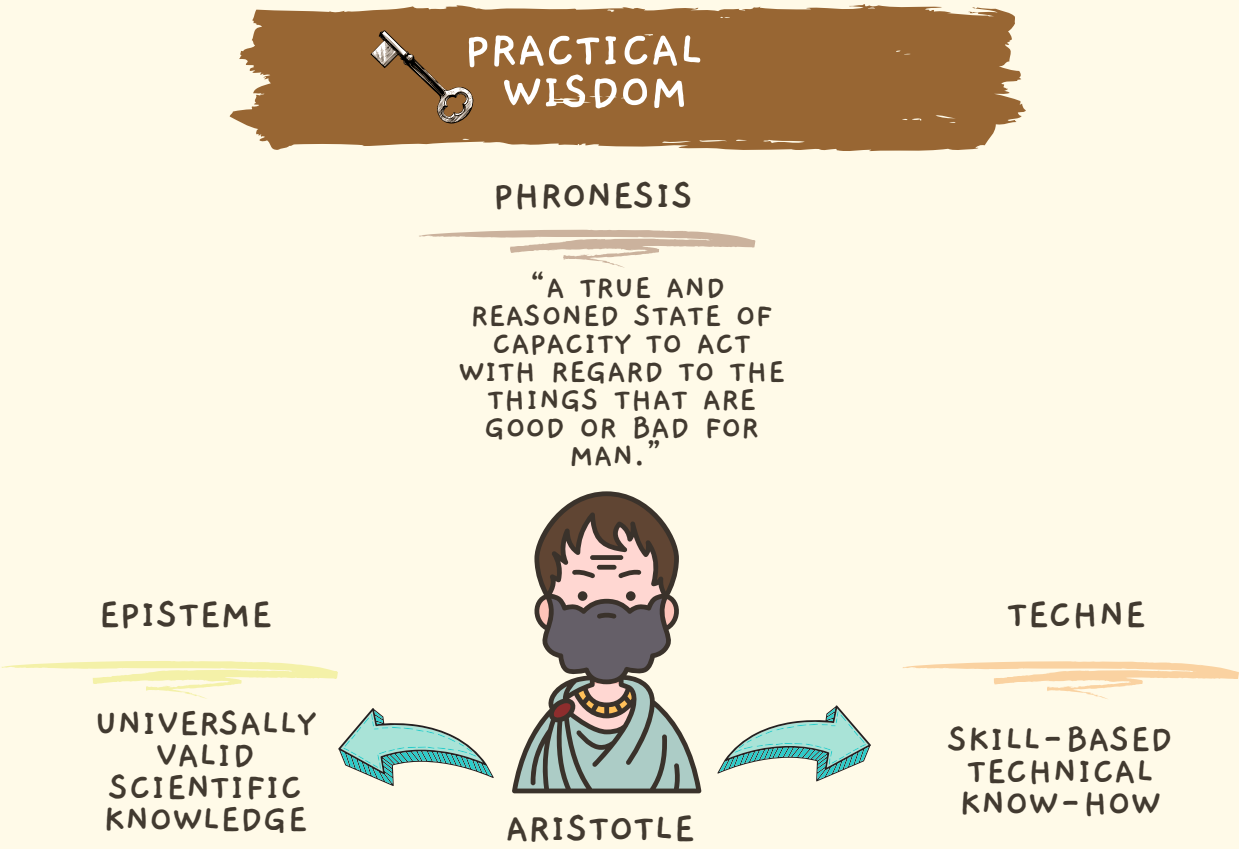




A gulf between the theory of business ethics and the practice of business ethics exists in business today for several reasons:

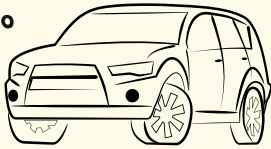
- ! A DIFFERENCE BETWEEN ESPOUSED AND ENACTED CORPORATE VALUES (COMPANIES THAT DO NOT "WALK THE WALK!")
- ! GROUP DYNAMICS CAN CONFUSE PERSONAL MORAL COMPASSES (THE "ALL THE OTHER KIDS WERE DOING IT" SYNDROME)
- ! THE PRESSURES AND STRESS OF BUSINESS CAN FOSTER MISCONDUCT (THE DEMANDS OF THE JOB CAN SWAY US FROM OUR LANE!)

? How do we address & resolve the disconnect?



A car manufacturer might ask "what is a good car?" The question has many potential formulations, e.g., "Where should our new product design focus?" or "what will help us increase market share?" or "What will drive brand awareness?"

- ✓ Episteme might offer guidance concerning internal combustion, maximizing fuel efficiency, applied metallurgy, etc
- ✓ Techne might offer guidance concerning specific best practices on how to build, market, and sell the product
- ! Phronesis enables managers to determine how to meet the current need/context in a way that helps both the company and the consumer



SIX ABILITIES OF PHRONETIC LEADERS



The Ability to Judge Goodness & to Include Goodness

LEADERS WITH PRACTICAL WISDOM HAVE A FOUNDATION OF VALUES UPON WHICH TO BUILD AND TO ACT.



The Ability to Exercise Power Constructively

PRACTICAL WISDOM GUIDES THE APPLICATION OF POWER THROUGH AN UNDERSTANDING OF VIEWPOINTS; GLEANED BOTH VERBALLY & NON-VERBALLY



The Ability to Grasp Essence

PRACTICAL WISDOM ENABLES A PERSON TO SEE THE ESSENCE, I.E., THE NATURE AND MEANING OF PEOPLE, THINGS, AND EVENTS IN PLAY.



The Ability to Communicate the Essence

PRACTICAL WISDOM HELPS US SHARE THE ESSENCE OF A SITUATION; STORIES, METAPHORS, AND OTHER FIGURATIVE MODES ARE USEFUL TOOLS.



The Ability to Create Shared Contexts

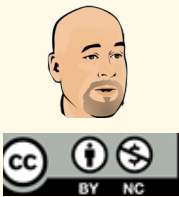
PHRONETIC LEADERS CONSTANTLY CREATE OPPORTUNITIES ALL MEMBERS OF THE ORGANIZATION TO LEARN FROM ONE ANOTHER.



The Ability to Foster Practical Wisdom in Others

FOSTERING & DEVELOPING PRACTICAL WISDOM WILL ENABLE ORGANIZATIONS TO RESPOND FLEXIBLY AND CREATIVELY TO ANY SITUATION.

IKUJIRO NONAKA & HIROTAKA TAKEUCHI, "THE BIG IDEA: THE WISE LEADER. [HTTPS://HBR.ORG/2011/05/THE-BIG-IDEA-THE-WISE-LEADER](https://hbr.org/2011/05/the-big-idea-the-wise-leader)



PROFESSOR STUKE