Conclusions and Discussions

This book asserts that phronesis and actions guided by phronesis have privileged access to the core of reality as is. This book rests mainly on two intellectual sources:


By way of conclusions, we will set out below the summary of our discussions carried out in the book and their implications in practice.

1 Discussions

We attempted to demonstrate that reality’s true nature or quiddity lies in contingency and that excellent managerial decisions would be those that are able: (1) to capture how business situations are according to their true nature, and (2) to turn them into reality. Reality’s true nature is made available through practical reason and the action guided by it.

This demonstration has far-reaching significance:

- First, practical reason has priority over theoretical reason. This is an inversion, made possible through the integration of Izutsu’s thinking, of the Aristotelian scheme that gives precedence to theoretical reason.
- Second, the composition and exercise of practical reason involve other factors such as body, language, emotions and the unconscious, and social interaction. This implies that these factors acquire
metaphysical and business relevance. The importance of these factors for the practice of management cannot be overemphasised.

- Third, the perfection of phronesis takes place in the mind of wise leader. The wise leader is able to perceive business opportunities in their contingent character, make them real (i.e., turn them into necessity), and help others to possess this ability (dissemination of phronesis).
- Fourth, this transformation of a contingent situation into a real one is not just an implementation of something already given and complete in itself. On the contrary, the contingent character of the situation means, primarily, that it still needs to be configured and shaped by action. Phronesis’ judgement-making and subsequent action is more a creation than a simple application. Thus, characteristics of the contingent situation and judgement-making include being open, tentative and so on. Judgement-making is similar to ‘groping in the dark’.

We also concluded that the model of practical rationality following rational choice theory (RCT) is insufficient to explain excellent managerial decision-making. Rational choice theory attributes to practical rationality certain features that are at odds with the understanding of practical rationality advocated here.

Thus, RCT’s process of decision-making has to be objective in that RCT is not only a descriptive, but also a normative, theory of rationality. By such we mean that the object of knowledge and the cognoscent subject are separated, that is, the object is kept at a distance.

As seen in Chapter 2, exemplars of this view are Descartes and later Neopositivist thinkers, and Husserl. ‘Distance’ means here that there is no implication of the subject in the object or, in other words, no traces of the subject can be found in the object. Therefore, emotions (including social emotions), beliefs, traits of character and life experience, are of no avail in yielding rational decisions. Rather, these decisions are hampered by those listed emotions and related conditions. Upon the characteristic of objectivity rest all of other features that we saw as characterising decision-making in RCT: it being analytical (in general, non-intuitive), systematic, calculative.

### 2 Implications in practice

The implications that the findings and discussions of this book may carry are fourfold: (1) renewing business education, (2) fostering of