leadership requires the capacity to deal with ever-increasing complexity, ambiguity, and paradox. The Polyhedron Model is insufficient because it does not fully integrate the ethical dimension of leadership or account for the non-rational aspects, such as intuition and metaphysical insights,

which are crucial in making wise decisions. Their proposed framework is meant to help leaders manage these uncertainties and make well-rounded, ethical decisions that go beyond mere strategic calculations.

3. Providing a Metatheoretical

Foundation: The five principles provide a metatheoretical or a priori construct that can be used to evaluate leadership, drawing from both philosophical and psychological traditions. The framework serves as a higher-order ideal for leaders to aspire to, even if complete wisdom remains unattainable for most. This model provides a robust evaluative standard, rather than relying on more narrowly defined traits or behaviors.

4. Balancing Rationality with Non-

Rational Elements: Many existing models of leadership emphasize cognitive complexity and rational decision-making. However, the authors propose that wise leadership also involves incorporating non-rational elements such as intuition, foresight, and emotional intelligence. This balance between rationality and non-rational insights makes the model more adaptable to real-world leadership contexts, where ambiguity and uncertainty often require decisions that go beyond logic.

5. The Ethical Core of Leadership:

The authors argue that leadership is fundamentally about guiding organizations toward ethical, humane outcomes. This ethical dimension is central to wisdom, and the model they propose emphasizes the leader's role in fostering virtue, making ethical judgments, and acting with concern for the greater good. This contrasts with more instrumental models of leadership that focus primarily on organizational effectiveness and performance.

Five Principles of Social Practice Wisdom (SPW)

McKenna and Rooney (2019) propose the Social Practice Wisdom (SPW) model because they believe existing leadership theories fail to fully capture the complexity and moral dimensions required for wise leadership in contemporary organizations. They critique current wisdom theories for being too focused on psychological or cognitive traits, often detached from the social realities in which leaders operate.

The SPW model is introduced as a response to the limitations of traditional leadership models, which tend to prioritize financial success and instrumental efficiency over the promotion of broader well-being. The authors argue that wisdom is a virtue-based practice, requiring leaders to navigate complex social, political, and economic dynamics at multiple levels: global, organizational, and individual.

SPW incorporates Aristotelian notions of eudaimonia (human flourishing) and phronēsis (practical wisdom), distinguishing between technical knowledge (technē) and transcendent, ethical judgment (sophia). Unlike other wisdom theories that are more abstract or theoretical, SPW emphasizes actionable wisdom grounded in real-world social practice, allowing leaders to make sound, ethical decisions in uncertain, dynamic environments.

The multilevel focus of SPW also contrasts with traditional wisdom models that often overlook the broader sociological and discursive contexts in which leaders act. This framework integrates intellectual virtues with practical application, aiming to address moral and social complexities that other theories might miss.

The crucial principles for wise leadership are: (infographic)

- **Virtue:** Wise leaders embody moral and intellectual virtues such as integrity,

courage, humility, and justice. Their decisions are guided by a commitment to the common good rather than personal gain.

- **Humility:** A key characteristic, humility involves self-awareness, empathy, and the recognition of one's limitations. Wise leaders are open to feedback, new insights, and different perspectives.
- **Transcendence:** Wise leaders rise above their egos and consider the broader welfare of others. They engage in self-distanced reflection to make sound, ethical decisions in complex situations.
- **Tolerance of Ambiguity:** Wise leaders are comfortable navigating uncertainty and complexity, understanding that multiple truths and contradictions often coexist in decision-making processes.
- **Openness to Experience:** A willingness to explore and consider new ideas and experiences allows wise leaders to adapt to changing environments and make informed judgments.
- **Adaptability:** The ability to adapt to or reshape the environment, and knowing when to do so, is essential for wise leadership. Leaders must balance routine with flexibility and creativity.
- **Ethical Judgment:** Wise leaders use practical wisdom (phronēsis) to make ethically sound decisions that align with both organizational goals and the greater social good.

Five Interrelated Qualities for Wise Decision Making

The research article (Intezari & Pauleen, 2017) outlines several qualities that are integral to incorporating wisdom into the

decision-making process. These qualities form a holistic and interrelated framework, guiding leaders toward wise decisions. The key qualities identified are:

1. Multi-Perspective Consideration

(MPC): This involves viewing a problem or decision from multiple angles and considering various stakeholders' values, beliefs, and expectations. MPC allows for the evaluation of both immediate and long-term consequences, ensuring a broad and inclusive understanding.

2. Self-Other Awareness (SOA):

Awareness of both the self and others plays a critical role in decision-making. This includes recognizing one's own knowledge limitations and being aware of the broader environment. A wise leader integrates self-awareness with an understanding of others to enhance decision-making accuracy.

3. Cognitive-Emotional Mastery (CEM):

Effective decision-making requires a balance between rational thought and emotional insight. CEM helps leaders incorporate both logical analysis and emotional understanding into their decisions, ensuring a more complete perspective.

4. Reflexivity: Reflexivity involves a continuous process of self-reflection, where leaders critically evaluate their assumptions, values, and actions in light of new information. This reflection allows for deeper insight into both internal and external factors influencing decisions.

5. Praxis: Praxis refers to the integration of reflection into action. Wise decision-making is not just about thinking but about implementing thoughtful, ethically grounded actions that consider long-term effects on both individuals and society.

These five qualities work together to guide leaders toward making decisions that are not only effective but also wise, grounded in a deep understanding of complexity, ethics, and long-term impacts.

This model of wisdom-based decision-making is proposed by the author for several reasons, particularly in light of existing wisdom definitions and theories. The key reasons include:

1. Limitations of Existing Models: The author critiques previous models and definitions of wisdom, such as those in psychological and philosophical traditions, for being overly focused on cognitive processes or abstract concepts. For example, models like the Berlin School of Wisdom (Baltes and Staudinger) emphasize wisdom as expert knowledge but are criticized for not fully addressing the complexity of real-life decisions, particularly in ambiguous and uncertain environments. The author argues that these models are too narrowly focused on intellectual capabilities without adequately considering emotional and ethical dimensions.

2. Need for an Integrated Approach:

Existing wisdom theories, such as Sternberg's Balance Theory and the Berlin Wisdom Paradigm, often treat wisdom as either a set of cognitive abilities or as an outcome of specific knowledge. The author proposes a more integrated model that includes not only cognitive abilities but also emotional mastery, self-awareness, and reflexivity. This integrative framework aims to address the multidimensional nature of wisdom, where cognition, emotion, ethics, and practical application are equally important.

3. Incorporation of Practical Wisdom (Phronesis): While previous definitions of wisdom often focus on theoretical

knowledge (Sophia), the author stresses the importance of practical wisdom (Phronesis), which is about making ethical decisions in complex, real-world situations. Practical wisdom involves the ability to act based on reflective thinking and moral consideration, integrating both action and reflection. The proposed model highlights praxis, or the ability to put wisdom into action, as a crucial component.

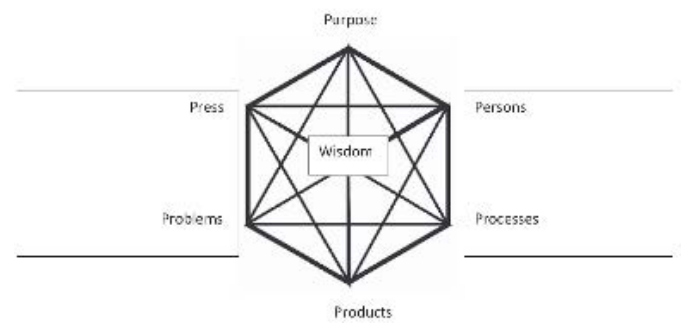
4. Complexity and Ambiguity in

Modern Contexts: The author argues that modern organizational and leadership contexts are characterized by high levels of complexity, uncertainty, and ambiguity. Traditional wisdom theories, which emphasize rationality or factual knowledge, do not fully address the need for decision-making that balances multiple perspectives, emotions, and ethical considerations. The proposed model responds to this complexity by incorporating qualities like multi-perspective consideration (MPC) and self-other awareness (SOA), which are essential for navigating these environments.

5. Integration of Emotion with

Cognition: One significant reason for proposing this model is the recognition that emotion plays a critical role in wise decision-making. Existing theories often separate cognitive reasoning from emotions, but the author emphasizes the need for cognitive-emotional mastery (CEM), where leaders must balance both intellectual and emotional insights when making decisions. This aspect is particularly important for addressing the non-rational and instinctive elements of decision-making, which are often overlooked in purely cognitive models.

6. Need for Ongoing Reflexivity: The author points out that most wisdom models focus on the static qualities of



wisdom, such as knowledge or moral virtue, without accounting for the dynamic, reflective process required for ongoing growth and adaptation. Reflexivity, or the critical evaluation of one's own assumptions and behaviors, is proposed as a vital component for continuously refining wisdom in decision-making.

Unified 6P Framework of Wisdom by Sternberg and Karami

The six dimensions of this framework are: Purpose, Press, Problems, Persons, Processes, and Products.

Purpose: Purpose refers to the overarching goal of wise actions, which is often the pursuit of the common good. In business, this means aligning strategies not just for profit but for ethical practices, social responsibility, and long-term sustainability. Wise leaders guide their companies with a clear purpose that balances the interests of shareholders, employees, customers, and the broader community, ensuring actions contribute positively to society and the environment.

Press: Press involves external pressures that demand wise responses. In a business context, these pressures can include market changes, technological advances, regulatory shifts, and social or cultural trends. Wise leadership requires understanding and adapting to these forces, anticipating future challenges, and using them as opportunities for strategic decisions that drive resilience and success.

Problems: Problems in this model refer

to complex challenges that don't have straightforward solutions. Businesses often face such problems, which require a blend of technical expertise, ethical considerations, and long-term thinking. Leaders must navigate issues like integrating new technologies, balancing sustainability with profitability, or managing crises that involve conflicting interests.

Persons: Persons are the individuals who demonstrate wisdom. In leadership, this includes not only intelligence and strategic thinking but also emotional intelligence, empathy, and ethical integrity. Wise leaders possess the qualities necessary to manage diverse teams, foster innovation, and navigate complex situations while maintaining ethical standards and fostering a positive organizational culture.

Processes: Processes involve the ways in which decisions are made and actions are taken. Wise processes are thoughtful, ethical, and open to new perspectives. In business, this means leaders use critical thinking, reflection, and judgment to make well-informed decisions. Processes are transparent and inclusive, ensuring decisions align with both organizational goals and ethical values.

Products: Products are the outcomes of wise decisions and processes. In business, wise products are solutions that address problems sustainably and ethically. These can be tangible, like eco-friendly products, or intangible, like improved community relations. Wise products not only meet immediate needs but also contribute positively to long-term organizational success and societal well-being.

Interactivity of the 6Ps

The 6Ps are interconnected. Purpose influences the Problems a company chooses to address, while Press shapes how those Problems are approached. Processes guide how leaders and Persons navigate these challenges, ultimately shaping the Products—

tangible outcomes that align with the organization's values and broader societal goals. Each P influences and reinforces the others, creating a holistic approach to wise leadership.

The authors, Robert J. Sternberg and Sareh Karami, propose the Unified 6P Framework of Wisdom as a response to the diverse and sometimes conflicting models of wisdom that have been presented over time. The main reason for proposing this framework is to offer a holistic and integrative model that can encompass the various aspects of wisdom discussed in different theories. Here's why they proposed the 6P model:

1. Incorporating Diverse Wisdom

Theories: The 6P framework aims to bring together different explicit and implicit models of wisdom by suggesting that these models are often looking at different aspects of the same phenomenon. For example, models like the Berlin Wisdom Paradigm focus on expertise in life's pragmatics, while others like Ardel's model emphasize cognitive, reflective, and emotional processes. The 6P framework seeks to show that these models aren't necessarily contradictory but are complementary, focusing on different elements of wisdom.

The authors believe that most models of wisdom address some aspects of wisdom but fail to provide a comprehensive view. Therefore, the 6P framework adds the missing dimensions, allowing for a more complete understanding of wisdom.

2. Expanding on the 4P Creativity

Framework: The authors draw inspiration from the 4P framework used in creativity research (person, process, product, and press) but argue that it is insufficient for understanding wisdom. To address this, they add two more dimensions: Purpose and Problems. These additions emphasize the role of

the purpose behind wisdom and the types of complex, real-world problems that require wise solutions.

For example, while the 4P framework focuses on the environmental press (i.e., the context that prompts wisdom), the authors argue that the Purpose of wisdom (seeking a common good) and the Problems that demand wisdom (complex, value-laden, and ill-structured) are crucial for understanding how wisdom is applied in real-life situations.

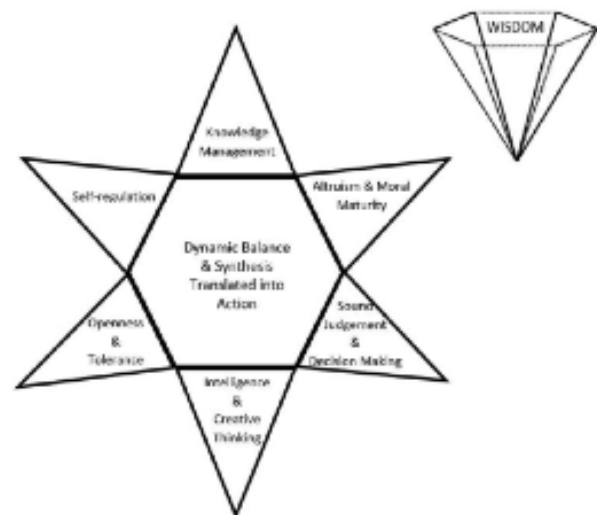
3. Addressing Limitations of Existing Models: Many models of wisdom, according to the authors, are too narrow or focus too much on specific aspects, such as individual traits or cognitive processes. The 6P framework is meant to correct this by acknowledging the interactivity between different elements of wisdom.

For example, in the Berlin Wisdom Paradigm, wisdom is defined largely in terms of factual and procedural knowledge. However, Sternberg and Karami argue that this model misses important aspects, such as the purpose of wisdom and the specific problems it addresses. The 6P framework seeks to fill in these gaps by providing a more integrated approach.

4. Unified View of Explicit and Implicit Wisdom Models: The authors discuss both explicit theories (those developed by scholars) and implicit theories (folk understandings of wisdom). They recognize that different cultures and groups may have varying conceptions of wisdom. By providing a framework that can integrate explicit models (like the MORE model, the H.E.R.O. model, and balance theories) and implicit models (such as wisdom in Western versus Eastern traditions), the authors aim to create a more inclusive understanding of wisdom that crosses cultural and

contextual boundaries.

5. A Holistic Framework to Address Modern Challenges: The authors emphasize that modern global problems—such as pandemics, climate change, and social inequality—require wisdom. They propose the 6P framework as a way to understand how wisdom can be used to balance



competing interests and create solutions that seek the common good.

By offering a framework that incorporates the environmental press, the cognitive and emotional processes of individuals, and the overarching purpose of serving the common good, the 6P model is positioned as a way to help leaders and decision-makers address the complex challenges of the 21st century.

A Polyhedron Model of Wisdom by Karami et al.

The Seven Components of Wisdom

The Polyhedron Model of Wisdom (Karami et al., 2020) identifies seven interconnected components that collectively define wisdom, providing a structured approach for fostering wisdom in various contexts: (explain in table/ infographic)

Knowledge Management

Wisdom isn't just about having information; it's about effectively applying knowledge in complex situations. It involves knowing when and how to use different types of knowledge, crucial for both personal decision-making and leadership. This component also includes self-awareness, evaluating the limits and scope of one's knowledge, which is critical in complex decisions.

Self-Regulation

Self-regulation involves managing emotions, thoughts, and behaviors to achieve personal goals and maintain social harmony. It's key in leadership and personal growth, helping individuals make balanced decisions that consider broader societal impacts.

Altruism and Moral Maturity

This component focuses on acting with compassion, integrity, and fairness towards others. It ensures that decisions benefit not just the individual but society as a whole, reflecting a deep commitment to ethical principles and social responsibility.

Openness and Tolerance

Navigating a complex, diverse world requires openness to new ideas and tolerance for different perspectives. This aspect of wisdom involves embracing uncertainty and diversity, crucial in leadership and education where decisions often involve diverse stakeholders.

Sound Judgment and Decision-Making

Central to wisdom is the ability to make ethical, informed decisions. This involves analyzing information, weighing potential consequences, and choosing actions that are both effective and just.

Intelligence and Creative Thinking

Wisdom draws on both intelligence and creativity. This component highlights the importance of innovative problem-solving

and thinking outside the box to address challenges effectively.

Dynamic Balance and Synthesis Translated into Action

Wisdom isn't just theoretical; it's about applying knowledge and values in practical ways. This component emphasizes the importance of translating thoughtful analysis into balanced, real-world actions.

The Polyhedron Model of Wisdom by Sareh Karami, Mehdi Ghahremani, Fabio Andres Parra-Martinez, and Marcia Gentry, based on their systematic review of wisdom studies in psychology, management and leadership, and education. The model aims to provide a comprehensive, multidimensional approach to understanding wisdom, addressing the limitations of previous theories by integrating various aspects into a cohesive framework.

Why this Polyhedron Model?

1. Lack of Consensus on Wisdom

Definitions: The authors highlight that, despite significant research, no universally accepted definition of wisdom exists across disciplines like psychology, management, and education. The lack of a consistent framework has led to fragmented understandings of what constitutes wisdom. The Polyhedron Model aims to synthesize these diverse perspectives into a more unified structure, considering various components that previous models might have overlooked or treated separately.

2. Bridging Different Disciplinary

Approaches: Wisdom research has traditionally been dominated by psychology, with fields like management and leadership, and education only recently integrating wisdom into their frameworks. The Polyhedron Model seeks to bridge these disciplines, acknowledging that wisdom is relevant

across various domains and that its understanding should be holistic rather than domain-specific. It provides a shared model that can be applied to different contexts, such as education or leadership.

3. Incorporating Multiple Components:

Previous models of wisdom often focused on specific aspects, such as cognitive abilities (as seen in the Berlin Wisdom Paradigm) or balance theory (as seen in Sternberg's Balance Theory). However, the Polyhedron Model incorporates seven distinct components: knowledge management, self-regulation, altruism and moral maturity, openness and tolerance, sound judgment and decision making, intelligence and creative thinking, and dynamic balance and synthesis translated into action. This multidimensional approach allows the model to reflect the complexity and dynamism of wisdom more accurately.

4. Dynamic Balance and Synthesis:

The Polyhedron Model emphasizes that wisdom is not merely the sum of individual traits but a dynamic balance between them. For example, it integrates emotional and cognitive regulation, empathy, and decision-making into a fluid process that adjusts based on context. This aspect of dynamic balance is essential, as the model recognizes that different situations require varying degrees of each component for wisdom to emerge in action.

5. A Response to the Ethical Failures of Intelligence and Creativity: The authors note historical examples where intelligence and creativity were applied in harmful ways (e.g., Nazi medical experiments or unethical corporate practices). They argue that wisdom, unlike intelligence or creativity alone, involves a moral and ethical framework that ensures knowledge is applied for

the common good. The Polyhedron Model emphasizes moral maturity and altruism, ensuring that wisdom is inherently tied to virtuous action and ethical responsibility.

6. Application to Real-World Problems:

The authors also emphasize the applicability of wisdom in addressing complex global challenges such as climate change, political unrest, and social inequality. The Polyhedron Model integrates practical wisdom with moral and intellectual virtues, making it more adaptable to the real-world problems faced by leaders, educators, and decision-makers.

In sum, the Polyhedron Model of Wisdom offers an integrative, multidimensional framework that addresses the limitations of previous wisdom theories by emphasizing the dynamic and ethical nature of wisdom, its interdisciplinary relevance, and its application in complex, real-world situations.

Acting and Leading with Wisdom by Prasad Kaipa and Navi Radjou

The book "From Smart to Wise" by Prasad Kaipa and Navi Radjou identifies several key elements that leaders must develop to transition from smart to wise leadership. These elements include:

1. Discovering Your Noble Purpose:

Wise leaders operate with a strong sense of purpose, which the authors call their "North Star." This noble purpose transcends personal gain and emphasizes serving a broader societal good.

2. Shifting Perspective: Wise leaders cultivate a holistic, integral mindset that allows them to see the bigger picture and the interconnectedness of all things. This ability helps them make decisions that are not only pragmatic but also ethical and long-term in impact.

3. Authentic and Appropriate Action:

Kaipa and Radjou emphasize that wise leaders act both authentically and appropriately. This means taking actions that are aligned with one's values and the larger context. Wise leaders are mindful of their actions and always consider the broader impact on others and the community.

4. Role Clarity: Wise leadership also requires clarity of roles. Wise leaders understand the importance of humility and teamwork, knowing when to step up and when to let others lead. They do not get confined by rigid leadership roles but adapt fluidly to different situations.

5. Decision Logic: Decision-making in wise leadership involves discernment. Wise leaders balance their intuition, logic, and emotions to make decisions that are aligned with their ethical standards and the greater good.

6. Flexible Fortitude: One of the essential attributes of wise leaders is their resilience. They know when to persist and when to pivot or let go. This “flexible fortitude” helps them navigate through crises and challenges without losing sight of their noble purpose.

7. Enlightened Self-Interest: Unlike smart leaders, who often act out of self-interest, wise leaders operate from “enlightened self-interest,” which means they seek to create value for themselves by simultaneously serving the larger society.

8. Cocreating a Field of Leadership: Wise leadership is not a solitary pursuit. Leaders who are wise build fields of leadership around them by engaging others, mentoring, and creating environments where collective wisdom can emerge.

Why Kaipa and Radjou Propose this Model

Kaipa and Radjou argue that the world has become too complex and uncertain for traditional “smart leadership” approaches to continue delivering results. Smart leadership, which focuses on maximizing personal or organizational gains through strategy and intelligence, has significant limitations when it comes to creating sustainable growth, resilience, and ethical outcomes.

The authors critique the over-reliance on smartness, which often leads to lapses in judgment, poor long-term decision-making, and ethical failings. For instance, the authors highlight how brilliant leaders, such as Bill Gates and Steve Jobs, evolved over time from “smart” leaders who dominated markets and drove innovation, to “wise” leaders who contributed to society more broadly by finding their noble purpose and shifting their focus toward serving others.

Kaipa and Radjou propose their model because it integrates values, ethics, and a higher purpose into leadership—concepts that have historically been sidelined in business in favor of more tangible measures of success like profits or market share. The authors believe practical wisdom should be the foundation for business leadership because it allows leaders to harness their intelligence for the greater good, positively impacting society while still succeeding in their careers.

In view of other wisdom theories, Kaipa and Radjou's model emphasizes context sensitivity—the ability to discern the most appropriate form of smartness or wisdom for any given situation—as well as the integration of spiritual wisdom with business practice. This contrasts with more traditional, cognitive models of wisdom, which focus primarily on knowledge and intellect rather than on action, ethics, and long-term sustainability.

Wisdom is particularly appropriate to contemporary leadership. It provides a framework for dealing not just with wide-ranging and complex knowledge, but with

changing ontological structures. Wisdom does this because it is a transcendent process. Furthermore, wisdom provides reassurance in an age of moral, economic, and epistemic uncertainty because of its commitment to long-term benefit and its infusion of virtue. As organizations become more complex, they demand no less than wise leadership if they are to survive. This is particularly so when leaders deal with large corporations' complex legal and ethical considerations in our current deregulated environment (McKeena & Rooney 2009). Ali Intezari's work on wisdom in leadership is

known for its focus on integrating practical wisdom into organizational management and decision-making processes. His research typically explores how wisdom, as a multifaceted construct, can enhance leadership effectiveness in the complex and dynamic environment of modern organizations. The practical approach to wisdom in leadership involves applying ethical judgment, experiential knowledge, and reflective thinking to make decisions that not only achieve business objectives but also serve broader societal and ethical goals.

Summary of the 8th CWIL Advisory Meeting Leadership Theories and Wisdom (20 November 2024)



Main Discussion Points:

1. The Gap in Existing Leadership

Theories: Current leadership theories (e.g., servant, transformational, authentic, and spiritual leadership) focus primarily on values-based leadership.

However, these theories do not provide concrete developmental frameworks or methods for leaders to cultivate and apply wisdom in real-world scenarios.

Leadership literature tends to be theoretical, focusing on “what” a leader should be rather than “how” they should develop wisdom in decision-making.

2. Wisdom as a Distinct and Necessary

Dimension in Leadership: Wisdom in leadership is not just another leadership model but an executive function that enables leaders to make contextually appropriate decisions.

Practical wisdom, as discussed in Aristotelian philosophy, is the ability to apply virtues in real-life situations.

Unlike rigid leadership models, wise leadership is adaptive and responsive to context rather than adhering to a fixed style.

3. Challenges in Leadership Selection

and Development: Organizations repeatedly select ineffective leaders

despite having the knowledge and tools to identify better candidates.

Biases favoring extroverted and overly confident (often narcissistic) individuals lead to poor leadership choices.

Leadership development must move beyond conceptual discussions to practical, experiential learning, ensuring leaders are prepared to act wisely in complex situations.

4. The Practical Implementation of

Wisdom in Leadership: Wisdom must be understood as a “lived experience” rather than just a theoretical construct.

There is a need to focus on application through role models, case studies, experiential learning methods, and structured development programs.

Examples include leadership training using simulations, movies, improvisational exercises, and structured reflections.

5. The Role of Context in Leadership

and Wisdom: Leadership effectiveness depends on organizational, societal, and geographical contexts.

A wise leader is one who can adapt to the context, applying the most suitable leadership approach at a given time.

The ability to choose the right leadership response based on the situation is a defining characteristic of wise leadership.

6. Wisdom in the Age of AI: AI advancements pose existential questions about human uniqueness and wisdom.

AI has extensive knowledge but lacks wisdom as it cannot embody ethical judgment, emotional intelligence, and moral responsibility.

The human edge in leadership may lie in wisdom—the ability to reflect, act with integrity, and make judgments beyond data-driven logic.

The Centre for Wisdom in Leadership could explore how wisdom can be cultivated in an AI-driven world and how AI can be used to enhance human wisdom.

7. Wisdom, Ethics, and the Common Good: Wise leadership must be grounded in ethics and oriented towards the common good, extending beyond profit-driven motives.

Ethical businesses that prioritize fairness, transparency, and community contribution have demonstrated long-term success.

Wisdom in leadership requires a metaphysical commitment—leaders must reflect on their fundamental beliefs about purpose and values.

8. Indic Wisdom and Vedanta in Leadership Development: Indian philosophy, particularly Vedanta, offers valuable insights into wise leadership.

The Bhagavad Gita's concept of detached action (acting without attachment to results) provides a unique leadership perspective rarely found in Western models.

Efforts should be made to integrate these ancient wisdom traditions into contemporary leadership frameworks while avoiding nationalistic biases.

Conclusion:

- **The Justification for Wise Leadership:** Wise leadership is necessary because existing leadership models do not provide a concrete path for developing leaders who can navigate complexity with sound judgment.
- **Beyond Theories to Application:** The focus should shift from theoretical discussions to real-world application, ensuring leaders develop practical wisdom through experience.
- **Contextual Adaptability as the Key to Wisdom:** Wise leadership is not a fixed model but an ability to adapt and choose the best leadership approach in a given situation.
- **Wisdom as the Human Edge in an AI-driven World:** AI will challenge many aspects of leadership, making the cultivation of wisdom a critical differentiator.
- **Ethics and the Common Good:** Leadership must be rooted in ethical principles and aimed at serving the broader community.
- **Bridging Ancient Wisdom with Modern Leadership Challenges:** Indian philosophical traditions, such as Advaita Vedanta, can offer valuable insights into developing wise leaders.

