

# In Search of *Phronesis*: Leadership and the Art of Judgment

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*We explore the process through which people in organizations, especially those in leadership positions, in circumstances marked by ambiguity, surprise, and conflicting values, come to, or arrive at, judgment. Briefly reviewing the (somewhat limited) literature on judgment in management studies, we conclude that its mainly rationalist orientation prevents us (scholars and practitioners alike) from properly grasping important features of the hermeneutical–developmental process involved in coming to a judgment. In particular, the role of emotions, moral agency, language use, and, especially, the selective and integrative nature of perceptual processes, are far too easily ignored. We make the case for a particular notion of judgment understood as Aristotelian “phronesis” (practical wisdom). Phronetic leaders, we argue, are people who, in their search for a way out of their difficulties, have developed a refined capacity to intuitively grasp salient features of ambiguous situations and to constitute a “landscape” of possible paths of response, while driven by the pursuit of the notion of the common good. We seek to shed light on how this is accomplished, by drawing on neo-Aristotelian, phenomenological, and Wittgensteinian philosophy.*

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Although not explored in great depth, the links between organizational leadership and the exercise of judgment have been noted by some organizational and management scholars (March 2005: 116; Keohane, 2010: 87; Tichy & Bennis, 2007a: 5; Weick, 2001: 363–364). However, the process of making (or coming to) judgment has either not received adequate attention or, to the extent it has, it is found wanting. We attempt here to address this weakness.

More specifically, drawing on Badaracco’s (2002) account of Rebecca Olson, a newly appointed CEO at St. Clement’s Hospital in Omaha, Nebraska,

who, soon upon taking office, must handle a complaint of sexual harassment against a senior management member who happened to have been her internal rival for the CEO job, we explore what is involved in the process one (especially one in a position of leadership) engages in coming to judgment. We should clarify that we take a broad view of leadership to include not just the usual high-profile organizational roles that capture the public eye, but also, the more ordinary, everyday cases in which people in organizations, at various levels of responsibility, are facing dilemmas, ambiguity, and surprise, and need to take action. Badaracco (2002: 2) calls the handling of such cases “leading quietly.” In “leading quietly,” the process of coming to a judgment involves considering conflicting values and priorities; is contextually bound; follows no pre-established templates; and appears to require twists-and-turns in many new directions,

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as each step in its developmental trajectory opens up new realms of facts for consideration. So, how do “quiet leaders” do it?

Identifying weaknesses in currently dominant approaches to judgment, we make the case for a particular notion of judgment understood as Aristotelian “*phronesis*” (prudence, practical wisdom). *Phronetic leaders* (i.e., leaders exercising practical wisdom), we will argue, are people who have developed a refined capacity to come to an intuitive grasp of the most salient features of an ambiguous situation and, in their search for a way out of their difficulties, to craft a particular path of response in moving through them, while driven by the pursuit of the common good. We will seek to shed light on how this is accomplished by drawing on, mainly, neo-Aristotelian, phenomenological, and Wittgensteinian philosophy. We also draw parallels with current approaches in psychology and business ethics that focus on moral intuition.

The paper is structured as follows: First, we summarize the story of Rebecca Olson’s handling of the case of sexual harassment, as told in Badaracco (2002). Second, we discuss how judgment has been predominantly conceptualized in management studies. We review the main models and frameworks suggested, assess their adequacy, and problematize what we take to be their mainly rationalist claims. Then we turn to neo-Aristotelian philosophy and approach judgment through the perspectives of “*praxis*” and “*phronesis*.” We discuss some related concepts, especially perception, emotions, the moral quality of agents, and the hermeneutics of making sense. Following this discussion, we focus particularly on “*virtue*,” as the pivotal concept in the process of coming to a judgment, and argue that virtues are ontological skills, drawing in particular on Wittgenstein’s (1953) philosophical methods. Last, in the discussion, we offer further reflections on judgment and “*phronesis*” and their relevance for better making sense of Rebecca Olson’s actions.

### JUDGMENT CALL: DEALING WITH RICHARD MILLAR

Consider the following case, drawn from Badaracco (2002: 12–18): Rebecca Olson, a physician by training, ambitious and capable, with some management experience but not at the top-level, is headhunted by a hospital to become its CEO. She accepts the position. The hospital is in trouble: It has been losing market share, patient complaints

have been rising, staff turnover is high. Olson’s appointment—it is hoped—will address these problems as well as energize the organization. As if these problems were not enough, soon after taking over, Olson is thrown into her first crisis: a serious allegation of sexual harassment made by a clerical employee, Melanie Wermert, against the vice president of operations, Richard Millar.

Millar came from a prominent local family, had held all the major nonmedical posts in the hospital over a 25-year period, and had competed with Olson for the position of the CEO as the inside candidate. The board had known this allegation for several weeks but said nothing to Olson. The previous CEO had known about this too, but had decided not to get involved since he would be leaving. Now it was Olson’s problem. How should she handle it?

In her preliminary explorations, Olson discovered that the hospital did have a process for investigating harassment charges, and she set it in motion immediately. But as she began to interview members of staff further, it gradually emerged that although Millar had seemed confident and easy going on the surface, he had harassed other women and bullied other members of staff he disliked into resigning, to such an extent that even Olson herself, a high-achiever and competitive sports person when young, became somewhat fearful of him. He seemed to act as if he was bulletproof.

The lawyer’s report left Olson with little doubt that Millar deserved to be fired straightaway. However, in the end, given all the local consequences of a public announcement of his many indiscretions over the years, and the deleterious effect of that on the hospital’s reputation, she judged that the best course of action was to push him to resign. But how could this be contrived?

For 2 months, Olson worked behind the scenes to prepare the occasion by imaginatively working through countermoves to all the moves that Millar might make. She talked for hours with lawyers; prepared a detailed report on the investigation; labored over Millar’s severance package so that it reflected the hospital’s obligations to a long-term employee; met privately with two other board members who worked with her on ways to influence the rest; and worked on a carefully staged and scripted set of words to be used on the occasion when Millar was to be asked (told) to resign. In short, Olson did not respond to the situation facing her by heroically doing “the right thing” immedi-

ately, or by blindly following her "gut reaction" (Badaracco, 2002: 15); she spent time on exploring the situation of concern in all its small and particular details, and charting an intricate path which, she hoped, would be an appropriate response to them all.

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Although incidents like this are not common (one hopes!), they are not unheard of either. Most large organizations have procedures in place for handling cases of harassment. Reading Badaracco's account, one realizes that although the hospital had, indeed, a process for investigating harassment charges, and although Olson had handled other harassment complaints in her professional life before, *how* she would respond to this particular case was, at the start, unclear—it needed to be worked out. Would she get personally involved or should she keep a low profile? (After all, her predecessor had copped-out!) To what extent should she get members of the board involved? How would she politically handle those board and senior management members who were friendly with Millar? Should she fire him, if proven guilty? Should she ease him out of his job? Or should she seek a compromise? And so on.

In other words, although an organizational policy on harassment complaints was in place at the hospital, there was no detailed "script" for Olson to follow to address these questions. Some of them are related to facts and evidence, others are related to values, and others to time-sensitive priorities at the individual and organizational levels. How exactly Olson would handle the case depended on how she would size up the entire situation, seen in the broader context of her own role, values, and organizational background—it was a matter of judgment. Addressing these questions

is not a matter of "ethical decision making" alone (Bazerman & Gino, 2012; Craft, 2013; Tenbrunsel & Smith-Crowe, 2008; Trevino, den Nieuwenboer, & Kish-Gephart, 2013). While the "moral context" (Bazerman & Gino, 2012: 89) of the case is indisputable, or at least Olson appears to exhibit "moral awareness" (Tenbrunsel & Smith-Crowe, 2008: 555), insofar as moral considerations are clearly present in her mind, her puzzlement as to what she needs to do is not a narrowly ethical one—legal and business-related issues need to be considered too (Badaracco, 2002: 14).

Moreover, while in this case the organizational procedure is followed to the end and particular judgments are made with reference to it, in other cases, different judgment calls may be made, as, for example, when the leaders involved need to judge whether they will stick to the organizational procedure or depart from it as they see fit. For example, Admiral Allen, the national incident commander of the Deepwater Horizon oil spill and a leading executive in the handling of Hurricane Katrina disaster, describes the mental agility required when confronting a complex, fast-moving crisis: "There were times when we needed immediate action, and I went off book and gave some direct orders, which is not normally done under the hurricane response model" (Allen, 2010: 77). Or consider the case of a junior hospital doctor who witnesses a senior doctor taking drugs while on duty (Shotter & Tsoukas, in press). There was no procedure in the hospital to handle such incidents. How was the junior doctor supposed to act? To cut a long story short: when in existence, organizational procedures can be applied in several ways; there are organizational rules and, also, exceptions to rules; and although sometimes there are no rules, action must be undertaken in the context of professional norms and expectations. What all these more or less "scripted," cases have in common is the exercise of judgment. In the next section, we critically review the literature on judgment (with a focus on management studies and policy making), seeking to identify the main issues related to judgment calls and the challenges they present.

## **MAKING SENSE OF JUDGMENT IN ORGANIZATIONS AND MANAGEMENT**

In this section we selectively and critically review the most influential approaches to the study of judgment in organizational and management research. We note that most of the relevant studies

fall into the rationalist school (see Sonenshein, 2007: 1022–1023). We also note the emergence of an alternative approach, which seeks to move beyond rationalism, toward embracing a more phenomenologically informed mode of inquiry that privileges experience, process, and relationality. We situate ourselves in the latter school and seek to advance it further, in the rest of the paper, through drawing on neo-Aristotelian and Wittgensteinian scholarship.

### Rationalistic Approaches

The bulk of research in organization and management studies is characterized by a rationalistic orientation to judgment (Bazerman & Moore, 2009; cf. Kahneman, 2011: Chapter 8; Sonenshein, 2007: 1022–1023). Judgment tends to be seen mainly as a, reason-based matter: How an uncertain and equivocal situation can be cognitively represented so as to allow individuals to indulge in the rational manipulation of symbols in the inner theater of the mind (see Baars, 1997). Even when the importance of “tacit knowledge” in shaping judgment is appreciated, the emphasis is still on judgment as mainly a mental process of problem solving (Nonaka & Takeuchi, 2011; Sternberg, 1998, 2000). And even when the role of emotions is acknowledged, as is often the case in recent research, emotions are not viewed as fundamentally constitutive of one’s cognitive processing of a situation, but rather, as merely being contingently linked with cognition (Sonenshein, 2007: 1033; Tenbrunsel & Smith-Crowe, 2008: 576; Van de Bos, 2003).

For example, Sternberg (2000: 640) argues that as a manifestation of “practical intelligence,” wisdom, often seen as synonymous with good judgment, is underlain by certain general “metacomponents” that fit the information processing-cum-problem-solving model (see also Baltes & Staudinger, 2000). As he remarks: “[Wisdom] typically is acquired by selectively encoding new information that is relevant for one’s purposes in learning about that context, selectively comparing this information with old information to see how the new fits with the old, and selectively combining pieces of information to make them fit together into an orderly whole” (Sternberg, 2000: 640). Although these processes are used in all kinds of intelligence (analytic, creative, and practical), what distinguishes wisdom, according to Sternberg, is that the latter is highly context-dependent, involving “balancing off the various interests of parties about which one

needs to make a judgment” (Sternberg, 2000: 640)—where the “balancing” process is a matter of information processing aimed at producing a representational scheme oriented toward problem solving.

A similar rationalistic orientation is also evident in the work of Nonaka and Takeuchi (2011), and Tichy and Bennis (2007a, 2007b). Both pairs of authors tend to favor a primarily intellectual understanding of what coming to a judgment involves. Nonaka and Takeuchi write about the need for “wise leaders” to grasp the essence of a situation by practicing “mind-stretching routines,” such as “relentlessly asking what the basis of a problem or a situation is” and “constructing and testing hypotheses” (Nonaka & Takeuchi, 2011: 63–64). Tichy and Bennis explicitly model “judgment calls” on decision-making processes. As they note, a judgment occurs not in a “single moment but grows out of a process” (Tichy & Bennis, 2007b: 96). But what they mean by this is a 3-phase decision-making process that includes first, “preparation” (including “sensing” and “framing” the issue at hand); second, “the [judgment] call itself—the moment of decision”; and third, “execution—making it happen while learning and adjusting along the way” (Tichy & Bennis, 2007b: 96).

Moral judgment has recently been an important topic of research in ethical decision making (or behavioral ethics). Researchers have noted the importance of the “decision frame” (Tenbrunsel & Smith-Crowe, 2008: 561–565) practitioners apply to the decisions they make. Decision frames “represent the dominant characteristics of the situational construal as perceived by the decision maker” (Tenbrunsel & Smith-Crowe, 2008: 564). An “ethical frame,” it is argued, prompts “moral awareness” and, thus, “moral decision making” ensues. By contrast, when a “business” or a “legal frame” is adopted, moral considerations are ignored or brushed aside, “decision makers are not morally aware,” and “amoral decision making” ensues (Tenbrunsel & Smith-Crowe, 2008: 553).

However, when a situation is perceived by the individuals involved not as falling under a particular frame, but as being at the intersection of multiple frames (as is Olson’s case, insofar as she knows that she needs to simultaneously attend to ethical, legal, and organizational issues), behavioral ethics literature, for all its richness, is not particularly suggestive. While the distinctions made (e.g., “moral awareness” vs. “no moral awareness,” “intended ethicality” vs. “unintended ethicality,” etc.—see Tenbrunsel & Smith-Crowe,



2008: 554), and the concepts developed (e.g., "bounded ethicality," "moral identity"—see Bazerman & Gino, 2012; Tenbrunsel, Diekmann, Wade-Benzoni, & Bazerman, 2010; Aquino & Reed, 2002; Weaver, 2006), along with the several research propositions tested, are enlightening, behavioral ethics researchers do not fully engage with the complexity—the ambiguity, uncertainty, and conflict—involved in the exercise of practical reason in real-life contexts (Beiner, 1982; Berlin, 1996; Ferrara, 2008). The "framework of scientific rationality" (Sandberg & Tsoukas, 2011: 342) they adopt prevents them from grasping the still undifferentiated but meaningful relational totality in which actors are immersed. Since actors are not viewed as necessarily embedded in the world (Dreyfus, 1991; Sandberg & Pinnington, 2009; Yanow & Tsoukas, 2009), but as atomistic information processors (Bazerman & Moore, 2009), how a situation appears to actors who are *already* engaged in some way with the world at large is not explored (Sandberg & Tsoukas, 2011: 341–346).

Thus, while it is certainly the case that sometimes practitioners show no signs of moral awareness when handling particular issues (or the reverse: moral considerations may dominate other concerns), these are simple settings of decision making. A more complex setting is similar to that faced by Olson, namely when practitioners are simultaneously pulled in different directions, knowing that they need to find a way of attending to several frames at once (e.g., moral, legal, and business frames; Badaracco, 2002, 2006; Tsoukas & Hatch, 2001; Weick, 2001). If so, the question that needs to be addressed is how do practically thinking agents, embedded in social practices, act in complex circumstances, in which the alternatives available to them are at first not clear, or where the situation is not a matter of neatly comparing a range of alternatives and making a best choice among them, but is a matter of coming to judgment in a way that "does justice" to what the overall concrete circumstances seem both to "demand" and to "permit"?

Whether we are concerned with the work of a nurse in a neonatal intensive care unit (Klein, 2003), of a firefighter (Klein, 1998), a waiter (Rose, 2004), a finance manager (Bhide, 2010), or of a crisis manager (Allen, 2010), we are essentially concerned with the choices practitioners ("quiet leaders") come to make in circumstances that to a lesser or greater degree involve ambiguity and the need to consider alternatives and balance compet-

ing priorities. But while the question of judgment involved in all kinds of organizational work, not just in high-profile leadership positions, has been addressed in the literature, the fact that in all such cases practitioners must appraise the *particularity* of the situation facing them has not been seriously addressed. To act in a prudent fashion, more is needed than simply bringing general principles to bear on a case; practitioners must assess what the circumstances demand, and do so by engaging emotions and reason, intuition and intellect. As will be seen below, this is a point postrationalist perspectives seek to address.

### Beyond the Rationalistic Perspective

The complex nature of judgment has been noted by reflective practitioners in management and policy making (Barnard, 1968; Follett, 1924; Keohane, 2010; Vickers, 1983, 1984). Indeed, in some of their work one finds the beginning of a postrationalist view that sees judgment not as an information processing-cum-problem-solving exercise, but as an inherently open-ended, mental-cum-bodily activity, involving the sizing up of a situation and the balancing of competing priorities. Sir Geoffrey Vickers' work exemplifies such an approach, which we briefly discuss below.

Vickers, a distinguished UK senior civil servant several decades ago, sought to demonstrate the inevitability of discretion and, hence, judgment in the management of human systems. Discussing in particular the case of a supplies manager in an industrial plant, Vickers distinguished between two parts in any role practitioners (especially managers) carry out in organizations. First, there is the *specifiable* part of the role, as is typically described in job descriptions. This part tends to be explicitly articulated, is measurable, and "is typical of automatic regulation of a very simple kind" (Vickers, 1983: 42). The second part of the role, however (the "unspecifiable content of his job," Vickers, 1983: 43), is fuzzier, involving discretion and judgment to effectively carry it out.

Thus, the supplies manager's role, notes Vickers (1983: 42), "is much more complex" than any mechanical process, since it involves more than merely balancing flows of materials. For, in order to do this balancing effectively, the supplies manager:

must get good value for his money, yet keep good relations with his suppliers. He must be

sensitive to changing nuances in the requirements of the users but only insofar as they can be contained within a practicable buying policy. He must try out new supplies and new suppliers without unduly disturbing uniformity of products and the goodwill of old established contacts. In these and other ways he must reconcile the divergent requirements of disparate, qualitative norms [. . .]. And he must do all this within the overall limitations of the funds available to him and of his own and his department's energy, skill and time (Vickers, 1983: 42).

In other words, there is more in carrying out a particular role than meets the eye. Discretion—the scope and initiative that are difficult to define, but which are, nonetheless, indispensable in any job—is ineliminable (Tsoukas, 2005: Chapters 3, 12). But what makes the “unspecifiable content” of a job different from the “specifiable” one? Vickers (1983: 43) suggests the following answer:

The qualitative norms cannot be prescribed, as stock limits can be prescribed; nor can the degree of his success in meeting them be measured, as can the degree of his success in keeping his stocks within their prescribed limits. [. . .] These norms and his performance against them can only be recognized by an act of judgment; and they are constantly so appraised by himself, his colleagues (especially the users who depend on him for their supplies) and by the manager to whom he is responsible (Vickers, 1983: 43).

And he concludes, by drawing on Jaques (1956): “[W]e are not paid . . . for doing what we are told to do, but for doing rightly that part of our job which is left to our discretion; and we rate our own and our fellows' jobs on our estimate of the weight of the discretionary element” (Vickers, 1984: 244).

In other words, the “unspecifiable” part contains and sets the scene for what practitioners (and organizations at large) can specify. Judgment inheres in first, the ineliminability of discretion, and second, in the impossibility of precisely articulating the character of human activities. The “unspecifiable” part of a situation needs to be brought to specifiable clarity by those involved in it. Although Vickers does not further explore *how* this may be done, he does suggest the importance of “intramental” (i.e., internal) dialogue (Wertsch,

1991: 26) involved in coming to judgment (Vickers, 1984: 234–235).

Moreover, postrationalist approaches focus particularly on the irreducibility of *context* and the importance of values when practitioners exercise judgment. This is especially clear in those studies addressing “wisdom” and “practical intelligence,” terms that have increasingly commanded attention in management scholarship and have often been synonymously used with “judgment” (Chia & Holt, 2007; Clarke & Holt, 2010; Kessler & Bailey, 2007; McKenna, Rooney, & Kenworthy, 2013; Nonaka & Toyama, 2007; Tenbrunsel & Smith-Crowe, 2008; Weick, 2001: 365–366). All three concepts share a Wittgensteinian family resemblance insofar as they refer to situations of varying degrees of context-dependent equivocality, uncertainty, and moral conflict, causing puzzlement to those involved as to what would constitute an effective course of action (McKenna, Rooney, & Boal, 2009; Sonenshein, 2007: 1024).

The contextual character of judgment has been widely acknowledged, even by researchers following a rationalist approach. Thus, according to Sternberg, whereas “analytic intelligence” is implicated in “relatively familiar decontextualized, abstract, and often academic kinds of situations” (Sternberg, 2000: 641), “practical intelligence,” usually associated with good judgment, “is called upon for highly contextualized situations encountered in the normal course of one's daily life” (Sternberg, 2000: 641). Vickers' (1983, 1984) treatises on judgment, as well as Klein's (1998) studies of decision making, similarly stress the importance of context, which practitioners involved have privileged access to, and the nuances and importance of which need to be properly appreciated. As Vickers (1984: 241) remarks, a problem handler, more than anything else, “needs a ready sense for those aspects of the situation which are most relevant.” Those who have a highly developed ability to appraise and handle situational complexity possess, notes Vickers (1984: 241), a “heuristic gift” (see also Kahneman & Klein, 2009).

Moreover, it is commonly acknowledged that in exercising judgment practitioners necessarily draw on values (Nonaka & Toyama, 2007). In appraising a particular situation in order to act, practitioners inevitably ponder the “right” thing to do; obtaining information about an issue of concern is never enough to select a particular course of action. For example, Tichy and Bennis (2007b) discuss the case of a triage nurse who needs to immedi-

ately allocate scarce resources in an emergency room between two urgent cases: an old man suffering from cardiac arrest and a pregnant teenage girl wounded by a gunshot. The nurse's choice will not be a mere matter of information processing, but also, of values. Who should she give priority to? What matters most, in conditions of scarce resources? Medical knowledge is not sufficient to make a judgment call, note the authors. An awareness of values is also needed to help orient one's judgment (see also Sternberg, 2000: 640; Vickers, 1984: 241). For Sternberg, a judgment becomes "wise" when it is driven by some conception of the "common good" (see also Antonacopoulou, 2010; Nonaka & Takeuchi, 2011: 61).

## DISCUSSION

A rationalistic perspective, while rightly acknowledging the *deliberative* feature of judgment, either misses out several other critical features of the process of coming to judgment (Tenbrunsel & Smith-Crowe, 2008: 588) or, to the extent it acknowledges some of them (such as values and emotions), has yet to weave them into an integrated account that overcomes unnecessary dualisms (e.g., reason vs. emotion, deliberation vs. intuition, moral judgment vs. amoral judgment). To stay close to "the logic of practice" (Bourdieu, 1990; Sandberg & Tsoukas, 2011), such an account needs to coherently interweave perception, emotions, the "moral qualities" of the agent (see also Bartunek & Trullen, 2007: 93; Vickers, 1984: 243), and the use of language.

That all these features are important in coming to a judgment is clearly visible in Olson's case. As Badaracco makes clear, what Olson *thought* was crucially shaped by what she *felt* and how she *perceived* the entire situation. The courage she showed in pursuing the case to conclusion (Reardon, 2007; Scarre, 2010; Srivastva & Cooperrider, 1998) was indicative of her moral qualities as an agent. Her handling of this particular case, with all its situational uniqueness, was aided by her having handled similar cases in the past, as well as by her general understanding of what is fair and just in human affairs.

However, in rationalistic approaches to judgment, *how* perception, emotions, and the moral qualities of agents, along with the hermeneutical process in which agents are involved in making sense of a situation, work to shape the crafting of a particular process of coming to a judgment, re-

mains unclear. Below, we briefly discuss why all of these features matter and need to be included in any adequate account of judgment.

## Perception

Perception is important insofar as it gives practitioners access to a relational and meaningful *whole*, in which the meaning of each part depends on its relationships with all the other parts. The very process of perceiving involves a developmental movement from an initial sense of a particular, undifferentiated whole to a more detailed, differentiated situational whole. Perception is not passively receiving already well-articulated representations from the "outside" and then cognitively processing (i.e., interpreting) them, but a matter of being in a direct, back-and-forth, dialogical engagement with the world, depending on the kind of interest people take in it (Matthews, 2006: 35). Although not conceptually developed, the beginning of a nonrationalist approach to perception is already discernible in Vickers (1984: 235), when he remarks: "The aspects of the situation which are appreciated (reality judgment) and evaluated (value judgment) are determined by the interest of the judging mind." In other words, the expectations and motivations with which practitioners relate to their surroundings, step-by-step, shape their perceptions (Sonenshein, 2007: 1029).

## Emotions

Judgment is crucially shaped by emotions. Insofar as perception involves an actor to be in direct contact with a relational, meaningful whole, the mode of engagement with the latter depends on the "mood" of the situation (Dreyfus, 1991: 169–175; Spinoza, Davis, & Glennon, 2014: 1–2) and draws out affective responses on the part of the actor. We act to the extent we are moved to act (Yanow & Tsoukas, 2009). To be practically involved with the world implies one has developed a certain sensibility, a particular orientation that indicates to him *what matters* in his dealing with the world, and therefore, a certain emotional attunement with it (Dreyfus, 1991: 168–175; Frankfurt, 1988). A rationalist perspective approaches emotions as contingent experiences (van de Bos, 2003), downplaying the role of emotions as constituting "modes of attention" (Sherman, 2000: 325)—namely that emotions are a fundamental part of every way humans are engaged with the world. To the extent we are con-

cernfully involved in a particular practice—to the extent, that is, what happens in the world *matters* to us—we cannot be emotionally neutral. Dealing with emotions, therefore, is not a contingent experience (although what kind of emotions we have is contingent on particular circumstances), but something we are engaged in all the time (Greaves, 2010: 64).

More recently, ethical intuitionism has gained currency. It suggests that affective-cum-intuitive responses to situations precede moral judgment, while more deliberative reasoning is used to merely rationalize intuitive reactions (Haidt, 2001; Sonenshein, 2007; Weaver, Reynolds, & Brown, 2014). While such a perspective usefully acknowledges the constitutive role of emotions, it does so at the expense of deliberate reasoning, thus reproducing the cognitive-affective split. However, deliberative reasoning need not be used exclusively to *ex post facto* justify and rationalize affective responses but, also, to reflectively explore them. But for this to happen, the separation between cognition and emotions must be challenged. As Damasio (1994: xix) notes, “feelings are just as cognitive as other percepts” (see also Nussbaum, 2001; Solomon, 1988, 2001, 2003).

### Agents’ Moral Qualities

Vickers (1984: 243) has aptly remarked that the exercise of judgment requires certain “moral qualities” on the part of the individual. As he notes, one “could comprehend the situation, . . . could solve the problem: but has he the guts to go on trying until he succeeds? Will the mere stress of having to try impair his capacity for success?” (Vickers, 1984: 243) and further down, Vickers makes a similar point: “no one can exercise good judgment unless he can support both the stress of the office in which the judgment is to be exercised, and the stress of the judgment itself” (op. cit.). “Courage” and “endurance” are obvious moral qualities associated with good judgment, notes Vickers (see also Lilius, Worline, Dutton, Kanov, & Maitlis, 2011; Quinn & Worline, 2008; Srivastva & Cooperrider, 1998). But one may have them and, yet, be plagued with important moral weaknesses: one may be conceited or prejudiced, for example. One needs to be “sufficiently selfless or sufficiently disciplined to achieve that combination of detachment and commitment which good judgment demands” (see also Arendt, 1977: 241; Vickers, 1984: 244). Moral senti-

ments matter deeply to the exercise of judgment (Frank, 1988).

### Hermeneutical Processes of Making Sense

A special feature of coming to judgment is *hermeneutical*: the ability to spontaneously grasp the “physiognomy” of a situation (Polanyi, 1967: 5, 11; Wittgenstein, 1953: no. 568), namely to effortlessly relate several situational aspects into a unique holistic unity and see it as distinctive, in the same way we see each human face as distinct from all others. Indeed, as Nussbaum (1999: 156–158) points out, as “concrete universals,” such unique holistic unities can function to help us be “responsive to what is there” (158) in the situation of our concern. This is emphatically missed in rationalistic approaches: In assuming that we can come to a determinate sense of the particular nature of an indeterminate circumstance, through an analysis of it into a unique set of *generalized* component parts, the *unique* meaning of a particular circumstance for us tends to be lost, since general formulations “do not contain the particularizing details of the matter at hand, with which decision must grapple” (Nussbaum, 1999: 158).

Crucial in structuring this emerging sense is the *disclosive* use of language (Spinoza, Flores, & Dreyfus, 1997)—the possibility of becoming aware of the broader context within which our utterances are enunciated. Disclosing the broader context—what Wittgenstein (1981) calls “the whole hurly-burly of human actions, the background against which we see an action” (no. 567)—is important, since it is this that provides the basic distinctions and the fundamental ways of thinking, talking, and feeling in terms of which experience is spontaneously apprehended. Practical reasoners are tacitly aware of this “background”: Their awareness is, at first, largely “inarticulate” (Taylor, 1991: 308) and, when partially articulated, is always susceptible to further development.

Thus, the distinction must be drawn between the kind of thinking that we, as adult thinkers, deliberately do and the thinking that spontaneously happens within us (without our being aware of it), as a result of our having undergone a particular language-based experience within a social practice (e.g., the thinking that happens within us as we inwardly search for the “right” word to give voice to an experience; or hear a question and begin to intuitively orient ourselves toward answering it; Shotter, 2011). The language-mediated



thinking that spontaneously occurs within us, as we size up the situation confronting us, "sets the scene" for the kind of deliberate thinking that we as individuals can then go on to do in that situation. We apprehend the situation not as it allegedly is, but as it shows up to us in our particular mode of engagement with it (Dreyfus, 1991). Each new question we can think of asking, or each new move we can contemplate of undertaking, adds further illumination to what the situation is or can be for us (Weick, 1995).

Thus, through deliberate thinking we can become aware of (a) the broader context within which deliberate thinking occurs, and (b) the particularity of the situation facing us, through "wandering around" within the situation, testing possible ways in which to describe it in words, while sensing how it "talks back" to us (Shotter, 1978). Notice that this is as much a bodily as a mental process—it is a hermeneutical process, in which the sense of, or feeling for, the physiognomy of a particular situation gradually emerges, prior to our being able to use language in that situation in a "fitting" representational fashion (Gendlin, 1997).

To sum up, it is broadly accepted in management studies that judgment is contextual, driven by appraisal of a situation, and based on values. At the same time, however, with a few exceptions, judgment tends to be seen mainly in rationalistic terms, so much so that even when its perceptual, affective, value, and interpretive aspects are acknowledged, they are fitted into a contingency framework that underestimates actors' entwinement in a meaningful, relational whole, their emotional attunement, and the hermeneutical engagement with it, as well as actors' moral qualities that are necessarily implicated in its exercise. In the next section we seek to overcome these weaknesses by developing an integrated hermeneutical framework for understanding what is involved in coming to a judgment that draws mainly on neo-Aristotelian philosophy.

### JUDGMENT AS PHRONESIS

Although in our everyday lives, we usually come across situations similar to ones we have encountered in the past, any time we are called to act in a particular situation we must do so while appreciating its uniqueness and, thus, act "for 'another first time'" (Garfinkel, 1967: 9). The ability to think well about what one should try to do in the particular circumstances into which one has been

"thrown" (Dreyfus, 1991: 173–174), is, for Aristotle, the mark of "phronesis" (prudence, practical wisdom). The exercise of phronesis is no mere intellectual effort but, more crucially, an aspect of "who" one would like to be (Hartman, 2013; Hursthouse, 1999; Sherman, 1989). Through undertaking action, a human agent does not merely contribute to producing something (some "thing"), but also to *acting well*—acting in a way that contributes to the fulfillment of a good life ("*eudaimonia*"; Beadle & Moore, 2006; Nussbaum, 2001).

A good life is a fulfilled life: the life that fulfills human needs and goals, namely that enhances typically human strengths and addresses characteristically human weaknesses (Nussbaum, 2001; Solomon, 2003). For Aristotle, a good life is a life lived in virtue, since "humans do not get on very well without them [virtues]. Nobody can get on well if he lacks courage, and does not have some measure of temperance and wisdom . . ." (see also Bartunek & Trullen, 2007: 92–93; Foot, 1977: 2–3). But unlike intellectual virtues (which we can acquire by being taught them in classrooms), moral virtues are not acquired by gaining knowledge of generalities (though laws, rules, or recipes), for they are to do with how we relate ourselves to the particular circumstances we face each time. As Aristotle (1955: 91–92 or 1103a14-b1–1103b125) points out, anything we have to learn to do in such circumstances, we learn "by the actual doing of it: people become builders by building and instrumentalists by playing instruments. Similarly we become just by performing just acts, temperate by performing temperate ones, brave performing brave ones." Moral virtues are learned in practice.

### *Poiesis und Praxis: The Technical and the Moral*

As Aristotle (1955: 1106b36–1107a2) notes, moral virtues, such as courage, temperance, generosity, charity, and so on, are habitual dispositions, namely enduring character traits that enable their possessor to lead a good life (Bartunek & Trullen, 2007: 93; Crossan, Mazutis, Seijts, & Gandz, 2013: 288; Hartman, 2006, 2013; Park & Peterson, 2003; Sherman, 1989). As dispositions, virtues are habits learned in the contexts of social practices (MacIntyre, 1981), and they help mediate between the good life at large and the particular choices individuals make (Schwartz & Sharpe, 2006). Being habitually formed tendencies to adopt one or another orientation in relation to a particular circumstance, virtues are different from crafts (or skills),

which are to do with the making of things. For example, a sculptor, a potter, an architect, or a pianist is seen as acting more or less skillfully, depending on the quality of the products they produce. "The excellence of the product is sufficient for us to say that the agent acted skilfully," notes Hughes (2001: 55).

Virtues, however, are different insofar as it is not so much the quality of the products they lead to that matters, (i.e., whether the craftsperson is truly skillful or not), but whether the actions involved in production are good actions, or not. The moral worth of a person's actions is not to be judged in terms of what can be found "within" the actions themselves, but is a matter of the larger scheme of things that the actor thinks of his actions as being "contained" within, and as contributing toward. Thus, a person's action is partly defined in terms of the person's self-understanding of what she does, or is trying to do: "[I]f we are to conclude that someone acted virtuously, we need to see not only what she did or said; we need to know how she saw what she was doing or saying" (Hughes, 2001: 55; *emphasis added*). For example, saying kind words to someone may not necessarily indicate kindness as a desire to manipulate. While production aims at creating a product without deliberating about the final end of the process (i.e., without caring about its overall effect within the rest of the world at large), actions aim at doing the right thing—acting in ways that contribute to living a good life overall (Reeve, 1995).

Thus, the point of our practical actions is to be found not so much in the immediate consequences to which they lead, as to "whether or not the agent can see what he is doing as making sense from the point of view of a fulfilled life" (Hughes, 2001: 90). Indeed, having the power to produce something does not justify doing so. What is distinctive of performing an action ("*praxis*") is that one not only knows what one is trying to do (one's end), but also, one anticipates that one will, at least partly, come to know what one is doing more clearly in the doing of it. *Praxis* is self-transformative in a deep sense (Nielsen, 1990, 1993).

While *poiesis* (production) aims at going through various steps to make something, *praxis* (practical action) must aim at achieving *eudaimonia* (well-being, a fulfilled life). It should be noted that Aristotle does not tell us that we ought to seek a fulfilled life (since, for him, our yearning for it seems to be a fact of nature), nor does he specify the content of well-being. All agree, says Aristotle

(1955: 66 or 1095a712-29), that the end we aim at in our actions "is happiness . . . and [we all] identify happiness with living well or doing well. But when it comes to saying in what happiness consists, opinions differ, and the account given by the generality of mankind is not at all like that of the wise."

Moral virtues, then, are character traits that dispose agents to act habitually in particular ways (Chappel, 2009: 104; Hughes, 2001: 54–57; Norman, 1998), not in ways they consciously choose, but in ways that they can only make themselves aware of, indirectly, by imaginatively comparing what they are actually doing with their "vision" of who they wish to be. *Qua* dispositions, moral virtues orient people toward spontaneously emotionally responding to situational events in characteristic ways that express who they are. Rushing to a hospital to visit a good friend who is ill or being honest in one's dealings with a business partner are examples of virtuous action. In such cases people do not have to reason their way to action; rather, they spontaneously respond to the situation at hand. The virtues "program" them for good action. The choices a virtuous agent makes are from among those that his good disposition makes salient to him (Chappel, 2009: 106–107).

### Emotions As Evaluative Judgments

Insofar as virtues orient people to what matters in life, people will approach practical matters affectively (Dreyfus, 1991; Dreyfus & Dreyfus, 2005; Nussbaum, 2001; Solomon, 2001, 2003). Emotions blend judgments and feelings, and that is why Aristotle describes the choices people make as lying on the borderline between the intellectual and the "passional" (Nussbaum, 1999: 170), for our passions reveal to us what we care about (Frankfurt, 1998). Our emotions reveal judgments concerning what matters in a situation and how it ought to be responded to (Nussbaum, 2001; Solomon, 2001). It is because a virtuous agent is able to spontaneously feel a surge of compassion that she will rush to hospital to see her friend. Or it is because of the feelings of guilt he will experience that a businessman will refrain from cheating on his business partner. In game-theoretical language, experienced emotions, acquired as habits through being socialized in a social practice, "alter the payoffs" for those involved (Frank, 1988: 53).

Emotions are manifested through culturally appropriate symbolic expressions that display the

judgments they incorporate (Harre & Gillett, 1994: 146; Stearns, 1995: 37). For example, to feel and display "contempt" toward top management (Huy, 2011), expresses a judgment of the moral quality of the people toward whom the emotion is felt and, at the same time, displays an act of protest toward the same people. To put it differently, emotions are not just general feelings of diffuse arousal but can work to disclose to people what matters to them in a situation (Nussbaum, 2001; Solomon, 2001). As Tenbrunsel and Smith-Crowe (2008: 575), drawing on Damasio (1994), remark, "Without emotions like empathy or shame to draw our attention to moral issues and highlight the moral imperative in situations . . . we would not be able to distinguish the abhorrent from the mundane." In other words, emotions "are forms of evaluative judgment" (Nussbaum, 2001: 22).

While there is an irreducible personal aspect to emotions, they are, at the same time, socially learned responses since one needs to be trained in the context of a social practice (Sandberg & Tsoukas, 2011; Tsoukas, 2010), in order to pick up the evaluative judgments involved in emotions and to manifest them in culturally appropriate displays. To feel a situation as being of a certain kind (e.g., stressful or dangerous) leads one to apply a certain linguistic description to it, along with the expectation that the situation ought to be responded to in a particular manner. The language one applies to a situation, the emotions experienced, and the responses adopted form a hermeneutical loop (Taylor, 1985a: 71, 1985b: 23), in that the words used work not only to articulate a circumstance, but to express it in the sense that both listeners and speakers are "moved" in the same way—both come to anticipate each other's next step (Shotter, 2010, 2011).

It should be further noted that, for Aristotle, it is not only that the cognitive and the affective are inextricably linked, but that emotions can be more or less rational, in that they can be more or less appropriate to the situation at hand (Chappel, 2009: 104–111; Hughes, 2001; Norman, 1998: 38; Nussbaum, 1999, 2001). I am irrationally angry if I explode because someone accidentally stepped on my toe in the metro; whereas I am rationally angry if I become furious when I see a group of adults beating up a child on the street. My feelings of anger are not the result of a calculation but a spontaneous, intuitive reaction to what the situation demands. As Norman (1998: 38) remarks, "It is not that my anger is the product of an independent

rational decision. I do not first ask myself what my response should be, reflect on and assess the situation, and then decide to become angry. My anger may be entirely immediate and automatic. Nevertheless, my feelings may be rational in the sense that they are sensitive to the real nature of the situation" (for a similar, yet of different origins, argument from psychology see Haidt, 2001, 2012).

But how might I come to know what the nature of an initially bewildering situation actually is, so that I act within it appropriately? Aristotle does not have any particular advice here other than to point out that we should have feelings of anger, fear, generosity, and so on "at the right time on the right grounds towards the right people for the right motive and in the right way . . ." (Aristotle, 1955: 101 or 1106b 18–23). He gives us, however, a clue: We should have these feelings as and when a prudent person ("*phronimos*") would have them.

It is interesting that Aristotle does not offer a general rule as to how to act appropriately but points to exemplary behavior. Since human affairs are so variable, he notes, practical knowledge is concerned with particulars—knowing what to do in a particular situation—not theoretical universals. It therefore cannot be acquired by appealing to general rules but built up through training in the context of social practices, in which practitioners inductively learn, through particular cases and examples, what to feel and how to respond. Through such training by more experienced others, who have achieved some measure of practical wisdom, practitioners build up an intuitive sense of when, and in what form, they should experience certain feelings and how to handle particular situations (Norman, 1998: 38–39).

As concrete universals, moral emotions are variable and inexact, escape precise definition and codification, and are often only known to us in terms of vivid exemplars, functioning as "landmarks" within the inner landscape of our own lived experiences. It is impossible, for example, to provide rules for kindness or courage that apply to all situations. The choices people make are always particular, dealing with the unique features of every practical situation they handle. Although people inevitably bring their universal understanding in reading particular situations, by so doing, they further refine their understanding of the universal itself. Thus, any time we act kindly, courageously, or generously, we refine our understanding of what "kindness," "courage" or "generosity" is. In

deliberating about the means, we clarify our values.

Practical wisdom crucially involves discerning perception, namely the ability to recognize the salient features of a situation (Bartunek & Trullen, 2007: 96). Such ability is noninferential and nonductive, arising from intuitive insight, in people who are directly engaged with the world (Haidt, 2001; Matthews, 2006; Nussbaum, 1999). Such a form of perception develops through a long process of experience that develops agents' resourcefulness and responsiveness to the particularities of the situations they face (Kahneman & Klein, 2009; Klein, 1998, 2003). Perception is discerning when the agent brings herself fully to the situation to feel its contours and its landscape of possibilities. This is not a mere intellectual matter. The perceiver is fully *in* the world, body and mind, acting on the world as well as being acted on by it (Matthews, 2006: 37).

Moreover, concerning exemplary behavior, it is not sufficient for an agent to merely imitate the content of a virtuous person's action, but to do so while having the appropriate emotions the situation calls for. "Without feeling, a part of correct perception is missing" (Nussbaum, 1999: 170). Excessive reliance on one's intellect may impede perception. As Nussbaum (1999: 173) remarks about Creon, the ruler of Thebes in Sophocles' *Antigone*, it is Creon's fascination with his role as the new king and his theoretical effort to reduce all human concerns to civic well-being that disables him from acknowledging even his emotional ties to his son Haemon and, thus, responding more resourcefully to the situation confronting him (i.e., how to reconcile the rule of law with the unwritten rules of the Gods concerning the burial of the dead, in a city stricken by civil war; Badaracco, 2006: Chapter 8). Resourceful responsiveness is brought about by an agent's ability to be moved emotionally by the situation at hand. From an Aristotelian point of view, it is not simply that the theoretical attitude (and the attendant rationalist style of thinking) needs to be supplemented by the inclusion of emotions, as suggested by most business ethics research, but that the intellect can impede discerning perception (Nussbaum, 1999: 173).

For example, a leader, such as BP's CEO at the time, Tony Hayward, who may have intellectually known that the oil spill in 2010, the worst oil spill in US history that started with an explosion in an oil rig, killing 11 people, was damaging to many people's lives in the Mexican Gulf, clearly failed to

respond to the catastrophe with the appropriate sympathy. In telling a TV crew "I'd like my life back" and in appearing on his yacht near the Isle of Wight at the height of the crisis (see *New York Times*, 1/9/2012), he fell short of discerning the salient features of the situation at hand—and consequently, for a while at least, became a deeply unpopular figure. His failing to feel and display the appropriate emotions conveyed a particular evaluative judgment of the situation. To put it differently, by failing to experience the appropriate emotion of sympathy with those who suffered devastating consequences in the oil spill, Hayward displayed a lack of judgment concerning the severity of the situation—he failed to fully grasp what was at stake. More generally, a perceiver's claim to knowledge seems to depend on the extent to which his entire personality is immersed in the situation and the extent to which he is appropriately responsive to it. Lack of emotional engagement reveals important aspects of one's character.

#### **ON LEARNING TO BE A BETTER PRACTICAL REASONER: PERCEPTION, VIRTUES, AND ONTOLOGICAL SKILLS**

Every particular situation calling for judgment has some repeatable as well as unique features. Practitioners can be guided by past experience but they need also to be perceptually alert to contextual uniqueness. Olson, for example, had handled harassment cases before. She could, therefore, notice similarities with previous cases and use her experience as a guide. But this case had a unique configuration too. Millar was the internal rival for her job and had an elevated status both within the hospital and in the community. She had been new to her role as a CEO when she turned her attention to the case, and her handling of it would "color her initial relationship with the hospital staff, its board, and, if the matter became public, the local community" (Badaracco, 2002: 14). The hospital was in financial difficulties. The politics surrounding the case were complex. And so on. Be that as it may, the question is how should the uniqueness of the case be grasped by Olson? Or, to put it more generally, how may the salient features of a troubling situation be discerned?

To address this question, we must continually remind ourselves of what we already know of the working of the social world around us from our involvements within it and seek to determine how what we already know is distinctively manifested



in the particular case at hand. What we already know is partly manifested in our use of language. Our ways of using concepts, acquired in the context of the social practices we have taken part of, provide us with a capacity for "perceptual coupling" with the world in an open-ended way (Luntley, 2003: 86). We spot similarities and saliences in the world around us, and are enabled to creatively adjust to it. This is a skill we pick up very early in learning our first language.

However, although it is impossible to lift ourselves out of our immersion into earlier experiences, we can still come to know the character of a particular situation *relationally*. How? By comparing and contrasting *what-it-feels-like-here* with *what-it-feels-like-there* (Weick, 2007: 16–17), we imaginatively move around within the situation at hand (as Olson did in her explorations in the course of her 2 months of preparations by thinking about the present case and relating it to her previous experiences, personal and organizational) and express these similarities and differences hermeneutically, both to ourselves and to others.

Notice that in learning our first language, we are not just learning a code, a way of putting our thoughts into words, assuming that our words stand for things (Genova, 1995; Shotter, 2011). A much more basic process is involved, to do with what Shotter (1984) calls "ontological skills," namely skills at *being* this or that kind of person (see also Spinoza et al., 1997). In learning the skill of being an effective language user, we are learning how to use our utterances in ways in which we can expect others to judge them as meaning what we intend them to mean. This is crucial. For example: "How do I know that someone is in doubt?" asks Wittgenstein (1969: §127, §128). "How do I know that he uses the words 'I doubt it' as I do? From a child up I learnt to judge like this. *This is judging.*" "Knowledge is in the end based on acknowledgment" (§378). That is, our use of the word "doubt" is based on a capacity we have learned to relate ourselves to a "something" in our surroundings linguistically, in a certain manner, to distinguish it and to describe it as being of an X-type rather than as of a Y-type. No wonder that Wittgenstein (1953: §242) remarks: "If language is to be a means of communication there must be agreement not only in definitions but also (queer as this may sound) in judgments"—for without such an agreement in judgments (as to whether an event was, or was not, of an X-type), we would be having continually (and

interminably) to question each other as to how, exactly, we are using our words.

But if the situation in question has its own unique features, which need to be distinguished and responded to uniquely, then we cannot find them out through a language that merely represents things already well known to us. We need first to be "introduced" to the situation, so to speak, to become acquainted with it, to discover "its" role within the larger field of our activities, to acquire some expectations as to how "it" will respond to a whole range of our actions. In other words, in coming to know how to bring words to a new situation in a way in which we can be sure that the others around us will judge as meaning what we intend them to mean, we must hermeneutically "place" the situation within a whole web of relationships among the rest of what is known to us. We seem able to do this by first "entering into" and imaginatively moving around within the situation of our concern, and gradually, as we explore it in its unique details, coming to sense within it both similarities to and differences from circumstances experienced before—a process which Nussbaum (1999: 169) calls "deliberative imagination." In such a process, "instead of ascending from particular to general, deliberative imagination links particulars without dispensing with their particularity" (Nussbaum, 1999: 169).

To get back to Olson's predicament, the process of deliberative imagination was visible in Rebecca Olson's handling of the Millar case. As Badaracco (2002: 14) makes clear, she "had handled other harassment complaints at past jobs." But this case, like each other similar case before it, had its own uniqueness, which she needed to explore. Such an exploration was no merely intellectual matter. Unlike her predecessor, Olson was literally moved to action partly as a result of empathizing with the alleged victim. As Badaracco (2002: 14) remarks: "She also realized that she identified very strongly with Wermert, even though they had never met. Like Wermert, Olson was physically disabled. She walked with a pronounced limp, the result of a freak sledding accident when she was a teenager."

Olson's process of coming to a judgment as to how to act was filled with emotions. Millar's "tranquility" during the investigation "alarmed" her (Badaracco, 2002: 15) and made her pursue the matter with more determination and diligence. One afternoon, watching him trying to make small talk with one of his alleged victims "gave Olson the creeps" (Badaracco, 2002: 15). "Millar didn't seem to

care what he had done or whether he was being investigated. He seemed to think he was bullet-proof" (Badaracco, 2002: 15). Notice how his perceived indifference was not merely an observational datum for Olson, but it was revealing to her, suggesting that he probably did not care about the investigation (possibly because he thought that his elevated status in the company and locally had made him untouchable). That made Olson even more determined.

Through handling this particular case, Olson realized that she experienced certain feelings for the first time, and such a realization had an impact on her—her actions (her *praxis*) changed her. Although both in college and at work she had been a competitive person who was viewed by others "as direct, forceful, and sometimes harsh," (Badaracco, 2002: 15), in handling *this* particular case she found herself "growing wary of him [Millar]" (Badaracco, 2002: 14), a rather uncharacteristic feeling for her. Her emotions were complex (Nussbaum, 2001): empathy with the alleged victim; a strong desire to do the right thing both for Wermert and for the hospital; anger at the board that they chose to keep this allegation from her until she had taken office; and wrath at what Millar had done ("he should not just be fired, but dragged out of his office and thrown into the street," Badaracco, 2002: 15), coupled with a slight fearfulness in his presence. One of the things she needed to work on later, when she would tell Millar he had to resign, was on her tone of voice. To be effective, her tone needed to be determined, free of "quavering" (Badaracco, 2002: 17)—and it was. Awareness of her complex emotions enabled her to work on herself—to develop further her determination. The latter was reflected in how she announced her decision to Millar. Unlike Hayward, Olson acted the way she did because she was able to develop (and work on) appropriate feelings towards the situation. Her style of communication, its relational tone, was an integral part of what she was trying to do.

In short, Olson's moral qualities and her sensitivity to her own unfolding emotional experiences enabled her to engage in "perceptual coupling" (Luntley, 2003: 86) with the environment around her, thus making it possible for her to single out with clarity the salient features of the situation. Olson's handling of the case reminds us that past experiences are recalled and compared (related) with present concerns, since the task involves fashioning not simply a logical schema within which to calculate a possible line of action, but to arrive at

an acutely discriminative sense of the particular circumstances in which one must act. What Olson needed to aim at, then, in her imaginative work prior to the resignation meeting, was not only to gradually differentiate an overall vague concern into an interrelated set of subsidiary concerns—with each small part properly related to the larger whole—but to do so in such a way that it all "felt right," that she was not left with any uncomfortable feelings of not having done justice to each small component issue.

## DISCUSSION: PHRONESIS IN PRACTICE

*"The virtues are concerned with what we find difficult."*

—Thomas Aquinas  
(cited in Chappel, 2009: 100).

We have argued here that making phronetic judgments requires deliberative imagination: emotionally responsive attunement to the situation at hand; focusing on concrete particulars in such a way as to see each one of them as a "something" within a larger whole; bringing forth past experience to the present context. We can now shed more light on deliberative imagination by approaching it through Arendt's (1977: 241) notion of "representative thinking." According to Arendt, imagination (Aristotle's *phantasia*), is the faculty of representing in our mind what has appeared in our senses (Arendt, 1982; see also Nussbaum, 1999: 168). When I look at a specific slum dwelling, notes Arendt (cited in Beiner, 1982: 108), "I perceive [in it] the general notion, which it does not exhibit directly, the notion of poverty and misery. I arrive at this notion by representing to myself how I would feel if I had to live there . . ." Representative thinking, thus, involves enlarging one's perspective to take into account the viewpoints of others (Keohane, 2010: 89).

In other words, we try to imagine what it would be to feel like in someone else's place and experience a particular situation ("I can imagine how I would feel and think if I were in their place," Arendt, 1977: 241). By doing so, we enlarge our mentality but, at the same time, as Arendt (1977: 242) notes, an important "condition for this exertion of the imagination is disinterestedness, the liberation from one's own private interests." Business ethics researchers have usefully pointed out the likely cognitive biases, emotional traps, situational conditions, and social forces that tend to

undermine such “disinterestedness” (Bazerman & Gino, 2012; Tenbrunsel et al., 2010).

Keohane (2010: 88) remarks that phronetic judgment has “an inner core,” which “has more to do with a person’s innate reactions than with intellectual dexterity.” An Aristotelian account of judgment as practical wisdom helps us shed light on these “innate reactions,” by stressing the spontaneous action that virtuous agents undertake in each case they face. Spontaneous action involves emotional attunement with the particular case in a way that makes discerning perception possible. Deliberation, then, builds on what emotional responsiveness has disclosed as being important. An agent’s virtues, developed as dispositions to do what is required to live well (i.e., live a fulfilled life), “program” agents for good action as the situation demands (Chappel, 2009: 105). As Chappel (2009: 102) remarks, dispositions such as courage, generosity, fairness, and so on, are to living well as dispositions, such as strength, speed, and so on, are to playing tennis well. You need the former dispositions to live a good life, as you need the latter to excel as a tennis player.

Thus, the scope of a virtuous agent’s deliberation is narrower than what the ethical rationalist envisages. The virtuous agent does not reason her way to action, by way of searching for and comparing all possible alternatives until she finds the best. Rather, she deliberates between a narrow range of alternatives that her disposition has made available to her. As Chappel (2009: 107) notes, “a person who has a virtue will make his choices between the options that the virtue makes salient to him.” The moral sentiments included in the virtues act as a “mental module” by preselecting which possibilities will be made available for deliberation (Chappel, 2009: 108; Frank, 1988). In other words, virtues as ontological skills orient agents to the world—disclose to them “where” they are and what matters to them “there,” thus compelling agents to act from within a range of actually available possibilities.

Even as the scope of a virtuous agent’s deliberation is narrower than what the ethical rationalist envisages, it is also broader than what the ethical intuitionist imagines. Intuitionist models suggest that moral judgment is noninferential, nonconscious and automatic, and that deliberation is post hoc, used to merely rationalize or justify moral intuition (Haidt, 2001, 2012; Sonenshein, 2007; Weaver, Reynolds, & Brown, 2014). However, deliberation need not be seen as having a marginal

(rationalizing) role compared to intuition, but as substantially shaping the particular action adopted. An Aristotelian perspective makes it possible to see both intuition and deliberation as contributing to moral judgment, each in its own way. In so far as virtues (as habitual dispositions) orient actors to do what is required to achieve *eudaimonia*, actors are presented with a limited set of options for action. Those options are intuitively (spontaneously) generated by what the virtues disclose to the actors involved. However, which option an actor will choose depends on his or her deliberative imagination. In short, the virtues disclose what is intuitively available, while deliberation works on it.

The simultaneous presence of intuition and deliberation is clearly visible in the case of Rebecca Olson. Not for one moment did she contemplate not dealing with the harassment case personally. She thought of her predecessor’s refusal to get involved, since he allegedly wouldn’t be able to see the issue through to the end, as “simply a cop-out” (Badaracco, 2002: 14). She intuitively identified with the alleged victim, and she spontaneously saw the allegation as the likely abuse of a powerless female employee by a powerful male manager. She saw her role as that of the guardian of organizational justice, but she needed to deliberate between a small range of alternatives to determine what to do, and how to do it, should Millar be proven guilty.

Olson kept an open mind—hermeneutical inquiries are always open to further development. Thus, she asked the hospital’s lawyer for an independent collection and assessment of evidence. She acknowledged Millar’s “many years of service to the hospital” (Badaracco, 2002: 16), but she was also determined to deliver justice. She did not allow her slight intimidation by Millar to dominate her feelings, showing courage throughout. Her virtues—her dispositions to do the right thing—oriented her in a particular way to pay attention to the salient features of the case, unlike with had happened with BP’s Tony Hayward. Olson’s attention to the many relevant details was not a mere intellectual matter, but an emotional attunement with the situation that disclosed to her what mattered within it.

In the deliberative imaginative work Rebecca Olson did during her 2 months of preparations, she would have been, we suggest, carrying out three major perceptual processes: first, she would have been hermeneutically linking particular with par-

ticular to come to an overall sense of the circumstances she now faced. Second, in the course of this, she would have been measuring the features of this present circumstance up against her past experiences of similar such difficulties, comparing and contrasting them to arrive at a more differentiated sense of the Millar case in terms of similarities familiar to her and, crucially, departures from them. And third, while in the course of all this, as an effective language user, she would have continually been trying to fit words to the shape of her experiences, and to their future implications—words that she judges others will judge as meaning what she intends them to mean.

In doing this, more than bringing an articulate understanding to the at-first-unspecified aspects of the Millar case, Olson will have aimed at constructing an overall context within which to get a *felt sense* (not simply to think) of a possible ethically and politically good trajectory through the landscape of the circumstances facing her—a felt sense in which she had some confidence in expecting many of the concerned others to share. In that landscape there was a place for the overall concerns of the hospital, the other “players” in the issue, Olson’s concern for her career and future reputation, and so on—all the small nuances that “do justice” to the detailed perception she brings to the situation. In doing this, Olson drew together her knowledge of people in general—of what matters to them and how they respond to events—as well as her knowledge of those in this particular situation. Along with her knowledge of what is judged in general as right and fair in such situations, she needed to figure out what people’s judgments were likely to be in this situation.

Although the process of coming to a judgment may seem to involve a process like calculation and “decision making” (in which options are compared and the best chosen), if we are correct in our suggestions above, this is not the case (see Weick, 1995: 15, 1996). The “inner scales of measurement” we imaginatively construct for ourselves—in which we compare and contrast what is already known to us from our past experiences with what we seem now in particular to be facing—are not measurable in quantitative terms (Nussbaum, 1999: 149–154). Although seemingly more vague if seen in qualitative terms, each “inner scale” we construct, each possible “trajectory,” is in fact (in relation to the political and ethical issues involved), more distinct and precise than any scale formulated in general, numerical terms (Nuss-

baum, 1999: 152). For each “trajectory” leads us—depending on how we articulate it in words fitting to its contours—to “look out” toward our surroundings with the particular expectations of perceiving, not only certain features, but also their expected development; and it is only when our expectations are satisfied to a sufficient degree of felt confidence that we can feel able to justify ourselves in taking a next step.

Finally, it should be noted that although, by our account, Olson acted prudently in this case, the long-term outcome was not necessarily what she had envisaged. Millar was pushed to resign and everyone was happy for a short while, but the crisis was not over. About a month after Millar had gone, a local newspaper published an article about “his unfair treatment by St. Clement’s Hospital” (Badaracco, 2002: 18), followed by several letters written from Millar’s allies criticizing Olson and the hospital board. As if this was not enough, Olson was harassed (through receiving threatening phone calls at home late at night and having a rock thrown through a window of her home), while a few board members, “continued to speak approvingly of Millar and several of them remained distant and unfriendly to Olson” (Badaracco, 2002: 18).

As Olson’s continuing trouble shows, phronetic judgment that leads to moral action is not necessarily a simple and lineal process; it is not an independent variable that impacts on a dependent variable, nor the “solution” to a riddle. As argued earlier, the exercise of phronesis is an aspect of who one wants to be. Moreover, the exercise of judgment is a dynamic process—problems do not necessarily go away when addressed but may recur in a different shape, and one needs to be alert as well as determined to handle the entire unfolding process. Although Olson perhaps should have anticipated some problems of that kind (revenge, after all, is a powerful human motive), her particular judgment in showing Millar the door was no less prudent because of the trouble she subsequently experienced. Her judgment was rooted in common sense (i.e., in the intersubjective world agents share) and was, therefore, intelligible to others in the same situation as her, seeking to satisfy “an imagined community of potential collocutors that a particular has been adequately appraised” (Beiner, 1982: 120). Acting virtuously was important and “sufficient” in itself.

As discussed earlier, unlike production, action aims at doing the right thing—acting in a way that makes sense from the perspective of a fulfilled life.



Being alert to the unintended effects of one's actions does not alter the character of moral action but, on the contrary, should make one more determined, perceptive, and agile in facing the complications one is presented with along the way. Phronetic judgment does not necessarily "solve" problems, once and for all, so much as orienting one to how problems might "best" be handled on an ongoing basis—for often, as several international conflicts show, what one thought were the limited boundaries within which problems needed to be handled can unexpectedly be enlarged.

## CONCLUSIONS

What we have explored here is the process involved in coming to a judgment and, by doing so, to bring into clear focus a line of action, which, so to speak, will fit the irregular contours of a particular circumstance, and the inner experiences (feelings) involved in such a process.

We have argued that, beginning with the felt tension initially aroused in us as practical reasoners by felt difficulty, our first step is to begin to explore the unique nature of that tension; then, next, to imaginatively array a set of possible, "already calibrated" dimensions, or relevant "criteria," in terms of which crucial features of the "situation" facing us to take into account. Thus, good deliberation requires us, as Nussbaum (1999: 161–162) makes clear, to conduct within ourselves a process of imaginative work aimed at creating an inner sense of the particular circumstance in question.

Phronesis inheres in the ability to allow for the fluid, indeterminate nature of the circumstances in which we must act, and to accept that, each time we act, we must, in a sense, start afresh. We must begin from an initial but unique uncertainty, and by entering into it, imaginatively explore it in all its details and nuances to arrive at an overall intersubjectively intelligible sense of its meaning for us. That sense will not merely be the outcome of a utilitarian calculus but, more important, will be ethically politically discerning.

To conclude, it is not the generalized knowledge of science that is required in prudently leading people and handling human affairs, but a special sensitivity to the unique contours of the circumstances in which leaders happen to operate each time (Berlin, 1996; Ferrara, 2008). It is a capacity for living without seeking to impose on circumstances a shape that they will not bear; an ability to be

guided, moment-by-moment, by contingent sensings as each new step brings us into new circumstances, where pre-established rules or recipes cannot, in principle, apply. *Phronesis* is knowing how to arrive at a judgment, not in relation to general circumstances, but in relation to particulars, "because it is concerned with conduct, and conduct has its sphere in particular circumstances" (Aristotle, 1955: 213).

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