

# **Phronetic Leadership and Reforms in Higher Educational Institutions**

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# What is **Phronetic**?

- **3 types of knowledge** argued in **Aristotle's** *Nichomachean Ethics*

**Phronesis = Practical and Ethical Wisdom = Prudence**

**Techne = Technical Knowledge**

**Episteme = Theoretical Knowledge**

- **Phronetic Leaders Have Practical and Ethical Wisdom.**
- **Phronetic Leaders = Wise Leaders**
- **Phronetic leadership** is a concept of knowledge creation theory built by **Dr. Nonaka**, who is the “**father of knowledge management**,” the management paradigm of the knowledge society of the 21st century.

# Six Abilities Needed for Phronetic Leaders (1)

1. Ability to **assess what is good** for his organization and society.
  - Learn from your own experiences of adversities and failures and write down principles drawn from them, while learning liberal arts, e.g., philosophy, literature, and history, etc., and pursuit excellence relentlessly.
2. Ability to **grasp the essence** of any situation.
  - Ask why questions five times to find root causes, learn to see trees (details) and the forest (the big picture) at the same time, and make and test hypotheses about possible results of your actions.

# Six Abilities Needed for Phronetic Leaders (2)

3. Ability to **create shared contexts** in motion (*ba*).
  - Learn from Japanese companies, e.g., Honda's *waigaya*, Mitsui & Co.'s *kurumaza* (sitting in the circle) at., and Eizai's meetings with patients and their families .
4. Ability to **communicate the essence**.
  - Learn to use stories, metaphors, and rhetoric.
5. Ability to **exercise political power**.
  - Learn to discern allies and dissenters, bring them together into *ba*, to help synthesize their conflicting views and ideas

# Six Abilities Needed for Phronetic Leaders (3)

## 6. Ability to **foster practical wisdom in others.**

- **Make leadership distributed throughout your organization by allowing every member could lead in the context he or she could handle better than anyone, and allow mentors and his or her apprentices to share time, contexts, and experiences.**

**Nonaka, I. & Takeuchi, H. (2011) “The wise leader: How CEOs can learn practical wisdom to help them do what is right for their companies — and society,” *Harvard Business Review*, May, pp.58-67.**

# Filipino Leaders' Problem

- **Filipino leaders operate within two conflicting cultures: an underlying native Filipino culture and an overriding Western culture.**
- **This leads to “dysfunctional behavior and paralysis in execution” among Filipino leaders.**

**Source: From a speech former president Fr. Bienvenido Nebres, S.J. of Ateneo de Manila University in a conference on “The Role of Culture in Effective Leadership,” November 27, 2012, Manila, quoted by Regina G. Reyes in *Philippine Daily Inquirer* online, January 27, 2013.**

# The Ballad of East and West by Rudyard Kipling

Oh, **East is East, and West is West, and never the twain shall meet,**  
Till Earth and Sky stand presently at God's great Judgment Seat;  
**But there is neither East nor West, Border, nor Breed, nor Birth,**  
When two strong men stand face to face, tho' they come from the  
ends of the earth.

- **Local Culture vs Western Culture**
- **Filipino leadership style vs Western leadership style**
- **Dichotomy** = A Set of Two Opposing Entities

# The School of Athens



# Dichotomies and Moderation

- **Idealism vs Realism**
- **Ideal vs Reality**
- **Vision (the Common Good) vs Power Politics (Personal Interests)**

**Moderation**

- **Idealism Realistic Idealism Idealistic Realism Realism**



# Phronetic Leaders Reject Either-Or Thinking

- **Dichotomous Thinking = Either-Or Thinking**
- **Phronetic Leaders Have the Both-And Thinking Ability.**
- **Phronetic Leaders Have the Dialectical Thinking Ability to cope with contradictions, opposites and paradoxes by moving to a higher level.**

# First-Rate Intelligence

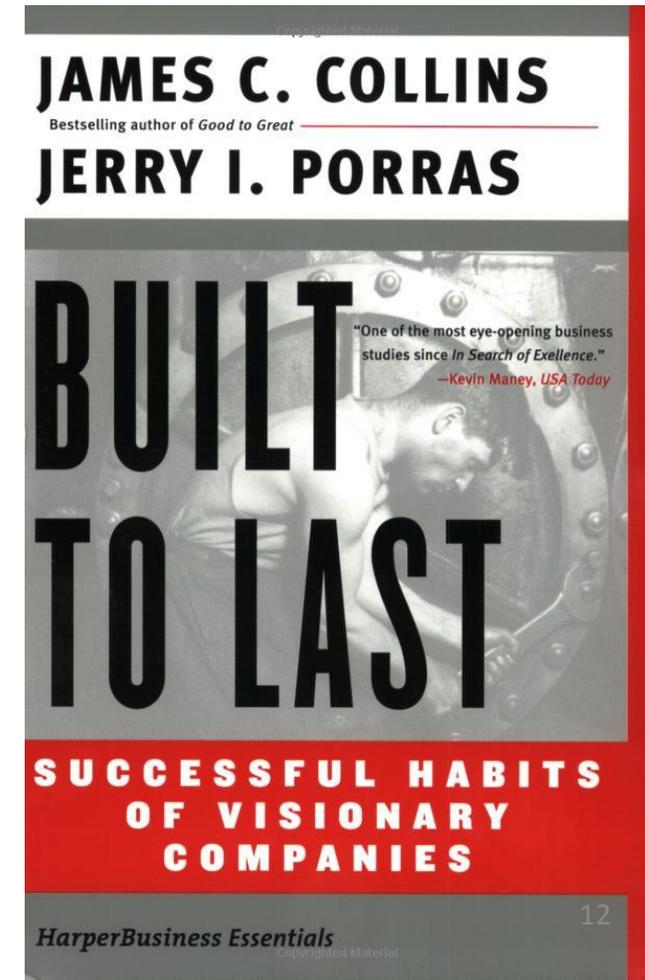
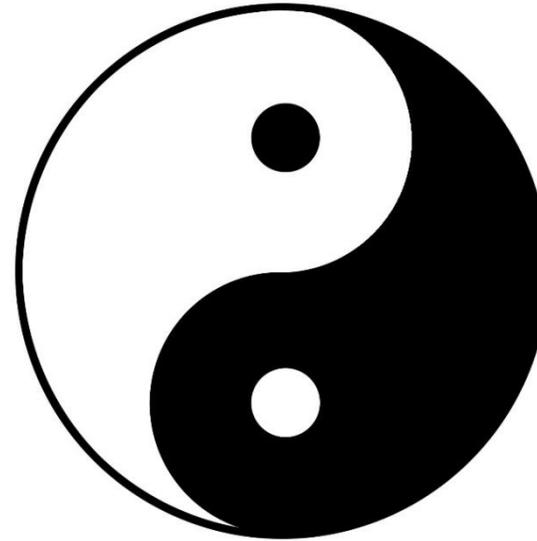
**The test of a first-rate intelligence is the ability to hold two opposed ideas in mind at the same time *and* still retain the ability to function.**

F. Scott Fitzgerald (1936) “The Crack-Up,” p. 1.  
<http://www.esquire.com/lifestyle/a4310/the-crack-up/>

# Visionary Companies Adopt Both-And Thinking

- “**Pragmatic Idealism**”
- “No Tyranny of the **OR**”
- “Genius of the **AND**”
- Chinese Yin & Yang Philosophy
- Not “fifty-fifty” balance
- Not “to blend yin and yang into gray.....circle”
- “Aims to be distinctly yin *and* distinctly yang ... at the same time, all the time.”

Yin/Yang Symbol



# Libertarian Paternalism

- **Richard H. Thaler, Professor of Behavioral Science and Economics at the University of Chicago Booth School of Business and the 2017 Nobel Prize Laureate in Economics.**
- It is **paternalism** in that "it tries to influence choices in a way that will make choosers better off, as judged by themselves" (2003a, p.5).
- It is **libertarian** in that it aims to ensure that "people should be free to opt out of specified arrangements if they choose to do so" (2003b, p.1161).

Thaler, Richard and Sunstein, Cass (2003a). "Libertarian Paternalism," *The American Economic Review*, 93, pp.175–79.

Sunstein, Cass; Thaler, Richard. (2003b). "Libertarian Paternalism is Not an Oxymoron," *University of Chicago Law Review*, 70(4), pp.1159–202.

Thaler, R.H. and Sunstein, C.R. 2009. *Nudge: Improving Decisions About Health, Wealth and Happiness*, 2nd edition. New York: Penguin Books.

# Phronetic Leaders Use a Virtue of Moderation

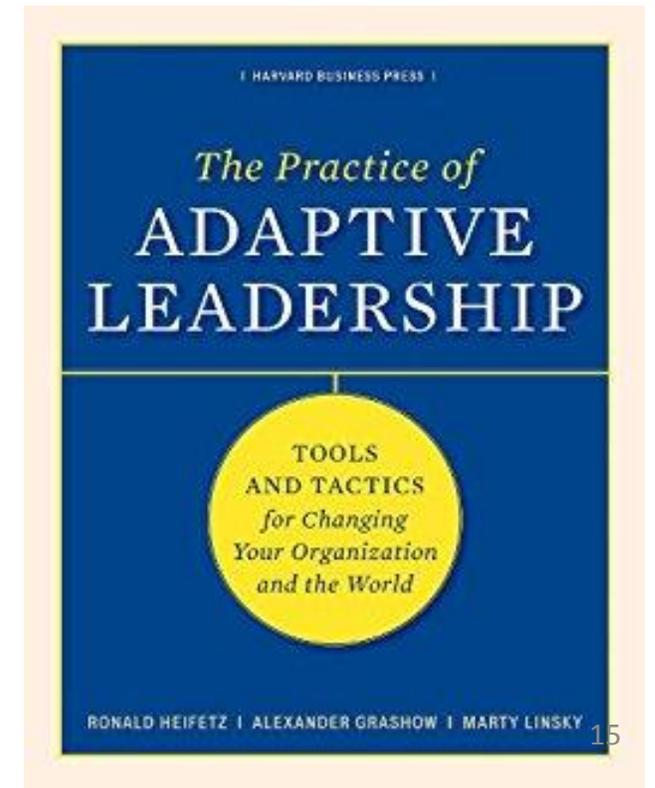
- Aristotle defined virtue as the desirable middle ground between two extremes.
- **Moderation = *Mesotes* = Golden Mean = the Middle Way**
- **Moderation avoids extremes.**
- Realities reside mostly **in between** the two extremes.
- Moderation coordinates and mediates the two cultures (and leadership styles) and helps decide how and when a proportion of both or each is to be applied according to a particular context.
- Moderation needs a sense of **dynamic balance** in and **adaptability** to ever-changing realities.

# Practical & Adaptive Leadership

Heifetz, Ronald, Grashow, Alexander, & Linsky, Marty (2009)  
*The Practice of Adaptive Leadership: Tools and Tactics for Changing Your Organization and the World.* Boston:  
Harvard Business Publishing.

Ronald Heifetz:

Director of the **Center for Public Leadership**  
at the **John F. Kennedy School of Government**,  
Harvard University



# Adaptive Challenges

- **Dealing with Adaptive Challenges Requires a Comfort with Not Knowing Where to Go and How to Move Next (p.75).**

Heifetz, R.(2010) “Adaptive Work,” *Kansas Leadership Center Journal*, Spring, pp.72-77.

# Phronetic Leaders have Negative Capability

- **John Keats**, an English Poet of Romanticism
- willingness and ability to **embrace and endure uncertainty and live comfortably with ambiguity.**
- **Uncertainty and ambiguity stimulate creativity.**

# The **VUCA World** needs **Phronetic Leaders**

- We live in the **volatile, uncertain, complex, and ambiguous** world.

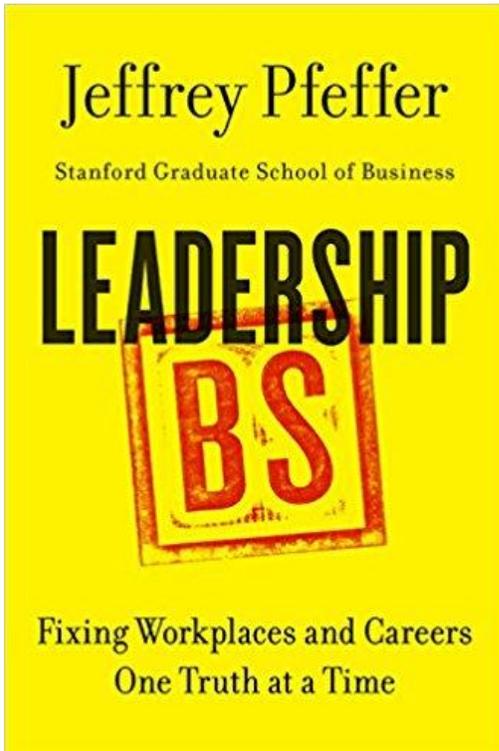
Bennett, N. & Lemoine, G.J.(2014) “What VUCA Really Means for You,”  
*Harvard Business Review*, Jan.-Feb.

- To survive in such a world, **Phronetic leaders should have visions of the common good**, i.e., what is good for the organization, community, society, and all the people thereof, and which provides you with **a sense of direction** you would move to.

# Reformers Need Power

**Jeffrey Pfeffer, Professor of the Graduate School of Business  
at Stanford University**

**Leadership  
Bullshit**



**The Bad Gain Faster  
Promotion.**

# Why Machiavelli Still Matters

John Scott (Political Science Professor at UC Davis)

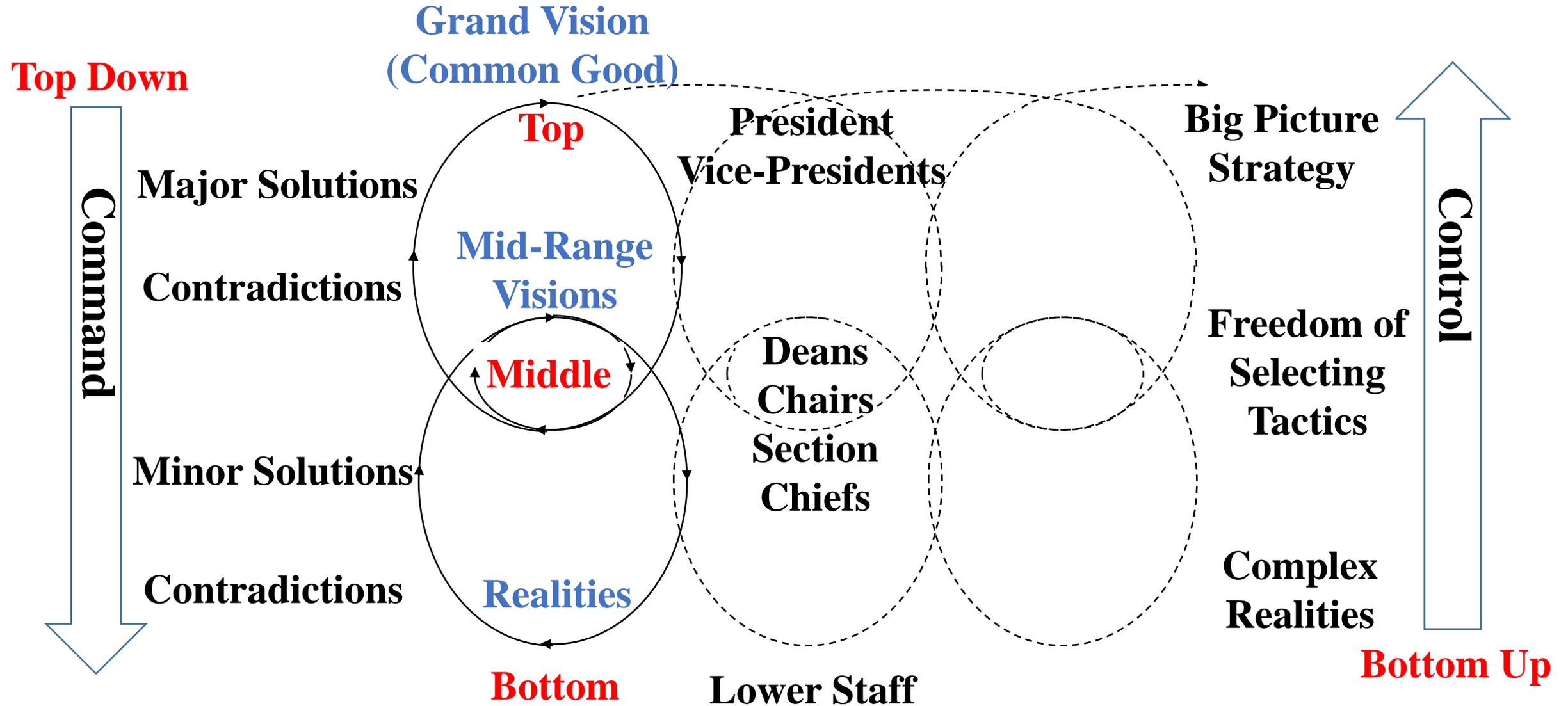
Robert Zaretsky (History Professor at U. of Houston)

“The Prince is a **manual for those who wish to win and keep power.**”

“**Prudence** consists of knowing how to recognize the qualities of the hard decisions you face and **choosing the less bad as what is the most good.**”

“**The power of the lion and the cleverness of the fox:** These are the qualities a leader must harness.”

# Middle-Up-Down Management at HEIs



**Thank you for your attention.**