

**An Investigation into the Concepts of Wisdom Leadership and Positive Institutions: A Conceptual Study of the Link between the Two Literatures**

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**Abstract:**

The paper investigates into the concept of Wisdom Leadership and explores its potential contribution towards developing positive institutions. Wisdom Leadership is a concept developed by S. K. Chakraborty (1995) as a humanistic and ethical leadership rooted in Hinduism subsuming in it the concepts of “satya”, “rita” “rajarshi” etc. Positive Psychology too, looks at the ‘positive’ and ‘humanistic’ rather than the ‘pathological’ side of humans. Positive Psychology therefore looks at the ‘thriving’ of individuals and organizations instead of “repairing” them. The paper looks at these two literatures and has tried to answer the question whether Wisdom Leadership could affect the thriving of organizations understood in the form of “Positive Institutions” in Positive Psychology literature? In doing so the paper first discussed Wisdom Leadership and also identified its characteristic features. It explored the potential contribution of the concept of Wisdom Leadership in enabling positive institutions. This has been done in the form of propositions. The paper ends identifying its limitations and with directions that could further this research into the future.

**Introduction:**

Before we get into the concept of wisdom leadership, let us shed light on the meaning of Positive Psychology. According to Gable & Haidt (2005), Positive psychology is the study of the conditions and processes that contribute to the flourishing or optimal functioning of people, groups, and institutions. Seligman & Csikszentmihalyi, the two of the major proponents of this field define what constitutes positive psychology. According to this definition, the field of positive psychology at the subjective level is about valued subjective experiences: well-being, contentment, and satisfaction (in the past); hope and optimism (for the future); and flow and happiness (in the present). At the individual level, it is about positive individual traits: the capacity for love and vocation, courage, interpersonal skill, aesthetic sensibility, perseverance, forgiveness, originality, future mindedness, spirituality, high talent, and wisdom. At the group level, it is about the civic virtues and the institutions that move individuals toward better citizenship: responsibility, nurturance, altruism, civility, moderation, tolerance, and work ethic (Seligman, M. & Csikszentmihalyi, M., (2000), Positive Psychology: An Introduction. American Psychologist, 55(1), 5-14). “We parse the concerns of positive psychology into three related topics: the study of positive subjective experiences (happiness, pleasure, gratification, fulfillment, well-being), the study of positive individual traits (character, talents, interests, values) that enable positive experiences, and the study of positive institutions (families, schools, businesses, communities, societies) that enable positive traits and thereby positive experiences” (Peterson & Seligman in Cameron, et al. 2003).

One of the fundamental assumptions of Positive Psychology about human nature is that inherent within people are evolutionary constructive forces that guide people toward realizing their potentialities. Horney (1951 as cited in Linley & Joseph, 2004) noted that people were inherently good (since this would presuppose knowledge of what constitutes good and bad). Rather, the person's values would arise from their striving toward their potential, and these values would thus be constructive and prosocial in their nature (and hence may be considered "good."). From this position, the goal of society must be therefore to cultivate the facilitative social-environmental conditions that are conducive to people's self realization.

When people's tendency toward self-realization is allowed expression, Horney (1951 as cited in Linley & Joseph, 2004) argued that:

. . . We become free to grow ourselves; we also free ourselves to love and to feel concern for other people. We will then want to give them the opportunity for unhampered growth when they are young, and to help them in whatever way possible to find and realize themselves when they are blocked in their development. At any rate, whether for ourselves or for others, the ideal is the liberation and cultivation of the forces which lead to self-realization (pp. 15–16)

A similar position was taken by Rogers (1959, 1964 as cited in Linley & Joseph, 2004) in describing the concept of the actualizing tendency, which is at the core of the person-centered model. The actualizing tendency refers to the constructive, directional, developmental force that is believed to reside within all of us.

One of the earliest proponents of this view was Aristotle, who believed that within each individual there was a unique *daimon*, or spirit, that would guide them to pursue the activities and goals that were right for them. Acting in accordance with a person's daimon would lead to *eudaimonia*, or well-being, while acting against a person's daimon would lead to ill-being (Kekes, 1995 as cited in Linley & Joseph, 2004). The daimon would always lead the person in a constructive direction that also facilitated, rather than undermined, the well-being of others.

It is this assumption, that people possess an innate constructive directional tendency that positive psychology has (implicitly) adopted. It is this directional tendency that motivates us to pursue a "good life," and our "positive" values arise from our strivings toward this "good life." Arguably the best articulation of this position was put forward by Rogers (1959 as cited in Linley & Joseph, 2004) and since has been developed by other theorists and researchers who have been informed by the humanistic, and particularly the person-centered psychology tradition.

It is also important to clarify why this study of wisdom leadership and positive institutions and communities has been taken up. In my quest for studying Wisdom Leadership, I realized that Wisdom leadership, like Wisdom theory stresses on the "will to goodness." Sternberg (1998) defined wisdom as the application of tacit knowledge as mediated by values toward the achievement of a *common good* through a balance among multiple (a) intrapersonal, (b) interpersonal, and (c) extra personal interests in order to achieve a balance among (a) adaptation to existing environments, (b) shaping of existing environments, and (c) selection of new environments. Moreover, integration

of Vedantic Philosophy of Oneness in Wisdom Leadership has serious implications not only for the individual but also for the collective.

Therefore, Wisdom Leadership is “positive” in the sense that it too talks about a humanistic, ethical leadership striving not only for one’s own well-being but also for the well-being of others. In this sense there is a connect between Positive Psychology and Wisdom Leadership. Moreover, Gable and Haidt’s (2005) assertion that Positive Psychology has made little progress in researching into “positive institutions and communities.” A quick search on online databases revealed that there has been little or no research on Wisdom Leadership since its conception in 1998. This study addressed the above mentioned gaps and connected the two literatures.

### **Wisdom Leadership: What it is**

The concept of Wisdom Leadership has been developed by S. K. Chakraborty. In his 1995 paper, “Wisdom Leadership: Leading self by SELF”, he upholds this classical Indian concept and introduces the rajarshi (raja+rishi) model of the leader as the embodiment of satya (truth) and rita (order).

According to the author, in order to attain “Wisdom Leadership”, it is important to transform ‘self’ to ‘SELF’. Hence he places the spirit-core or SELF in the centre. SELF according to the author is will to goodness. Therefore the will to SELF is will to goodness.

To understand ‘wisdom leadership’ it is essential to understand the concept of “Rita”. The vedic conception of the universe stands on two pillars: Truth and order, satya and rita. Rita encompasses satya but also includes justice and goodness. At an ethical level it upholds values over disvalues. Rita means orderliness in the entire existence. Wisdom entails praising the eternal law and thinking straight. Hence an attitude of humble recognition and ardent appeal to the supreme law is evident here.

The author then goes on to discuss the basis of wisdom leadership is the capacity of referring self to SELF which is established in the rita which he calls SELF-empowerment. And what will this SELF empowerment lead to? The author is of the opinion that this will help in translating the order of the cosmos into order of the society. This knowledge about the order of the cosmos can be translated into material representation by having a healthy balance between man’s inner and outer living. Hence, wealth is not disparaged in the Rig Veda but rather it can be firmly anchored within the rita framework which not only controls the cosmos, but also underlies the human society.

The rita can be comprehended in his/ her consciousness by the ‘rishi process’:

Rishi implies 3 characteristics:

- Eternal traveler (in the realm of high knowledge)
- Piercer in the veil of darkness (in others)
- Seer of totality

Rajarshi includes a synthesis of Brahmin and the Kshatriya. The Brahmin symbolizes intellectual profundity and spiritual achievement and the Kshatriya symbolizes ethical magnanimity and love. King Janaka, according to the author is the best exemplar of

wisdom leadership, transforming cosmic rita into social rita. One who attains wisdom is in perfect harmony with the inner self and heart free of all selfish desires.

Finally the author opines that the wisdom leader is closer to the servant leader concept of Robert Greenleaf than any other kind of leadership.

Thus a few characteristics of wisdom leadership identified by S.K. Chakraborty are as follows:

Values: The wisdom leader upholds human values over dis-values. The disvalues include jealousy, greed, arrogance, vindictiveness, sycophancy, backbiting, anger, deceit, vanity and hypocrisy. The human values include gratitude, loyalty, humility, patience, gentleness, dignity, honesty, sincerity, sharing and forgiveness.

Will-to-goodness: means goodness to others.

Self-awareness (ekatmanubhuti): perfect harmony with the inner and outer self. This can be achieved through self-transcendence which he calls transformation from self to SELF.

Intellectual profundity: As discussed earlier, Chakraborty (1995) talks of wisdom leaders being eternal traveler (in the realm of high knowledge), & piercer of the veil of darkness (in others). This would mean that wisdom leaders would not only eternal learners but also motivate the others to learn.

Integral vision: Power of seeing the whole instead of seeing by succession and fragments. It is like looking at the bigger picture instead of looking for short-term goals. This is what Chakraborty calls “seer of totality.” The Vedantic Philosophy of feeling oneness with the higher power and seeing the higher power in all other beings is evident in this.

Dutifulness: “role” in precedence over “self”: For the wisdom leader, the “rishi consciousness” has the capacity to allow the “role” to proceed over the self in case they happen to conflict. Citing an example of Buddha, he says, that for the sake of organizational ethics, Buddha expelled his son Rahula from the sangha after a publicly-held cross-examination. The father-self was not permitted to over-rule the stern imperative of the leader-role. To the wisdom leader, then, duty is more important than the personal relationships and benefits.

### **Positive Institutions: A Literature Review**

Positive Psychology and a branch of study of positive organizations known as Positive Organizational Scholarship (POS) started by the Centre for Positive Organizational Scholarship of the University of Michigan are focused on understanding the conditions and processes that explain flourishing (Cameron et al, 2003). What differentiates POS is an explicit interest in understanding and explaining flourishing in organizational contexts (including individuals, groups, units and whole organizations). Flourishing refers to being in an optimal range of human functioning and is indicated at the individual level by goodness, generativity, growth and resilience (Fredrickson, 2003). At the collective level of groups and organizations, flourishing may be indicated by creativity, innovation, growth, resilience, thriving virtuousness or other markers that a collective is healthy and is performing in an “above normal” or positively deviant

range. POS also focuses on the development of individual, group and collective strengths that represent forms of individual and collective excellence.

The creation of POS was a deliberate one with each element of the acronym intended to signify an important perspective. The positive signifies a positive bias and orientation toward exceptional, virtuous, life-giving, and flourishing phenomena. The term organizational was meant to stress the emphasis on organized contexts as opposed to purely individual phenomena. Finally the scholarship label was used to make theoretical requirement and empirical support an explicit requirement for inclusion. In sum, POS calls for positive phenomena in organizations. POS is often known as the organizational equivalent of positive psychology (Cameron, 2003).

Hodgson (2007) in his paper on “Institutions and individuals: Interaction and evolution”, mention that “Every business firm is simultaneously an organization, institution and structure.”(p.96). Positive institutions would therefore mean study of positive psychology in the organizational context. While there are studies on positive institutions studies on positive communities have largely been unaddressed. This paper too could not take up the issue of positive communities in the absence of such studies. Some of the studies of pertaining to the organizations include: organizational virtuousness, organizational compassion, organizational respect etc.

We now go on to link these positive institutions with wisdom leadership

### **Propositions:**

Compassion occupies a prominent role in the history of modern society, implicated in the creation and sustenance of human community. Seen as virtuous and contributing to personal and social good compassion lies at the core of what it means to be human (Kanov et al, 2004). despite fundamental differences in philosophy and tradition, all major religions emphasize the importance of compassion. Judaism, for example, mandates to emulate God in his attribute of compassion and Buddhist philosophy considers that the basic nature of human beings is to be compassionate. The Biblical tradition, too, teaches compassion as “a duty to divine law, as a response to divine love, and a sign of commitment to the Judeo-Christian ethic.”Compassion is a fundamental and timeless part of human existence (Kanov et al). The Bhagavad Gita too talks about compassion as an important quality of the human being and a necessary quality of wisdom (Jeste & Vadia, 2008). Compassion is an essential but overlooked aspect of life in organizations.

The discussion below therefore looks at how wisdom leadership can contribute towards organizational compassion

### **Wisdom leadership and Organizational compassion**

#### Wisdom Leadership

By incorporating the rishi-process into his/her daily routine, a wisdom leader would gradually be scaling higher levels of consciousness. This rishi-consciousness would help the leader attain the rajarshi status and thus also help him/her reach the highest level of ethicality. The rishi as has been emphasized by Chakraborty (1995, 2000) is the seer of totality. This is one of the pillars of SELF-grounded, rita-informed

wisdom leadership. The rishi-process is a process which helps in the purification of the self and raised to SELF. This self-SELF reunion, the rishi-consciousness, in its other aspect, overcomes alienation/separativeness of the ego-self from the rest of the creation, whether human or non-human. “The rishis were they who having reached the Supreme...from all sides had found abiding peace, had become united with all, had entered the life of the Universe” (Chakraborty, 2000, p.55-56). This unison with the universe when translated in the material world would mean “compassion for fellow human-beings” or “man-to man relatedness.”

This fundamental principle of “oneness” has also been emphasized in the Gita in the following verses.

Verse 6’29:

The self residing in all beings and things; the Self in oneself

Verse 6’30:

Seeing me everywhere; seeing everything in me

Verse 6’31:

Serving me in all existence

Verse 6’32

Feeling of joys and sufferings of others as one’s own because of the sense of identity with all (Chakraborty, 2000)

This oneness with the supreme has also been stressed in ‘Confucian’ view of wisdom. The non-split principle as emphasized in the other eastern views of wisdom translates as “man-to-man relatedness” or “compassion” of the wise person.

The wisdom leader, having integrated the rishi-consciousness in his daily routine has been able to attain this one-ness with the Supreme makes him compassionate towards his followers in the organization.

### **Organizational compassion**

Compassion is mostly viewed as an individual characteristic. On the other hand, compassion is also seen as a dynamic process or a set of sub-processes that may be found both in the individual and the collective. Compassion is a necessary aspect of organizational life, yet it is often ignored. Even though organizations are depicted as locations of pain and suffering, they are also places of healing, where caring and compassion are both given and received (Dutton et al, 2006; Kahn, 1993). Compassionate acts can be found at all levels in an organization, from leaders who cushion the pain of their employees, to office workers who lend their ears and respond empathically when their colleagues are going through difficult times (Frost et al, 2000). Compassion in organizations makes people feel seen and known; it also helps them feel less lonely (Dutton et al. 2006; Kahn, 1993). Moreover, compassion modifies the “felt connection” between people at work (Dutton et al., 2006) and is associated with a range of positive attitudes, behaviors, and feelings in organizations (Dutton et al., 2006). Research and writing on compassion in organizations reveals it as a positive and very powerful force.

Compassion in organizations occurs through the processes of collective noticing, collective feeling, and collective responding to pain are shared among a set of organizational members. To be shared, and so become collective within an organization, each of these processes must be legitimated and propagated, responding must also be coordinated.

These mechanisms are in turn facilitated by a variety of systemic organizational factors, such as values, practices, and routines. Collective noticing, feeling, and responding also feed back into the system and influence how organizations and their members will respond to pain in the future (Dutton et al., 2006).

From the above discussion on wisdom leaders we conclude that wisdom leaders are compassionate. Since they are compassionate and feeling people themselves they will enable collective noticing, feeling and responding.

Hence from the above discussion we propose:

P 1): Wisdom leadership will be positively related to organizational compassion

Respect is another aspect important for organizations because respect towards people within the organization can affect ones subjective and psychological well-being, one of the most desired outcomes of positive psychology (Seligman & Czikzenmihalyi, 2000).

Wisdom leadership and organizational respect

### **Organizational respect**

Respect is a term used ubiquitously by management in organizations. Companies as diverse as Ben & Jerry's, Microsoft and Bayer have emphasized respect in their mission statements or listed respect as a core value of their organizations (Ramarajan, et. al, 2008).

Research about respect is widely dispersed across disciplines, ranging from philosophy to sociology to psychology. Respect has an inherently powerful social dimension. For example, G. H. Mead (1934 as cited in Ramarajan et al, 2008) described how an individual's self (his or her identity and ability to function in the world) is a reflection of the approval and recognition that is gained from others. Likewise, Goffman (1967 as cited in Ramarajan et al) argued that the sacredness of the self is affirmed through others' expressions of regard. Thus receiving respect confirms an individual's worth as a human being. Conversely, experiencing a lack of respect from others can undermine a person's very existence (Goffman, 1959). This is because, when treated disrespectfully, an individual's feelings of self-worth are negatively impacted (Miller, 2001). Furthermore, disrespectful treatment communicates others' disapproval and/or devaluation of the disrespected person (Hornstein, et al, 1995).

Disrespectful behavior may also communicate that the enactor of the disrespect believes the receiver is not worthy of minimal common courtesies due to other members of the same community. What emerges from these studies of respect is that giving respect is based on the showing of esteem, dignity, and care for another person's positive self-regard. Because employees can create a sense of self based on their work places, the respect and dignity they obtain in their organizations can be

critical to their self-worth (Hodson, 2001) and thus may operate as a powerful force in shaping work outcomes.

When considering respect in organizations, the core elements of respect described above (esteem, dignity, and care for others' positive self-regard) remain critical. It has been conceptualized collectively to the extent that all others in the organization, not just the self, are treated with respect. Thus, organizational respect is defined as an individual's perceptions regarding the extent to which employees in the organization, including but not limited to the self, are treated with dignity and care for their positive self-regard (Ramarajan, 2008).

Positive self-regard is view of the self in a positive way. Defined in the above way, in the organizational context this would mean people having positive views about each other. Organizational respect also has care and dignity in its definition.

As mentioned above, one of the characteristic features of Wisdom Leadership is man-to man relatedness which translates as compassionate fellow feelings in the material world. When the leader is compassionate, he is a good listener and is thus able to develop high quality connections with members of the organization; his behaviour signals that these qualities are valued in the organization (Dutton & Glynn, 2008). High quality connections nourish upward positive spirals. Such upward positive spirals within the organization will thus create an environment of trust and respect for each other. The Vedantic theory of oneness advocates that there is a unity in diversity of each individual and also diversity in unity (Chakraborty, 2000). This view suggests the ultimate connection with the supreme, and also seeing the supreme in each human being. Wisdom leadership is to a large extent dependent on this attainment of oneness through the 'rishī process.' That be so, wisdom leaders will not only respect his followers in the organization but also encourage them to do the same for others self-regard, esteem and dignity.

Hence we propose that:

P2) Wisdom Leadership will be positively related to organizational respect

A person's spirit is the vital principle or animating force traditionally believed to be the intangible, life affirming force in self and all human beings. It is a state of intimate relationship with the inner self of higher values and morality as well as recognition of the truth of the inner nature of people (Fairholm, 1997 as cited in Fry). Spirituality is often defined as a person's experience of relationship with the Sacred. The Sacred is whatever someone considers to be the central feature of spirituality (Worthington Jr. et al, 2010). Positive Organizational Scholarship (POS) has identified Spirituality as one of the character strengths of the organizations which they can strive for. In the organizational context, Spirituality therefore may be termed Workplace spirituality. In the discussion below we attempt to connect wisdom leadership and workplace spirituality and try to find its potential contribution in developing positive institutions

Wisdom Leadership and workplace spirituality

Giacalone and Jurkiewicz (2003, p. 13), in their scientific inquiry into workplace spirituality, define workplace spirituality as:

A framework of organizational values evidenced in the culture that promotes employees' experience of transcendence through the work process, facilitating their sense of being connected in a way that provides feelings of compassion and joy.

This sense of transcendence—of having a calling through one's work or being called (vocationally)—and a need for social connection or membership are seen as necessary for providing the foundation for any theory of workplace spirituality. Workplace spirituality must therefore be comprehended within a holistic or system context of interwoven cultural and personal values (Fry, 2003). Calling refers to the experience of transcendence or how one makes a difference through service to others and, in doing so, derives meaning and purpose in life.

Spirituality reflects the presence of a relationship with a higher power or being that affects the way in which one operates in the world. Spirituality is broader than any single formal or organized religion with its prescribed tenets, dogma, and doctrines. Instead, spirituality (e.g., prayer, yoga, meditation) is the source for one's search for spiritual survival—for meaning in life and a sense of interconnectedness with other beings. The spiritual quest is one that emphasizes a dynamic process where people purposefully seeks to discover their potential, an ultimate purpose, and a personal relationship with a higher power or being that may or may not be called God.

Workplace spirituality is an important research area because it has a “potentially strong relevance to the well-being of individuals, organizations, and societies” and its scientific study “may bring forth a new development in the organizational science” (Giacalone and Jurkiewicz, 2003, p. 22).

The concept of workplace spirituality reflects employee expressions and experiences of spirituality at work which are facilitated by various organizational aspects such as culture (Jurkiewicz and Giacalone, 2004), organizational climate (Duchon and Plowman, 2005 as cited in Pawar, 2009), leadership (Fry, 2003), and organizational practices (Pfeffer, 2003 as cited in Pawar, 2009). “Workplace spirituality is a framework of organizational values evidenced in the culture that promotes employees' experience of transcendence through the work process, facilitating their sense of being connected to others in a way that provides feelings of completeness and joy” (Giacalone and Jurkiewicz, 2003, p. 13).

Jurkiewicz and Giacalone, 2004 further notes that, this experience of transcendence experienced by employees as a personal connection to the content and process of work, and to the stakeholders impacted by it, in a manner which extends beyond the limitations of self-interest.

Giacalone and Jurkiewicz (2003) link workplace spirituality with employee experiences of transcendence through work processes and experiences of connectedness with others. The description of workplace spirituality manifestation by Milliman et al. (1999) includes meaningfulness in work and a sense of community as the aspects of workplace spirituality. Similarly, the workplace spirituality conceptualization by Milliman et al. (2003) includes the aspects of meaningful work, sense of community, and alignment with organizational values. Mirvis (1997 as cited in Milliman, 2003) also refers to notions of community as well as meaningful work and Fry (2003)

includes the aspects of calling and membership which correspond to the aspects of meaning and community (Duchon and Plowman, 2005).

The above-outlined views of workplace spirituality in the existing literature indicate that facilitating employee experiences of spirituality in the workplace involves providing to employees the experiences of meaning, community, and transcendence. These aspects associated with employees' experiences of workplace spirituality seem to imply, as outlined below, employees' transcendence of self-interests.

While outlining the meaning aspect of workplace spirituality, Duchon and Plowman (2005, p. 810) note, "people in organizations want and need to be engaged in matters of importance in a context larger than economic matters." This suggests that workplace spirituality involves employee transcendence of narrow economic matters or economic self-interests.

Similarly, Duchon and Plowman (2005, p. 814), while outlining the meaningful work aspect of workplace spirituality, indicate that meaningful work is "about work...which connects workers to a larger good." Here the connection to the larger good implies self-interest transcendence. Further, while outlining the community aspect of workplace spirituality, Duchon and Plowman (2005, p. 814) note that the term community includes "the notions of sharing, mutual obligation, and commitment that connect people to each other." (Bolton, 2010) This view reflects commitment to other's interests or collective interests and, by implication, some transcendence of economic or narrow self-interests.

In another view of spirituality, King and Boyatzis (2004, p. 3 as cited in Pawar, 2009) note, "others have viewed spirituality as an orientation to self and one's context that entails both transcending oneself and inspiring a commitment to contributing to others beyond the self in time and place." Pawar (2009) is of the view that this actually means self-transcendence.

From the above discussion we may conclude that workplace spirituality involves self-interest transcendence and connectedness with other people implying the priority of collective interests over narrow self-interests.

### **Wisdom Leadership**

The rishi process helps the wisdom leader transcend the ego-self and attain a higher level of consciousness (Chakraborty, 2000; 1998). This self-SELF transcendence is important in order to attain Wisdom leadership. The author is of the view that one who attains wisdom is in perfect harmony with the inner self and makes the heart free from all selfish desires. The spirit of oneness of man which the wisdom leader internalizes has been echoed by the author from the Vedantic theory of Oneness.

The work of ethics has been and will be in the future not the destruction of variation and the establishment of sameness in the external world...but to recognize the unity of all these variations....

The oneness concept is integrative and thus fosters connectedness of all fellow human beings. This view reflects self-transcendence and community aspect of workplace spirituality.

Hence, we propose that:

P 3) Wisdom leadership will be positively related to Workplace Spirituality

Sometimes an organization goes through trauma, when its core values and social fabric are threatened. The main feature of trauma is “rupture,” in which continuity of time, relationships and attachments, the perceptions of self and others, and expectations about the future all are torn apart (Powley & Cameron, 2005). An organization’s ability to heal rests on its capacity to facilitate and demonstrate virtuousness at the collective level. Rupture, in other words, is healed by the expression of virtuousness (Powley & Cameron, 2005). Organizational healing has not been examined in the organizational studies literature to date and is only anecdotally mentioned when speaking of downsizing. Yet, it is a relevant construct when explaining how organizations return to a state of well-being after experiencing major harm.

Wisdom leadership is compassionate and as we shall see below fosters high quality connections as a process of healing in organizations. We have tried to investigate into the potential contribution of wisdom leadership in developing positive institutions.

### **Wisdom leadership and Organizational healing**

#### **Organizational healing**

The authors define organizational healing as “the work of repairing and mending the social fabric, continuity, expectations, and shattered self-concepts that are necessary if an organization is to return to a healthy state of functioning”(p. 23) occurring after a crisis or setback. They distinguish organizational healing from resilience, adaptation, and hardiness which all relate to *withstanding* the effects of trauma rather than *dealing with* the effects of trauma. They also emphasize the importance of distinguishing personal healing from organizational healing. The authors define organizational healing as a collective healing that is seen in the actions and interactions of people in the organization.

The authors believe that healing-oriented activities must be well-timed. Borrowing a concept from personality development, they refer to healing occurring within a “*liminal space*”. Liminal space is a period during which the organization stops normal operations to focus on other issues. For example, an organization may cease normal operations when dealing with a major change initiative or when dealing with an unpredicted crisis. During this time, organizations can initiate activities that may or may not facilitate healing. The authors argue that the most effective healing actions are those conducted within the liminal space (Powley & Cameron, 2005).

The researchers interviewed 60 people who were members of a university community where a gunman had killed one student, injured others, and held people hostage for several hours. The respondents volunteered to give in-depth interviews about their experiences and reactions to the event. The researchers focused on the experiences in the first week after the incident. From these interviews, the researchers identified four themes of organizational healing:

Reinforcing the priority of the individual: Displaying behaviours that care for the well-being, future and careers of its members

Fostering high quality connections: The extent organization members foster deep connections with others throughout the system. For example, having events for people to talk about what happened and provide mutual support.  
Strengthening a family-feeling: Emphasizing a close-knit family. For example, holding gatherings for the community-at-large to build connections  
Initiating ceremonies and rituals: Coordinating activities and events to help members regain a sense of stability, rebuild self-concept, and re-identify with the organization For example, holding memorials for those affected by the event (Powley & Cameron, 2006)

The authors conclude by emphasizing that healing can be both an individual and collective experience. Organizational members can either become rigid and self protective or become compassionate, caring and supportive. They argue that virtuous organizations foster the second approach.

Whether it is the “non-split principle” (takahashi & overton, of the eastern traditional wisdom theory including the Confucian theory or the Vedantic theory of Oneness, Wisdom leaders, by internalizing this integrative vision create a sense of connectedness with their fellow employees and also with the ones they serve. This “connectedness” or fellow feeling creates high quality connections within the organizations. “Will to Goodness” is another feature of Wisdom Leadership. This will to good involves doing well for the collective. It could involve making conscious efforts at overcoming the organizational trauma, creating a trustworthy environment when employees can share their personal and professional woes without undergoing any fear of retaliation and hence a family feeling is strengthened if already there or is created. This also helps the traumatized employees reconnect and re-identify with the organization.

The “oneness” concept is all encompassing and also inclusive. The strength of this concept lies in feeling of oneness with the supreme power and in the ability of the leader to see this Higher Power in all other human beings. This makes Wisdom leadership empathetic and compassionate and thus display in his behavior priority of the individual with whom he interacts. And also strengthen an already existing family feeling within the organization. All these qualities will thus hasten organizational healing.

Hence we propose:

P 4) Wisdom leadership will be positively related to organizational healing

The recent moral and financial collapse of several high profile organizations around the world has led the business community and the popular and business press to rediscover the worthiness of organizations’ virtues (Wright & Goodstein, 2007 in Rego & Cunha, 2008). Scholars themselves have begun putting virtues on the stage, with Wright and Goodstein (2007) arguing that the topic is not “dead” in management research. For example, the theme of the 2007 Academy of Management annual conference was “doing well by doing good.” The conference organizers acknowledged that organizational performance should consider, beyond the bottom line criteria, the

degree to which organizations improve the lives of its members and stakeholders (Rego et al, 2010). Several scholars have also stressed that virtue needs to be placed in the business and management research agenda (Wright & Goodstein, 2007 in Rego & Cunha,2008 )

### **Wisdom leadership and organizational virtuousness**

#### **Virtues**

The latin word *virtus* means “strength” or “excellence.”Virtues are habits, desires, and actions that produce personal and social good (Cameron, 2003). They can be defined as “core characteristics valued by moral philosophers and religious thinkers” (Peterson and Seligman, 2004, p.13). These include six broad categories: wisdom, courage, humanity, justice, temperance, and transcendence (Peterson & Seligman, 2004 in Cameron et al, 2004). Virtuousness refers to the pursuit of the highest aspirations in the human condition. Recent corporate scandals have prompted a growing interest in the topic as an organizational feature, both in the business community and academia. For example, Cameron et al (2004) developed an instrument for measuring OV.

#### **Organizational Virtuousness**

Virtuousness in organizations relates to the behavior of individuals in organizational settings, and a growing literature on this topic is emerging in the field of positive psychology (Seligman & Csikszentmihalyi, 2000). The manifestation and consequences of hope, gratitude, wisdom, forgiveness, compassion, resilience, and other similar virtues are beginning to receive substantial attention in the scientific literature (Sternberg, 1998). Cameron et al (2004) found a five factor model comprising organizational optimism, forgiveness, trust, compassion and integrity.

Organizational optimism means that organizational members develop a belief that they will succeed in doing well and doing good, even when faced with major challenges. Organizational forgiveness means that the mistakes are quickly forgiven and used as opportunities for learning in a context characterized by high standards of performance. Organizational trust indicates that courtesy, consideration, and respect govern the organization and that people trust each other, and their leaders. Organizational compassion means that people care about each other and that acts of compassion and concern are common. Organizational integrity indicates that honesty, trustworthiness, and honor pervade the organization.

### **Wisdom leadership and Organizational virtuousness**

Since the wisdom leaders believe in self-transcendence through the rishi process, for them doing good is of prime importance at all times even when faced with challenges. It is by this process that the wise leaders transmute the cosmic rita into social rita meaning the goodness of the universe would be transmuted to the material world. Doing well in the definition of organizational optimism is about material wealth. The wisdom leader does not “disparage” wealth but that it should be anchored within an integral framework of that same rita principle that not only regulates the infinite cosmos, but also underlines the human society. In this sense, the wisdom leader is optimistic and being optimistic himself he would create an organization which values optimism.

Going back to the “rita” concept, the author is of the view that at the ethical level rita upholds certain values over disvalues. At the organizational level, therefore certain human values are fostered and some disvalues are subdued by the wisdom leader (Chakraborty, 2000). “The prefix ‘human’ implies that we are dealing here with not objectivized economic, commercial, scientific, technological, or political systems, but with the subjective values of human beings devoid of guise, cloak or label. Besides, the connotation of ‘human’ here is not confined merely to the humanistic world-view, but also embraces spiritual”(p.63). The human values of forgive and forget are fostered by the organization over the disvalues of settle and score. In this way a ‘total quality mind’ would be produced. The wisdom leader, having achieved the highest level of consciousness will not only be able to uphold these values for him but would also implement them at the organizational level.

Similarly, as has already been stated that the wisdom leaders being compassionate themselves would enable a compassionate organization.

The wisdom leaders like the servant leaders are highly empathetic and great listeners. Therefore they create environments that are safe for employees to voice personal and professional issues. This kind of environment makes the organizational members trusting of each other.

The wisdom leaders have the “capacity to refer the fluctuating self to the constant SELF established in rita” and Rita encompasses truth, justice and goodness. The concept of justice gives a sense of integrity to the leader and through him to his followers.

Wisdom Leadership is actually a framework for ethical leadership. Integrity is therefore fundamental to wisdom leadership. This has been reflected in the rita concept truth, justice and goodness and also in dutifulness of the ethical leader where he puts his ‘role’ above the ‘self’ and therefore makes him yogi paramo and the “rajarshi” which is combination of the Brahmin and the Kshatriya, the former depicting intellectual profundity needed to carry through the organization and also love and magnanimity of the Kshatriya which makes him kind, just and also compassionate.

We see from the above discussion that since the leader is himself optimistic, compassionate, trusting, have a sense of integrity and since wisdom leaders are authentic, they “possess self-awareness of and act in accordance with their values, thought, emotions and beliefs” (Avolio et al, 2004). Again, the wisdom leaders, we have seen foster the above values in their organizations over certain disvalues.

Hence we propose:

P 5) Wisdom leaders will be positively related to organizational virtuousness

Implications for organizations

## **Conclusions:**

### **Limitations and areas of future research**

This paper addressed various issues regarding wisdom leadership and positive institutions. For this various literature review has been taken up the example of Wisdom theories and also of studies that link wisdom and leadership in management literature. Since Prof. Chakraborty has himself talked about the connect of Wisdom Leadership and Servant Leadership, a brief literature review of Servant Leadership has also been taken up. Apart from these there has been an attempt to understand the meaning of positive institutions and a brief literature review of it has also been taken. Attempts have also been made to link the various kinds of leadership for example authentic leadership and spiritual leadership to wisdom leadership and it was found there are some close relationships. Finally links have been created by way of propositions between various positive organizational phenomenons like organizational compassion, organizational respect, workplace spirituality, organizational healing and organizational virtuousness. While these are phenomenon which could enable certain “positively” desired outcomes like flourishing and thriving, this could not be addressed in the paper as there were a dearth of academic papers which studied flourishing and thriving systematically. These therefore could be fertile research area for future study in positive institutions. Another important area that could not be addressed is the community aspect of ‘institutions’. This is because again while there are articles or systematic studies in parenting in Clinical Psychology such studies have not been taken up in the ‘positive’ context neither have such studies been taken up in civil society where subjective well-being and policy issues could be linked. May be wisdom leadership could make a positive contribution in bringing about changes in policy which addresses psychological well-being of individuals and hence we can have a flourishing society. These are also areas of future research which look promising and can be taken up later as positive psychology makes more and more inroads in the lives of people in organizations.

However, it may be worth mentioning that wisdom leadership has been proposed to be positively related to most of the positive phenomenon within the organizations. Organizational virtuousness has been found to be positively related to affective psychological well-being but has not been taken up in this paper. On the other hand, the article has addressed the enablers of a positive institution.

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