



Organization  
Theory Review



## Organization Theory Review (OTR)

Volume No.1 Issue No. 1 Fall 2017

ISSN: 2221-2876

Journal DOI: <https://doi.org/10.32350/OTR>

Issue DOI: <https://doi.org/10.32350/OTR.0101>

Homepage: <https://journals.umt.edu.pk/index.php/OTR/Home>

Journal QR Code:



**Article:** **Phronesis Embedded Leadership and its Role in Conflict Management**

**Author(s):** Ali Ahmed  
Talha Zubair Ahmad Khan

**Online Published:** October 2017

**Article DOI:** [10.32350/OTR.0101.02](https://doi.org/10.32350/OTR.0101.02)

**Article QR Code:**



Ali Ahmed

**To cite this article:** Ahmed, A., & Khan, T. Z. A. (2017). Phronesis embedded leadership and its role in conflict management. *Organization Theory Review*, 1(1), 11–22. DOI: <https://doi.org/10.32350/OTR.0101.02>



A publication of the  
School of Professional Advancement  
University of Management and Technology  
Lahore

## Phronesis Embedded Leadership and its Role in Conflict Management

Ali Ahmed

Institute of Management Sciences, Bahauddin Zakariya University, Multan, Pakistan

Talha Zubair Ahmad Khan

School of Professional Advancement, University of Management and Technology,  
Lahore, Pakistan

### Abstract

Conflict management has emerged as a major subfield of organization behavior in which researchers have presented numerous models and approaches to deal with conflicting situations. In this context, leadership has been identified as one of the promising approaches to effectively deal with conflict. Built upon the strong and constant interplay that exists between leadership and conflict management this paper presents a conceptual argument that the “phronesis centered leadership” is more likely to play an effective role in managing the conflict because phronetic leadership abilities help the leaders to make quick and righteous decisions in problematic situations. This propositional paper outlines that how a conceptual model of phronesis centered leadership can be applied to conflict management. This paper concludes with a discussion that wisdom of senior transformational leader and as well as distributed wisdom in an organization play an important role in managing conflict.

**Keywords:** phronesis, leadership, conflict management, transformational leader, wisdom

### Introduction

Just as an inbuilt part of our social life, conflicts are also part of organizational routine activities. It ranges from mild to severe in their intensity depending upon their causes and potential outcomes. Organizations take prompt actions for dealing with conflicting situations so that their performance is not hindered. Conflicts can happen at micro level in the form of personal conflicts up to the macro level referred to as organizational conflict. On the subject of conflict management, literature has descriptively explained in terms of definition, types, and causes. In addition, certain ways have been suggested in order to deal with conflicting situations that may arise at any point of time (Baron, 1997; Deutsch, 1990; Follett, 2011; Wall & Callister, 1995). Thus, conflict management has now emerged as one of the key sub-fields of organizational behavior studies (Hendel, Fish, & Galon, 2005). The art of dealing with conflict is referred to as conflict management. Though the term conflict may imply itself here as something undesirable which organizations should always tend to avoid, but conflicts also serve as the

source for learning and knowledge creation through constructive dialogue. While working in teams, individuals often disagree with their colleagues on certain issues and when they disagree, they engage in dialogue in order to seek a better solution through knowledge sharing. Such constructive form of conflict that gives rise to knowledge sharing through productive dialogue and is referred to as ‘substantive conflict’ (Rahim, 2002). Jehn (1995) states that organizations must maintain a sufficient level of substantive conflict because it encourages the individuals to engage in debate and discussion activity which is healthy for groups as it enables them to achieve superior performance. This substantive conflict is achieved and maintained through leadership and fostering a knowledge-friendly culture.

The role of leadership in conflict management is an important element. Leaders, using their qualities, abilities and skills influence individuals and teams in order to effectively handle the conflict situations. Leadership and the mode of dealing with conflict management may strongly impact the organizational performance (Hendel et

al., 2005). Several studies have been made in order to conceptualize the strong and constant interplay that exists between leadership and conflict management (Hamlin & Jennings, 2007; Hotte & Pierre, 2002; Van Schijndel & Burchardi, 2007).

The present study moves parallel to the similar lines but departs from the conventional investigation of studying the role of traditional leadership in conflict management. It introduces the concept of 'phronesis' in the context of leadership and presents the argument that such leadership that constitutes phronesis at its heart will be more effective in managing the conflict as compared to traditional leadership styles. More specifically it attempts to explain that how phronesis embedded leadership can play a key role in maintaining a moderate quantity substantive conflict (the constructive form) and reducing affective conflict (that arises when organizational members' emotions and feelings are incompatible with that of other colleagues on various issues). A 'phronesis embedded leadership' is more likely to play an effective role in managing the conflict because phronetic leadership abilities help the leaders to make quick and righteous decisions in problematic situations.

In addition to conceptualizing the relationship between leadership and conflict management, keeping phronesis as the central phenomenon, this study also attempts to make a second contribution. Acknowledging the excellent work done by Nonaka and Toyama (2007) in which they have described the phenomenon of phronesis and knowledge creation with the context of knowledge creating company. It is important to note that some degree of transformational leadership should be practiced by a figure-head in addition to distributed leadership. Thus creating a 'hybrid' form of leadership conceptualized as 'phronesis embedded leadership' that draws upon the phronesis based benefits from both the leadership streams. This notion is based on the assumption that phronetic leader may deal the con-

flict more effectively because of the presence of the element of 'wisdom'.

Primarily built upon the literature, this paper is arranged as follows. The first section discusses the relevant literature within the domain of conflict management followed by a debate on phronesis and leadership. The second section presents a conceptual framework of conflict management from the perspective of phronetic embedded leadership. The third section discusses the model of phronesis embedded leadership and raises two propositions and final section represents the conclusions.

## 2. Literature Review

This section thoroughly explains the related literature review upon which the conceptual framework of this study has been proposed. Literature on conflict management is presented with a brief discussion on the role that leadership plays in conflict management, followed by a debate on phronesis.

### 2.1. Defining Conflict Management

Historical writers from the area of conflict management have identified five different levels of conflict (Deutsch, 1990). At a very basic level personal conflict refers to the conflict within the person itself. Second level conflict or interpersonal conflict arises when two persons are at conflict with each other. Third level conflict or intergroup conflict arises between two or more groups (departments) in the same organizational environment. Fourth is the inter-organizational conflict that characterizes the conflicting situation between organizations and finally comes the international conflict, which as the name suggests is the conflict at an international level. The present research takes into account the three specific types of conflict i.e. interpersonal conflict, intergroup conflict and inter-organizational conflict based on their relevancy with the subject matter.

According to Wall and Callister (1995) conflict normally arises when a party (an

individual or a group of individuals) perceives to be negatively influenced or opposed by another party (individual or a group). In context of organization, Roloff (1987) defines organizational conflict as,

“Organizational conflict arises when members of the organization involve in such actions and practices that are mismatched with those of the members that are either within the network or that are outside the network but related because of the very part of the same organization.”

While the term “conflict management” generally refers to leader’s capability of designing and implementing strategies that intend to minimize the precarious effects of conflict. Here conflict resolution should not be confused with the term conflict management since both of the terms carries entirely different meaning. The former involves reduction or even complete removal of the conflict. The latter on the other hand does not essentially involve conflict avoidance or termination, instead, it includes designing and executing efficient and effective macro-level strategies in order to enhance the constructive outcomes while reducing operational dysfunctions. Such form of conflict management strategies contributes to organizational learning and serve as a source of increased organizational effectiveness (Rahim, 2002).

## 2.2. Leadership and Conflict Management

According to Rahim and Bonoma (1979) the two basic approaches that are used for dealing with conflict through intervention involve the process approach and the structural approach. In the process approach, a series of activities is carried out to bring about desired results. These include culture, leadership, communication, decision making and such. While structural approach refers to the interventions at organizational structural level with an aim to reach the desired outcomes.

“Affective conflict” refers to the conflict that arises when members working in an organization realize that their emotions and feelings are incompatible with that of other colleagues on various issues. The occurrence of such conflicts not only increases stress and negative perceptions among organizational members, but it can also lead to decline in their performance. Such conflict(s) results in the reduction of group-work commitment, loyalty, and job satisfaction (Amason, 1996; Baron, 1997). The disagreement or difference of opinion of organizational members on their tasks is referred to as “substantive conflict”. Jehn (1995) noted that organizations must maintain a moderate level of substantive conflict as it encourages the organizational members to engage in dialogue and healthy discussions and promotes a culture of dialectic sessions. Moreover, Amason (1996) has shown that groups that possess a moderate amount of substantive conflict are well capable to make better decisions as compared to those which have not.

However, organizational norms and values deeply rooted in dialectical tradition simply don’t appear out of the blue. Central to the concept is the role of a ‘figurehead’. For example, Senge and Suzuki (1994) highlighted that leaders play a key role in communicating a challenging and a clear vision for the organization, focus on the development of the followers around them, and empowering and encouraging them to take greater responsibility. Psychologists and economists have always emphasized on the contingent reinforcement to offer a reward or some sort of financial reimbursement in pursuit of achieving a desired outcome. However, sociologists, historians and political writers have conceptualized leadership as in a sense more than that of mere social exchange that occurs between the leader and followers in transactional leadership (Bass & Riggio, 2005). According to Levinson (1980) if the follower is just rewarded with carrots for obedience and punished with stick if he fails to obey on the agreed-upon

work to be completed by the follower, the follower will develop a feeling of itself like a servant who has no freedom except to follow. In order to involve the follower in his full engagement and commitment in the effort at hand, the leader must seriously take into consideration the sense of self-worth of the follower. This is where transformational leadership steps in and adds to transactional exchange. Transformational leaders help their followers to develop leadership competency by empowering them and as well as responding individually to the personal needs and issues (Bass & Riggio, 2005).

Transformational leaders hold a totally different mindset as compared to transactional leaders. Transformational leaders are the leaders who stimulate and encourage their followers to not only succeed in accomplishing extra ordinary results but also to build-up their own leadership capacity. Through empowerment of the followers by responding to the their individual needs and aligning their goals with that of himself, the group and the organization, transformational leaders actually nurture their followers to grow and develop as future leaders. Empirical research has shown that under the leadership of transformational leaders, followers' satisfaction and commitment to the organization increases and they tend to exhibit superior performance (Burns, 1978; Kuhnert & Lewis, 1987).

However, leadership is also distributed to some extent within organizations. The concept distributed leadership is based on the premise that leadership is not restricted to a particular individual but it's actually an emerging property instead of a fixed entity. It is such type of leadership in which the leadership practice is shared by all the individuals of the organization. This essentially means that the leadership capacity and capability can be extended from fixed leadership. However, Harris (2008) noted that distributed leadership doesn't implies that the traditional leadership structure should be replaced, instead, it assumes that there exist a strong relationship between the lateral and

vertical leadership processes. It also implies that such formal leadership roles act as 'gate-keepers' to the distributed leadership practice in their organizations.

According to Spillane, Halverson, and Diamond (2004) distributed leadership can be best described as "a leadership practice that is distributed over leaders, followers and their situation and that includes all the work activities of multiple individuals and groups through practices." It proposes a socially distributive face of leadership in which the leadership practice is performed through multiple individuals or teams and tasks are usually completed through the frequent collaboration of multiple leaders.

Distributed leadership has been claimed to be a source of increased self-development and increased ability to anticipate and react to organization's changing environment. Even distributed leadership has been found that it may further enhance the leader's influence (Harris, 2008).

However, in addition to leadership, organizational culture also plays a vital role in dealing with the conflict. A culture that supports risk-taking, knowledge sharing and emphasizes on openness through the understanding of each other's viewpoints and continuous questioning leads to the quick attainment of conflict solutions. Conflict management intensely requires risk-taking and experimentation which can only be provided if an organizational culture supports so (Rahim, 2002). We now turn our attention towards the concept of phronesis.

### 2.3. Defining Phronesis

The term "phronesis" or "practical wisdom", coined by the great philosopher Aristotle has been defined in terms of practical common sense, moral insight, and practical intelligence, just to name a few. However, each of these translations represents a different aspect of the popular Aristotelian concept. Focusing on the ethical and moral character, emphasis is on the imparting attention of rationality, and the nature of per-

ception and insight of phronimos (prudence or far-sightedness). Commonly attributed as practical wisdom, there exists a general consensus among philosophers including Aristotle that phronesis is the key driving force behind successful organizational development (Birmingham, 2004).

Today, the concept of phronesis has earned a unique place in the world of philosophy. This popular concept was presented by Aristotle in his best known work on ethics titled 'Book VI' of the Nicomachean Ethics. In the translation of Nicomachean Ethics, Ross (1984) quotes definition of phronesis given by Aristotle as,

“A true and reasoned state of capacity to act with regard to the things that are good or bad for man.”

In his writing, Aristotle distinguishes between the three key kinds of knowledge i.e. *techné*, *episteme* and *phronesis*. According to Aristotle, '*techné*' is based on instrumental rationality and it relates to technology, art and technique. It is the knowhow or the useful skill that is necessary to be capable of creating something. Being rational it actually involves doing things deliberately or making things in such a way that can be explained. For example a university is not constructed for its own purpose; instead, it is built to provide a learning space for the individuals for higher studies. '*Episteme*' refers to the universal truth and is similar to the modern science principle of universal validity. Being context specific it primarily emphasizes on the universal applicability of the explicit (objective) knowledge independent of the space or time. The popular term of research language '*epistemology*' has also evolved from this very concept. '*Phronesis*' is a moral and intellectual virtue and is defined as the capability to decide and take on the best possible action in a context specific situation in order to work for the common good. Guided by values and ethics, phronesis is a tacit knowledge of superior quality that one acquires from the practical

experience, a knowledge that empowers one to make careful and far-sighted decisions and take a suitable and correct action in a particular situation (Eisner, 2002; Nonaka & Toyama, 2007).

Phronesis is not about producing things, it's about value judgment. According to Aristotle, man's highest good is '*happiness*'. Such happiness is '*a life that is composed of virtuous human activities*' and phronesis leads us to such life. Phronesis can be referred to as an intellectual capability that enables us to understand that how we, along with others can reach happiness in our lives. Therefore, in our appreciation of the concept happiness, phronesis assumes a central role (Polansky, 2000).

While talking about phronesis, Aristotle stresses upon two things. Firstly, the political aspect of phronesis and secondly, the societal role in raising individuals of the society. Aristotle argued that the individual wellbeing is actually dependent upon the communal wellbeing. Trowbridge (2006) provided a comprehensive list of 'excellences' required by phronetic individuals, while Aristotle outlines the key ingredients for phronesis to happen. Aristotle states that phronetic individuals should be well raised, they must not only have exposure to, but also have consideration of examples of good people in social circles, well-lived lives, understanding of different situations, experience, intelligence and virtue of character. Phronesis that is deeply rooted in the society becomes significantly important in situations that are conflicting because the experience that is achieved through knowledge and practical wisdom empowers the phronetic people to reach decisions for the common good by looking and thinking beyond the isolated facts and liner logics. It should be noted here that seeking for the common good, one should have a broader vision to look farther than oneself, even one's family or the specific group to which the individual one belongs (Sternberg, 2000).

Phronesis, commonly referred to as practical wisdom, relates to the question that how individuals perform a particular action based on their interpretation of a particular context. Phronesis doesn't aim to present rules, regulations and techniques that are perfect for all circumstances, instead, it stresses on the adjustment and fine tuning of knowledge, particularity of a specific situation. Embodied in character and nurtured in habit, phronesis is usually expressed through a certain set of actions as how the individuals shape themselves in particular circumstances, plan, and perform action. Above all, phronesis is the moral representation of knowledge that not only helps us but also guides us in choosing specific situational features that we wish to act upon (Halverson, 2004).

However, the concept of phronesis cannot be explained without discussing the concept of "knowledge-triad". In their recent paper, Nonaka, Kodama, Hirose, and Kohlbacher (2014) have argued that phronesis is the factor that acts as an enabler of the sparring process of the synthesis of tacit and explicit knowledge. They propose the term "knowledge-triad" for this synthesis of the three types of knowledge. Nonaka et al. (2014) explained this synthesis process as:

"Tacit and explicit knowledge do not lie on the opposite extremes, instead both of these lie on a scale. Sharing of individual's tacit knowledge with another individual result into explicit knowledge and when this explicit knowledge is combined with the other explicit knowledge, it becomes a new explicit knowledge that can be further converted into tacit knowledge of another individual. So, knowledge is created through the continuity of the subsequent conversion process."

As 'value judgments' are already the part of the phronesis, these value judgments can also be incorporated into the knowledge creation process that exists as a result of

synthesis of the three types of knowledge. These value judgments enable the leader to interpret and create meaning about a particular context and grasp the essence of it. In the model of organization, these value judgments are practiced through leadership abilities that not only promote the convergence of the upward spiral of tacit and explicit knowledge, but also enhance the contextual judgment ability of the leader (Nonaka et al., 2014).

### 2.4. Leadership and Phronesis

In today's dynamic world, leaders also need to dynamically evolve because they can no longer stick to the traditional static techniques, practices, and styles. Leaders need to develop wisdom to extemporize their actions so that they are able to reach intended goals particularly when there exists environmental uncertainty. Grint (2007) strongly classifies *phronesis* as an enabler of such leadership actors that are able to perform best even in uncertain situations. According to him,

"Phronesis is something that matures as leader's experience lengthens over a period of time. In addition to technical knowhow (*techné*) and abstract reason (*episteme*), phronesis actually refers to the value-judgments which are central to the concept of leadership."

Development of phronetic leadership abilities help the leaders to make quick and righteous decisions because leaders are able to pick-up lead from previously occurred situation(s), lookout and identify the way to connect it and through wisdom, maturity, experience and finally taking subsequent action that is for the common good (Barge & Fairhurst, 2008).

In leadership practice, phronesis is referred to as the *wisdom* that acts as a guiding light for the leaders so that they are able to build-up and modify structures that enable them to deal with complex and emergent situations. For an account of phronesis, mere

transactional capability of leader is not sufficient. The differentiation between *techné* and *phronesis* can be used here for an explanation of this argument. In organizational context, individuals make use of *techné* to create specific types of products, known as *artifacts*. For example, employee work schedules and incentive systems, these artifacts are the outcome of *techné*. *Phronesis* is actually the competence of leaders to design, modify and make use of these artifacts in such a way that it enables them to effectively reach their intended goals. So, *techné* is the capability to develop specific artifacts whereas *phronesis* is the leadership competence to monitor and supervise the use of these artifacts for the wellbeing of the organization while also keeping in view the context and the outcomes. This shows that *phronesis* of leadership incorporates *techné* in it by deciding that which *techné* to be used in which particular context and how the resulting products can be used for the sake of doing good to the humanity. Without

the true picture of leadership unless *phronesis* – practical wisdom is added into the set. We do not have to restrict leadership to just technical issues and abstractions, without realizing the practical wisdom as an integral part, we are missing out on the conceptual essence. Grint (2007) presented his viewpoint as,

“It should be noted that wisdom without technical knowledge is directionless and this is an important issue because Aristotle is clear in his argument that all three elements i.e. *episteme*, *techné* and *phronesis* are critical; the problem is that we rely often on only *episteme* and *techné*, neglecting the role of *phronesis* which is the only element that can tell us in which direction we should head for. This is important because the etymological roots of the Norse word for ‘Leadership’ – ‘Lead’ imply exactly this direction setting.”

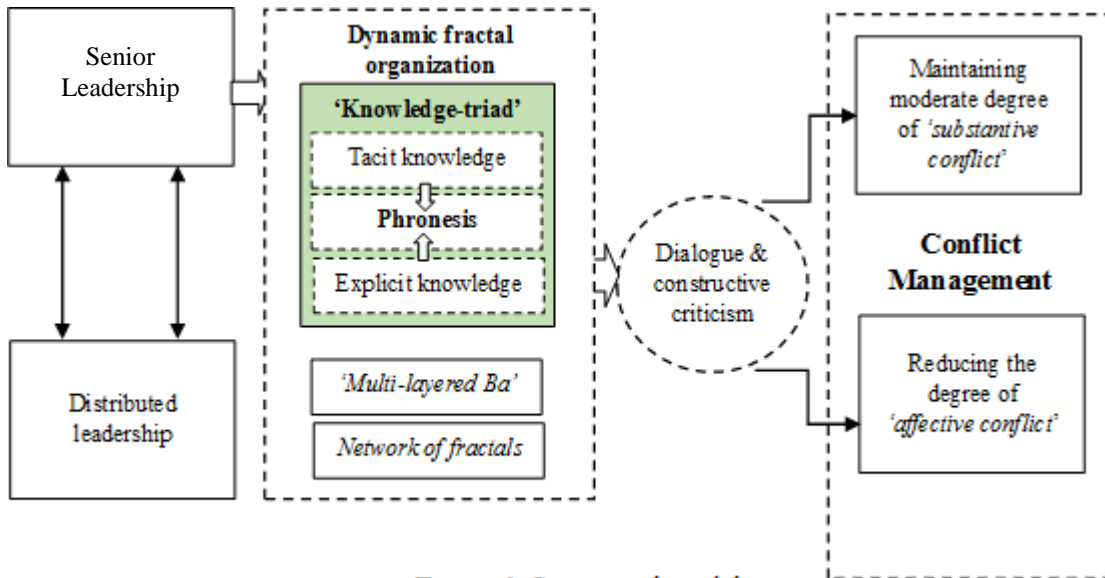


Figure 1. Conceptual model

*phronesis*, leadership is mere an art. It is this practical wisdom that takes leadership to next level, at the level where ‘leadership emerges as a science, having *phronesis* or practical wisdom at the heart of it’. Moreover, Aristotle implies that *episteme* and *techné* are not alone sufficient to represent

If *phronesis* is the competency to find the right answer that serves the need for common good in a specific context, a *phronetic* leader will be the one having this very ability. In the context of knowledge-creating company, Nonaka and Toyama (2007) has identified six factors that repre-



sent a true picture of a ‘phronetic leader’. The first one is the capability to judge ‘goodness’ which refers to the ability to make judgment that what is ‘good’ in a particular context. This ability is embodied in a good man and it nourishes through different life experiences. The second factor is the capability of sharing knowledge with others to create ‘ba’. According to Nonaka and Toyama (2007), ba is the space where knowledge is created, shared and as well as put into action. Individuals who participate in such sharing environment listen to the subject point of views of each other and get involved. A leader should also need to possess such ability to encourage others in being more empathetic and friendly with others so that a knowledge sharing environment can prosper. The third factor is the leader’s capability to correctly grasping the essence of a specific situation. When a particular situation is properly understood and well recognized, it becomes fairly easier to decide that which action should be taken keeping in view the future. Dialogue plays here a key role while interpreting the situation. Fourth factor is the leader’s ability to traverse between the subjective intuition and the objective knowledge. Reconstructing the micro particulars into macro universals and vice-versa requires the capability to conceptualize the ‘micro’ subjective ideas into ‘macro’ concepts and primarily articulating them as a future vision. Fifth factor is the use of political power for the achievement of common good. Political power is ability of the leader to avoid extreme situations and solve conflicts among team members by taking moderate and appropriate actions. Leaders practice political judgment by carefully listening and understanding to the verbal and non-verbal communication of others. The final factor implies that phronesis is embedded and distributed across the organization. This practice enables the organization to nurture such employees that participate actively in ba and thus phronesis is fostered at a more magnified scale (Nonaka & Toyama, 2007).

### 3. Discussion

**Proposed research model 1.** In an organization (knowledge creating company), knowledge is not only created through distributed wisdom of distributed leadership, but also through phronetic leadership of a senior leader.

At the core of distributed leadership is that idea the leadership is not a fixed property of any single individual, instead it’s a property shared by groups of people (Woods, Bennett, Harvey, & Wise, 2004). This statement totally contradicts the premise upon which the concept of centralized leadership is built upon that leadership is limited to a singular personality. However our argument highlights that in addition to ‘distributed wisdom’ a senior leader should also be there in place that exercises phronetic leadership (figure 1). We stress on the existence of such “hybrid” form that we term as ‘phronesis embedded leadership’ because when the superior wisdom, intelligence and the practical experience of the senior leader is communicated and learned by all the team members working in the organization, the knowledge creation process accelerates and turns to be more yielding. For example, Harris and Chapman (2004) investigated the issue of leadership in schools facing challenging circumstances. According to them,

“Distributed leadership though is shared by all the individuals of the organization, is usually created by one leader and in the case of school system, it’s the head-teacher.”

It is the one senior leader who brings about this structural change through a proactive process. In their study, Harris and Chapman (2004) report that the head-teachers pursued to bring about the following actions in their schools:

- a) Distributing the internal authorities through delegating responsibilities among teachers.

- b) Communicating their practical experiences and developing such norms and cultural values that encourage teachers to take risks.
- c) Building social relations with other employees and also motivating others to socialize with each other.

Thus, it is actually the wise senior leader who takes up all the responsibility to effectively play its role in making his practical intelligence and wisdom learned by others across all the organization levels (Harris & Chapman, 2004).

As apparent from above, the phronesis oriented initiatives and practical actions of the senior leader plays a central role in setting possibilities and guiding principles and in enabling resources to be made available to others.

Therefore the following proposition can be presented:

**Proposition 1.** Knowledge creation in an organization is exercised through a ‘hybrid’ form of leadership in which practical wisdom of both a senior leader and from distributed leadership contributes effectively.

**Proposed research model 2.** Leadership that constitutes ‘phronesis’ plays a vital role in conflict management.

Out of many top priorities that leaders have, conflict management is one of the major ones. Leaders structure their organizations in order to avoid or minimize such conflicts that can result in weakening of the organizational performance. However, no matter how powerful measures are undertaken to avoid such situations, conflict do arise at some point of time and once a conflict emerges, the leadership must take appropriate actions to efficiently deal with it (Wall & Callister, 1995). In this case, the practical wisdom of the leadership, primarily attributed as phronesis may play an important role in enhancing the leadership capability to effectively deal with conflict as the development of phronetic leadership

abilities help the leaders to make quick and righteous decisions in dealing with conflict conditions. Leaders do so because they are better able to pick-up lead from previously occurred situation(s), they look out and identify the way to connect it and through wisdom, maturity, experience they finally take subsequent action that is not only for the common good but for the resolution of the conflict as well (Barge & Fairhurst, 2008; Hamlin & Jennings, 2007).

In an organization where distributed leadership exists and in addition to it there is also a senior leader, conflict is dealt by both the leadership streams. Distributed leadership that is in action also needs to admit and deal with the conflict with the same energy as a single senior leader does. Hierarchical approach in which the senior leader plays a greater role in dealing with conflict and collegial approach in which the team members having distributed wisdom (through distributed leadership) work themselves in order to find solution to the conflict through “dialogue” (Woods et al., 2004). In the hierarchical approach, the single leader who is at the top and playing a figurehead role actively engages to balance the conflict. According to Schwartz and Sharpe (2010), such a phronetic leader knows how to improvise under stress situations and reach a balance between in a conflicting situation. He/she knows so because of greater foreseeing ability and accumulated past experience that leads to the development of phronetic ability. Using his ‘phronetic’ ability he deals with the conflict in two phases. Firstly he senses the problem and analyzes it, followed by interference in which he sets the problem and formulates and takes subsequent actions to deal with it. These two phases closely resemble the process of conflict management presented by Rahim (2002).

The distributed leadership embedded with phronesis addresses the conflict through the collegial approach in which the team members engage in dialogue seek ways to effectively deal with the conflict (figure 1). This results in dynamic dialogue sessions

which may resolve conflicts existing at a moderate level over a time.

The following proposition can be presented,

**Proposition 2.** Phronesis is embedded in both hierarchical (senior leader plays a greater role in dealing with conflict) and distributed approach to leadership (among team members) that utilizes adialogic approach towards conflict management

#### 4. Conclusion

Primarily built upon the existing literature, this conceptual study is first of its kind to study the phenomenon of phronesis within the context of leadership and its role-playing in conflict management. The contribution of this research is twofold, firstly it presents the argument that a phronesis embedded leadership comprises the ‘wisdom’ that comes from two main leadership streams i.e. distributed leadership and centralized leadership (in which there is a senior transformational leader that works with the team). Acknowledging the work done by Nonaka and Toyama (2007) in which they have very well described the phenomenon of phronesis and as well as knowledge creation in context of leadership by implying that through distributive leadership this all process effectively takes place, this study conceptualizes that though distributive leadership effectively contributes to knowledge creation that proves fruitful in dealing with conflict, but at least some degree of centralized leadership element should be also there in organization, because without the presence of a figurehead leading the organization, there will not be any way through which leader’s wisdom would get communicated through the organization.

Secondly, not much of the existing literature has focused on relating the phenomenon of leadership with conflict management. Present study steps in with an aim to fill this gap through a unique approach i.e. how this phronesis embedded leadership relates to the phenomenon of conflict management. Alt-

hough the traditional leadership styles may prove effective sometimes in managing the conflicting situations, however based on the argument built-up in the last section, the authors stress that such a leadership that at the heart of which resides “*phronesis*” is more viable in dealing with conflicting situations in organizations.

#### References

- Amason, A. C. (1996). Distinguishing the effects of functional and dysfunctional conflict on strategic decision making: Resolving a paradox for top management teams. *Academy of Management Journal*, 39(1), 123-148.
- Barge, J. K., & Fairhurst, G. T. (2008). Living leadership: A systemic constructionist approach. *Leadership*, 4(3), 227-251.
- Baron, R. A. (1997). Positive effects of conflict: Insights from social cognition. In C. K. W. De Dreu & E. Van de Vliert (Eds.). *Using conflict in organizations* (pp. 177-191). London: Sage Publications.
- Bass, B. M., & Riggio, R. E. (2005). *Transformational leadership*. Mahwah, New Jersey: Psychology Press.
- Birmingham, C. (2004). Phronesis a model for pedagogical reflection. *Journal of Teacher Education*, 55(4), 313-324.
- Burns, J. M. (1978). *Leadership*. Oxford, England: Harper & Row.
- Deutsch, M. (1990). Sixty years of conflict. *International Journal of Conflict Management*, 1(3), 237-263.
- Eisner, E. W. (2002). From episteme to phronesis to artistry in the study and improvement of teaching. *Teaching and Teacher Education*, 18(4), 375-385.
- Follett, M. P. (2011). Constructive conflict. In Mary Godwyn & Jody Hoffer Gittel (Eds.). *Sociology of Organizations: Structures and Relationships* (pp. 417-426). London: Sage Publications.
- Grint, K. (2007). Learning to lead: can Aristotle help us find the road to wisdom? *Leadership*, 3(2), 231.

- Halverson, R. (2004). Accessing, documenting, and communicating practical wisdom: The phronesis of school leadership practice. *American Journal of Education, 111*(1), 90-121.
- Hamlin, A., & Jennings, C. (2007). Leadership and conflict. *Journal of Economic Behavior & Organization, 64*(1), 49-68.
- Harris, A. (2008). Distributed leadership: According to the evidence. *Journal of Educational Administration, 46*(2), 172-188.
- Harris, A., & Chapman, C. (2004). Democratic leadership for school improvement in challenging contexts. In John Macbeath & Lejf Moos (Eds.). *Democratic Learning: The challenge to School Effectiveness* (pp. 164-178). London: Routledge Falmer.
- Hendel, T., Fish, M., & Galon, V. (2005). Leadership style and choice of strategy in conflict management among Israeli nurse managers in general hospitals. *Journal of Nursing Management, 13*(2), 137-146.
- Hotte, R., & Pierre, S. (2002). Leadership and conflict management support in a cooperative telelearning environment. *International Journal on E-learning, 1*(2), 46-59.
- Jehn, K. A. (1995). A multimethod examination of the benefits and detriments of intragroup conflict. *Administrative Science Quarterly, 40*(2), 256-282.
- Kuhnert, K. W., & Lewis, P. (1987). Transactional and transformational leadership: A constructive/developmental analysis. *Academy of Management Review, 12*(4), 648-657.
- Levinson, H. (1980). Power, leadership, and the management of stress. *Professional Psychology, 11*(3), 497.
- Nonaka, I., Kodama, M., Hirose, A., & Kohlbacher, F. (2014). Dynamic fractal organizations for promoting knowledge-based transformation—A new paradigm for organizational theory. *European Management Journal, 32*(1), 137-146.
- Nonaka, I., & Toyama, R. (2007). Strategic management as distributed practical wisdom (phronesis). *Industrial and Corporate Change, 16*(3), 371-394.
- Polansky, R. M. (2000). "Phronesis" on Tour: Cultural Adaptability of Aristotelian Ethical Notions. *Kennedy Institute of Ethics Journal, 10*(4), 323-336.
- Rahim, A., & Bonoma, T. V. (1979). Managing organizational conflict: A model for diagnosis and intervention. *Psychological Reports, 44*(3c), 1323-1344.
- Rahim, M. A. (2002). Toward a theory of managing organizational conflict. *International Journal of Conflict Management, 13*(3), 206-235.
- Roloff, M. E. (1987). Communication and conflict: A roadmap through the literature. In Nancy Burrell, Mike Allen, Barbara Mae Gayle & Raymond W. Preiss (Eds.), *Managing Interpersonal conflict: Advances through Meta-Analysis* (pp. 42-58). New York: Routledge Press.
- Ross, W. D. (Trans.). (1998). *Nicomachean ethics by Aristotle*. Oxford: Oxford University Press.
- Schwartz, B., & Sharpe, K. (2010). *Practical wisdom: The right way to do the right thing*. New York: Penguin.
- Senge, P. M., & Suzuki, J. (1994). *The fifth discipline: The art and practice of the learning organization*. New York: Currency Doubleday.
- Spillane, J. P., Halverson, R., & Diamond, J. B. (2004). Towards a theory of leadership practice: A distributed perspective. *Journal of Curriculum Studies, 36*(1), 3-34.
- Sternberg, R. J. (2000). *Practical intelligence in everyday life*. Cambridge: Cambridge University Press.
- Trowbridge, R. H. (2006). *The scientific approach of wisdom*. Unpublished doctoral dissertation. Retrieved from [www.cop.com/thescientificapproachofwisdom.doc](http://www.cop.com/thescientificapproachofwisdom.doc)

- Van Schijndel, R. J. S., & Burchardi, H. (2007). Bench-to-bedside review: Leadership and conflict management in the intensive care unit. *Critical Care*, 11(6), 234.
- Wall, J. A., & Callister, R. R. (1995). Conflict and its management. *Journal of Management*, 21(3), 515-558.
- Woods, P. A., Bennett, N., Harvey, J. A., & Wise, C. (2004). Variabilities and dualities in distributed leadership findings from a systematic literature review. *Educational Management Administration & Leadership*, 32(4), 439-457.