EMBODIED PHRONETIC PEDAGOGY:

Cultivating ethical and moral capabilities in postgraduate business students

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Abstract

Scholars debate the issue of how to improve Business Ethics Education (BEE) such that it has an impact on managerial practice. We contribute to this discussion by proposing a pedagogy that we denominate *embodied phronesis*. We developed the pedagogy and applied it for over five years at an Australian business school. Embodied phronesis is based on experiential learning and cultivates students' ethical-moral capabilities by integrating normative aspects (a reflection on ethical principles informing decisions); behavioural factors (the role of emotions and pre-conscious reactions in shaping ethical behaviour); and social determinants (a consideration of power relations enabling and constraining ethical practice in organizations). To understand the impact of this pedagogy, we analyze reflective diaries written by postgraduate business students who completed a course designed according to these principles. We find that embodied phronesis enables students to shift from a technical, values-free conception of managerial action to a view of management as ethical and moral practice. Our pedagogy allows students to deal with the complexities inherent in business ethics while simultaneously illustrating that there are not simple answers to the problem 'how to be ethical in a business context'.

Keywords: Ethical Issues, phronesis, Experiential learning, Management competencies, MBA education

INTRODUCTION

Being ethical in business contexts is not just a matter of avoiding dishonest behavior: it involves ethical reasoning, moral sentiments and practical coping capabilities (Park 1998), and requires dealing with psychic struggles, moral dilemmas and collective action issues (Moberg 2006). It has been argued that to address this challenge, Business Ethics Education (BEE) must integrate normative approaches, supporting the purposeful evaluation of alternative courses of action, and behavioral approaches, that help to understand the influences shaping ethical choices (de los Reyes, Kim, & Weaver 2017). Several authors support the use of experiential learning in BEE (Baden 2013; Park 1998; Sims 2004), and this approach seems particularly suited to integrate normative and behavioral ethics. Experiential learning (Godfrey, Illes, & Berry 2005; Kolb & Kolb 2005) involves producing and transferring knowledge through the transformation of experience in relation to a context (Kolb & Kolb 2017).

Regardless of the pedagogy employed to teach business ethics, the challenge of translating classroom learnings into practice should not be underestimated (Fenwick 2005). A factor that limits the impact of BEE on the workplace is considering ethical behavior as the exclusive outcome of an individual pursuit, driven by awareness, decision, intent and courage (Rest 1986). This view is based on some problematic assumptions: the idea that managers are able to objectively assess situations; that they have full agency in making decisions; and that ethical problems have optimal solutions. By contrast, ambiguities, unforeseen consequences, paradoxes and contrasting interests complicate managerial practice. Hence, it is necessary to enrich both educators' and students' understanding of ethical challenges in management, including the consideration of power relations, dominant discourses and ideologies, and of organizational contexts. Also, considering ethical behavior as a collective rather than individual accomplishment draws attention to the importance of relationality, a "moral notion of emotional kinship" (Fotaki & Prasad 2015) that connects us to other actors.

This paper contributes to the discussion on the use of integrated and experiential approaches in BEE (de los Reyes et al. 2017) by conceptualizing business ethics learning as a practical process, which implies character and judgment, and the capacity to engage with power relations through critical questioning, strategic thinking and collective action. We build a case for the necessity of integrated approaches and experiential learning in BEE, and then we describe a pedagogic approach (which we define as *embodied phronesis*) that integrates normative, behavioral and social components of BEE, in a context of experiential learning. Phronesis (Aristotle 2002) refers to the application of practical wisdom in the pursuit of an ideal of virtue but also, in its contemporary interpretation, the analysis of management and organizations focusing on issues of power, problematizing current orders and trends, and questioning their desirability (Flyvbjerg 2001). To exploit the potential of a phronetic approach in BEE, we propose to *embody* it: this means that the capabilities of practical judgment we cultivate in our students are not based on a detached, cerebral calculation, but incorporate emotions and tacit knowledge. Adding feeling to analysis enables decision makers to embrace an ethics of care (Noddings 1984) that we consider essential for authentic stewardship, a concern for a sustainable management of the interests of all stakeholders (including the one caring for others) (Hawk 2011). Our final goal is to understand the processes by which integrated experiential learning can support the development of reflective judgment, a self-oriented (i.e. not determined by external rules) endeavor to 'do the right thing' in a specific practical context (Arendt 1992; Kant 1781 [2000]; Makkreel 2008).

Our focus on reflective judgement is rooted in a logic of practice frame (Sandberg & Tsoukas 2011), which refutes the separability between observer and observed, considering instead the intertwinement between individuals and their environment. Actors are therefore always situated in a specific time and place, and knowing becomes an embodied act which has performative consequences, transforming the world it describes (Tsoukas 2017). Consequently,

we consider truth as a function of the social practices in which people engage, which shifts attention to value judgments aimed at guiding actions and solving problems (Dewey 1938 [1953]). This also implies that power relationships are pervasive and have multiple manifestations: as oppressive and constraining 'power-over', but also as generative and transforming power to do things with others (Arendt 1972; Clegg, Courpasson, & Phillips 2006); as both visible and invisible practice (Fleming & Spicer 2014); and as both emergent and embedded in various forms of political capital (Ocasio, Pozner, & Milner 2020). In line with this emphasis on power, we do not embrace a deductive approach to moral reasoning (i.e. deriving a decision from universal principles applied to the situation); rather, in line with the principles of practical argumentation proposed by Toulmin (1958 [2003]), we stress the importance of assessing the warrants that 'authorize', in moral reasoning, the movement from data to claim, thus paying attention to the importance of context.

Considering at the same time normative principles, behavioral factors and social conditions means exposing students to complexity, in the form of ambiguity, uncertainty and recursivity (Tsoukas 2017). While this reduces the distance between classroom and business practice, it comes at the risk of confusing rather than enlightening learners. Hence, the second purpose of this paper is to empirically investigate a specific research question: are students capable of making sense of this complexification, and how? To answer this question, we examine the reactions of a large cohort of postgraduate students who completed a course designed according to our pedagogy. In particular, we analyze reflective portfolios (diaries) written by students, which record their impressions, reactions and considerations on the learning experience. Our findings lead us to develop a dynamic model of ethical learning as reflective practice. We stress the processual and relational characters of ethical actions, acknowledging that – rather than be treated as the 'algorithmic' application of sets of universal

rules – they are part of a situated learning process, the outcomes of which are mediated by human virtues, but also by embodied habits, collective arrangements and material influences.

Our purpose is to argue for the integration of normative, behavioral and social approaches to BEE, overcoming some limitations of the mainstream models of experiential learning, namely the insufficient attention to: 1) the role of power relations and emotions (Vince 1998), and 2) the tensions between personal and social knowledge (Holman, Pavlica, & Thorpe 1997). Our inquiry reveals effective ways to cope with the additional complexity that integrating ethical principles, moral emotions and political awareness produces which could paralyze learners rather than empower them.

LITERATURE REVIEW

Integrating normative and behavioral approaches in BEE: why and how

Despite its ever increasing success and influence (Iñiguez de Onzoño 2011), business education is the object of multiple critiques. First, there is a misalignment between the content of management education programs and the competencies needed for practical managing and organizing (Mintzberg 2004). Also, the teaching methodologies in business schools, often based on the segmentation of knowledge in discrete packages that can be easily marketed (Parker 2014; Sturdy & Gabriel 2000), are out of sync with the need to professionalize management (Khurana 2007; Trank & Rynes 2003). Consequently, there is insufficient coverage of the practical ethical dilemmas that aspiring managers will encounter in their roles (Ghoshal 2005).

Multiple pedagogical strategies have been developed to teach business ethics (Giacalone & Promislo 2013), but their impact on the ethical perceptions, behavior, or awareness of participants is often unsatisfactory (Waples et al. 2009). Moreover, there is no

consensus on what type of approach to ethics should be taught (Slocum, Rohlfer, & Gonzalez-Canton 2014). In a recent interview-based article (de los Reyes et al. 2017), a panel of prominent business ethicists proposed that, to tackle these challenges, it is necessary to integrate normative and behavioral approaches to ethics.

Normative ethics concerns "the adjudication of what to do in complex ethical choices" (de los Reyes et al. 2017, p. 315) by developing capacity for prescriptive evaluation of action, thus defining how one ought to act. Identifying general decision rules is complicated by the multiplicity of alternative prescriptions proposed by moral philosophers (Hosmer 1995, pp. 396-397 provides an effective summary of these 'first' ethical principles). Besides, individuals might mismatch situations and abstract principles, hold ill-conceived principles (e.g., strict egoism), or incorrectly interpret broad principles, for instance thinking that, since family is important, nepotism is acceptable (Reynolds 2006). Finally, a paradox looms over the provision of strict normative directives: blindly complying with mandated rules would weaken individuals' ability and motivation to exercise moral judgment (Stansbury & Barry 2007).

Ethicists have tried to overcome these problems and contradictions by focusing on the development of moral reasoning capabilities (Kohlberg 1981; Rest 1986), the capacity to recognize the ethical implications of decisions, navigating the ambiguous consequences of the practical application of abstract principles. A limitation of some moral reasoning approaches is the assumption that all ethical decisions are the outcome of deliberate, passionless calculations. This is contrary to empirical evidence that shows that, frequently, moral judgment is based on intuition, followed by a post hoc rationalization produced to justify one's behavior (Haidt 2001). Ethical actions are often performed according to pre-conscious prototypes (Treviño, Weaver, & Reynolds 2006), making ethical behavior the expression of a moral identity (Aquino & Reed 2002) which is constitutive of a person's self-conception and of their social identity.

Ethical action is also based on scripted responses, triggered in particular situations (Treviño et al. 2006), often inscribed in organizational routines (Patriotta & Gruber 2015).

These observations underpin *behavioral ethics* approaches (see Treviño et al. 2006 for a review), which consider ethical behavior as an embodied response, shaped by emotional and social factors. Emotions trigger moral responses, such as guilt (Tangney, Stuewig, & Mashek 2007), gratitude (McCullough, Kilpatrick, Emmons, & Larson 2001), or disgust (Schnall, Haidt, Clore, & Jordan 2008; Tangney et al. 2007), which operate as forms of tacit knowledge (Polanyi 1966) on how to preserve social cohesion, for instance by activating a "morality of sympathy" (Tomasello 2016).

Normative and behavioral approaches to BEE are not necessarily conflicting. One possible way to achieve integration is by means of a "map-and-car model" (de los Reyes et al. 2017, p. 328), in which normative ethics sets goals and defines boundaries to acceptable action, while behavioral approaches are used to develop effective means, acknowledging biases and influences that shape moral decisions. In practice, knowledge of "human psychology [tells] us how to motivate people to act as the normative premise prescribes" (de los Reyes et al. 2017, p. 323).

This "clean division of labor" (de los Reyes et al. 2017, p. 329) is appealing, but ethical actions are not simply clear cut strategic choices that can be effectively implemented. A "spaghetti model" (de los Reyes et al. 2017, p. 329) offers an alternative approach. The spaghetti image conveys the notion of the intertwinement of cognitive and emotional dimensions, and their co-location within a particular sociomaterial context that contributes to shaping learners' character. This model implies 'complexifying' (Tsoukas 2017) BEE by connecting different aspects of human experience: emotions and rationality, abstract principles and contextual conditions, organizational and discursive influences. It also implies combining

tacit and explicit knowledge (Moberg 2006), and considering organizational and work team influences (Baker 2014) by employing immersive, practice-oriented approaches such as *experiential learning* (de los Reyes et al. 2017).

A rich literature considers the potential of experiential learning for business education (see Kayes 2002 for a review). Founded on the idea that "learning is the process whereby knowledge is created through the transformation of experience" (Kolb 1984, p. 26), experiential learning involves four phases which are interconnected in an iterative process: concrete experience, reflective observation, abstract conceptualization and active experimentation (Kolb 1984). The interaction between different phases is essential: having an experience is insufficient to produce learning if it is not transformed into a conceptual interpretation and then acted upon in the real world (Ng, Van Dyne, & Ang 2009). Learners are thus considered as reflective practitioners who build up a repertoire of ideas, examples and actions that they can draw upon while experimenting with concrete situations (Schön 1983). The focus on experience does not imply that individual learning happens in isolation; rather, it is framed by existing social knowledge, incorporating both tacit and explicit knowledge (Kayes 2002). The institutional learning environment plays a role, interacting with individual learning styles (Kolb & Kolb 2005). Experiential learning is instrumental in promoting a synthesis of theory and practice, rigor and relevance (Berggren & Söderlund 2011), helping learners to deconstruct the structures that embed their social environments (Raelin 2007). In this way it can also enhance the capacity to critically reflect on the lived experience, considering alternatives and challenging the inevitability of the status quo (Antonacopoulou 2010).

A number of approaches that incorporate experiential learning have been proposed that attempt to combine normative and behavioral approaches to ethics education. Some authors advocate leveraging both emotions and rationality by using narrative methods, such as reading novels (Michaelson 2016) or watching theatre (Kostera & Kozminski 2001). Fotaki and Prasad

(2015) recommend the use of experiential and participatory methods in order to highlight the importance of answerability (i.e. the capacity to justify one's act to a relevant moral community) and relationality (i.e. the moral notion of emotional kinship between self and the other). Other authors highlight the combined effects of multiple factors (e.g. institutional reinforcement, service activities, experiential challenges) that operate across the university experience and that might include external socio-cultural factors in shaping the moral development of students (Crossan, Mazutis, Seijts, & Gandz 2013; Hanson & Moore 2014; Hanson et al. 2017). A pedagogy that is aligned with this model is 'Giving Voice to Values' (Arce & Gentile 2015), a method that presents to learners case scenarios, conceived as thought experiments. Students must put themselves in the shoes of agents who have already determined the 'right' decisions, and must determine effective courses of action to implement these decisions, identifying arguments and relational levers that can be used to this end. This method builds upon a normative "foundation of Awareness and Analysis" (Arce & Gentile 2015, p. 538), but focuses on developing behavioral, character-like traits that will help students to respond to ethical dilemmas in the workplace (de los Reyes et al. 2017).

The need for a power and context-sensitive integrated approach

Despite their potential, integrated models based on experiential learning might not suffice. In real conditions, outside the safety of a classroom (Baker 2014; Hanson & Moore 2014), full decisional agency in the face of business ethics issues cannot be taken-for-granted, especially in organizational contexts that are non-conducive to ethical behavior (Moberg 2006). Agency involves making judgments regarding alternative choices (Emirbayer & Mische 1998): as such it incorporates an evaluative element, but also a capacity to act creatively, which is contingent on power relations (Sewell 1992). Ethical challenges are often experienced by managers in the context of contradictory requirements (for instance, due diligence as stewards of shareholders' interests, versus duty of care towards junior colleagues). This further stresses the importance

of agency, since coping with paradoxical demands in presence of oppressive power conditions engenders pragmatic paradoxes, which entrap individuals in a pathological relationship (Berti & Simpson 2020a, 2020b).

Moral deliberation, "the capacity to generate responsibility and motivation to take moral action in the face of adversity" (Hannah, Avolio, & May 2011, p. 665), incorporates not only moral ownership, efficacy and courage (Hannah et al. 2011) but also the capacity to strategically plot a 'virtuous' course while being aware of the power dynamics organizational actors face (Cunha, Clegg, & Rego 2013). This involves navigating underlying tensions between different obligations (Weber 1994) that are "inextricably linked with power relations" (Clegg, Kornberger, & Rhodes 2007, p. 118), since power shapes ethical practices.

Management ethics is affected both by explicit power-plays (of the type explored by the 'Giving Voice to Values' method) and by implicit forms of influences, that are embedded in social structures (Hardy & Clegg 1996), supported by dominant discourses and prevailing technologies (Clegg 1989) that shape identities and rationality (Fleming & Spicer 2014; Foucault 1977). In particular, the taken-for-granted principles of managerialism (Clegg 2014; Locke & Spender 2011), which emphasize the primacy of management, treating employees as expendable/replaceable resources subject to constant surveillance (Boje & Al Arkoubi 2009; Deem & Brehony 2005), have a pivotal role in shaping organizational decisions. The discourse of managerialism orients managers "toward the solution of technical problems" (Habermas 1987, p. 103), treating ends as given (MacIntyre 2007). For instance, cost saving measures (such as workforce downsizing, casualization, offshoring) are presented as technical necessities, discursively justifying them by using metaphors such as 'trimming fat' (Dunford & Palmer 1996), creating a context in which concerns for fellow humans are expunged as unwarranted sentimentalism.

In such contexts, it is unsurprising that individual managers fail to consider the ethical implications of their decisions, performing actions that are inconsistent with their actual beliefs while maintaining "erroneously positive perceptions" of their morality (Bazerman & Tenbrunsel 2011, p. 62). These frameworks also directly impair moral deliberation capabilities, causing ethical blindness, a "temporary inability of a decision maker to see the ethical dimension of a decision at stake" (Palazzo, Krings, & Hoffrage 2012, p. 325), and ethical muteness (Bird & Waters 1989), a reluctance to describe actions in moral terms, even when they are formulated in response to normative expectations (e.g. 'we must proceed with this restructuring because it is our duty to maximize shareholders returns').

Additional challenges derive from the nature of the problems that are the object of managerial decisions. Ethical issues often manifest as 'wicked' problems (Dentoni, Bitzer, & Schouten 2018; Rittel & Webber 1973), situations characterized by ambiguous and uncertain settings and conflicting stakeholders' interpretations. Wicked problems often have paradoxical implications, since they imply considering persistent interdependent contradictions (Schad & Bansal 2018) that cannot be resolved but only navigated (Smith & Lewis 2011).

The complexity of ethical challenges combined with the presence of power dynamics shaping possibilities for moral deliberation and action can only be tackled in practice. Thus business ethics becomes "an ongoing process of debate and contestation (…) circumscribed by organizational rules, norms and discourses" (Clegg et al. 2007, pp. 107-108), inter-mediated by tools and artefacts, and situated in a specific context (Gherardi & Rodeschini 2016). Practices are often opaque to practitioners, who take them for granted, mastering them by means of embodied, tacit knowledge (Polanyi 1966). To reveal them it is necessary to create a temporary breakdown (Sandberg & Tsoukas 2011) which disrupts the practical 'reality' in which practitioners are absorbed. Thus, experiential learning can be employed to show students that

some taken-for-granted notions such as the 'technical' and 'impersonal' character of managerial decisions are in reality fraught with political and ethical implications.

These considerations further support the adoption of integrated, experiential approaches in BEE, but also stress the necessity of 'empowering' the reflective and experimental components of the learning cycle, considering both innate and socially constructed prejudices that shape students' decisions. We therefore expand the above-mentioned 'spaghetti' model, which acknowledges the entanglement of embodied/ reflexive and rational/ normative aspects of ethics (de los Reyes et al. 2017). In particular we add a 'sauce', an awareness of and a capacity to cope with power relations and social contingencies, to the 'pasta' of the model.

Another benefit of our approach is that, by incorporating the role of power and context, it can address some limitations of Kolb's model of experiential learning. First, the model assumes learners' agency, their willingness to learn from direct experience, and their capacity to reflect on it. However power relationships intrinsic to the learning environment and the broader society shape subjectivities and sense of reality, and both positive and negative emotions shape learning capabilities (Vince 1998). Second, Kolb's model underplays the role of the social and institutional context in which learning takes place. Social context constraints possible reactions and makes learning an argumentative and rhetorical process (Holman et al. 1997). An example of social influences on ethics is the pivotal role that perceived peer behavior, together with institutional commitment towards integrity, plays in determining business students' proclivity to academic dishonesty (McCabe, Butterfield, & Treviño 2006).

Critically exposing dominant discourses can be controversial. While we agree with Fotaki and Prasad (2015) that it is necessary to question neoliberal capitalism in the business classroom, we are also aware our audience may construe criticism of inequality only as a partisan political opinion. Even if they embrace our criticism, they might feel daunted by the

perspective of challenging a powerful establishment (Kayes 2002). To address this problem, we must introduce another principle that can be used to 'cautiously' build ethical capacity in future managers: phronesis.

The potential of embodied phronesis in BEE

Phronesis

Aristotle's practical wisdom or phronesis (Aristotle 2002; Flyvbjerg 2001) is a form of knowledge to be distinguished from technical, instrumental and context dependent rationality (techne), and analytical, context independent rationality (episteme). Phronesis implies critically reflecting on one's actions and intentions (Antonacopoulou 2010) while figuring how to achieve desired results (Michaelson 2016). The focus on practical application is coherent with a *virtue ethics* approach that considers ethics as a trait of character (Audi 2012) and requires accounting for the ethically salient features of a situation (Hartman 2006).

Flyvbjerg (1998, 2001) introduced the concept of phronesis in contemporary social science, presenting it as an approach that "emphasizes practical knowledge and practical ethics" (Flyvbjerg 2004, p. 401), with the specific intent to arrive at social and political sciences that effectively deal with deliberation, judgment and praxis ..." (Flyvbjerg 2001, p. 196), by asking questions such as: "Where are we going? Who gains and who loses, and by which mechanisms of power? Is this development desirable? What, if anything, should we do about it?" (Flyvbjerg 2004, p. 405). This contemporary take on phronesis explicitly investigates the power dynamics that underlie social phenomena (including management choices) and questions the ways in which power shapes knowledge (Foucault 1977).

Applications of Phronesis in Business Education

Kemmis' work on Aristotle's dispositions (2012) helps to situate the potential of phronesis in business education, by emphasizing the connection between knowledge and action in the power-saturated contests of management practice. A phronetic approach brings attention to *praxis*, meaningful action in a given context, enabling consideration of the impact of behavior on the collective welfare, instead of being merely focused on what is good for the individual (Kemmis 2012).

Several authors have proposed the use of phronesis in business education to develop critical pedagogies, applying it to the MBA curriculum (Antonacopoulou 2010), international business (Śliwa & Cairns 2009), ethics education (Jarvis & Logue 2016) and strategy (Clegg, Jarvis, & Pitsis 2013). The discriminating factor that distinguishes phronetic approaches is a commitment to critiquing and questioning the taken-for-granted assumptions that are embedded in organizational practice and theory, and reflecting not just on the 'how' and 'what', but also on 'why' and 'to what effect' issues (Śliwa & Cairns 2009). Such an approach challenges taken-for-granted assumptions about the purposes of business (Parker, Jones, & ten Bos 2005). For example, a pedagogy such as 'Giving Voice to Values' (Arce & Gentile 2015), is coherent with a phronetic approach, provided that sufficient attention is given to the principles that act as implicit, invisible warrants (Toulmin 1958 [2003]) that frame and ground moral reasoning. One assumption that must be always questioned is the presupposition that individuals have full agency in making choices or in navigating contradictions (Berti & Simpson 2020a). Other alternative pedagogical approaches that could raise students' ethical awareness are those based on Service-learning (Kenworthy-U'Ren 2008; Steiner & Watson 2006), Sustainable Enterprises/Integrated Economic Ethics (Ulrich & Fearns 2008), and forms of Stakeholder Democracy (Ferreras 2017).

Despite the potential of phronetic approaches there is the risk that reflection on political and social implications turns into an abstract, ideologically-driven assessment. In contrast, it is important that practical judgment is not seen as the result of a detached, cerebral calculation, but incorporates emotions and tacit knowledge. For this reason, our pedagogy stresses the 'embodied' character of phronesis.

Embodied phronesis

Embodied phronesis, as a method to facilitate learning in BEE, includes three features: (1) commitment to critiquing and questioning the taken-for-granted assumptions that are embedded in organizational practice and theory, foregrounding of the role of power and discourse; (2) seeing moral judgement as not exclusively based on a detached, cerebral calculation, but incorporating emotions and tacit knowledge; (3) nurturing the capacity to devise concrete strategies aimed at maximizing the wellbeing of all the parties to a relationship, and managing the tensions that derive from dealing with multiple stakeholders (Burton & Dunn 2005). Embodied phronesis thus integrates normative and behavioral factors with social determinants (see Fig. 1) to enrich students' understanding of moral challenges and actions, integrating (Roberts & Wood 2007) and synthesizing (Kristjánsson 2010) both justice-based emotions and moral judgements as means to regulate direction (Zagzebski 1996). As such, embodied phronesis enriches BEE in the three ways described in the following subsections.

Insert Fig 1 About Here

Normative direction. Embodied phronesis is informed by general normative principles inspired by Aristotelian virtue ethics: avoid undeserved harm and preserve dignity (Aristotle 2002). An exclusive emphasis on virtue as a normative principle could suggest an overly heroic, muscular and masculine view of ethics (as betrayed by 'virtue' etymological root, *vir*, Latin for

man). We thus propose to counterbalance the normative/practical dimension with a normative/behavioral one, drawing from a feminist informed *ethics of care* perspective (Burton & Dunn 2005; Giacalone & Promislo 2013; Noddings 1984). Ethics of care recognizes the centrality of relations and of feelings of empathy and compassion, considering the effort to improve the situation of those who are in need of care as the compass of moral action (Noddings 1984). This perspective highlights the importance of relationality (Gergen 2009; Thayer-Bacon 2002), the idea that relations are constitutive of individual identity and knowledge. If phronetic inquiry were exclusively guided by a self-centered, 'heroic' and machist conception of *vir*tue, it could degenerate into a nihilist, destructive form of 'dissidence'. Incensed by injustices caused by the status quo students might decide to fight or reject 'the system' entirely. Yet, our purpose is not to dissuade them from becoming managers, but rather to make them more ethical ones. Hence, we emphasize the importance of fostering relations, caring for others and fulfilling stewardship duties, which is encapsulated in the ethics of care approach we put at the center of our pedagogy (Fig.1). An ethic of care embraces the concrete, the contextual, the person as embodied and affective, and the public and private as fundamentally integrated.

Emotional components. Aristotle sees moral emotion, such as outrage at injustices (Kristjánsson 2015), as an essential component of practical wisdom, understood as a balancing of the demands of head and heart (Kristjánsson 2007). Embodied phronesis foregrounds the role of emotions and pre-conscious reactions in shaping ethical behavior, bringing attention to the importance of empathy, nurturing and compassion. Stimulating emotional reactions to the experience of unfairness and injustice is not just a way to make ethical challenges, which are intrinsic to management, salient for learners, but also an opportunity to stimulate reflection on the role of conditioned responses and acquired habits in guiding behavior.

Practice and power dynamics. By addressing power dynamics, we add a practice-oriented perspective that is often missing in current approaches to teaching ethics. We consider the role of power in its multiple faces and dimensions, both explicit and implicit (Fleming & Spicer 2014). In particular, we distinguish our approach from courses that emphasize application of tools/techniques such as mission and values statements, stakeholder consultation, risk analysis, and codes of conduct. These approaches are not without merit, but often foreclose discussions on taken-for-granted assumptions, which are based in power inequality (e.g., an entrenched primacy of shareholder agency), and instrumental thinking (Parker et al. 2005).

RESEARCH OBJECT AND METHOD

Just as a too rich sauce can be indigestible, so too can awareness of power relationships and social contingencies be overwhelming for students interacting with the complexities of BEE. For instance, becoming aware of the trade-offs between the interests of different stakeholders in face of corporate restructuring might lead to open ended, undisciplined discussion that could paradoxically be "tied up neatly […] only with gross oversimplifications" (de los Reyes et al. 2017, p. 330). Therefore, it is imperative to better understand how students react to the 'complexified' BEE we propose. By looking at students' reaction to a course designed according to 'embodied phronesis' principles, we investigate the learning processes triggered by the combination of normative principles, behavioral approaches and awareness of political and social dynamics.

Object of study: the course

The twelve weeks course has been a core component of the postgraduate management curriculum in an Australian business school since 2015. In order to address the mandate to make our students 'work ready', we seek to cultivate their capacity to make, defend and be accountable for their judgements and actions in relation to moral challenges connected with

management and leadership, whilst being aware of the role of contextual conditions. In sum, the course intent is demonstrating that moral accountability is an inherent component of managing and leading.

The course has been delivered for 9 teaching terms, across 5 years, involving more than 1500 postgraduate students, with its methodology and content being refined over the years, based on students' and peers' feedback. Students are both Australian and international; and about 50% of them have significant work experience (including managerial roles). The structure of our course closely resembles a traditional experiential learning model[1]: each week, in tutorial classes, an expert instructor guides the class in a different experiential challenge, which is then debriefed and discussed, giving specific attention to dynamics of power, both as constraining and enabling factors, distinguishing power-over others and power-to act in concert with others (Gőhler 2009). In this way, we help students understand how power constrains possibilities for ethical action, both in its overt manifestation as direct coercion or social structure enabled domination, and in its implicit forms, manipulating decisions and regulating identities (Fleming & Spicer 2014). At the same time, we stimulate students to plot practical strategies that – considering the specific context in which they are situated and taking into account feedback from others – support the implementation of conditions that facilitate ethical action. Typically, the learnings from one week are applied by learners in the following, as they experience a new 'challenge'. The critical reflection on taken-for-granted elements and the foregrounding of power conditions encapsulate the 'phronetic' component of the methodology. The emotional engagement deriving from the 'lived' experiences, together with the focus on stewardship and relationality, constitute its 'embodied' aspect.

[1] A figure providing a comprehensive view of embodied phronesis as an experimental learning pedagogy is available from the authors upon request.

Each iteration of experience, abstraction, reflection and experimenting also specifically aims at complexifying learners' understanding of the moral implications of management, with the intent to develop moral imagination, the ability to question mental frameworks to discover new viable possibilities (Werhane 1999), and to purposefully deliberate about how best to live (Kekes 2006). At the same time students are invited to avoid common alibis, such as justifying action with a version of the infamous Eichmann's defense (Arendt, 1963 [1994]): 'I was just following orders'.

Coherently with the iterative and processual nature of experiential learnings, these four components do not follow each other in a neat temporal sequence but interact through multiple back-and-forths between experience, abstraction, reflection and experimentation. The variety of experiences to which students are exposed to is aimed to prevent them from approaching these as routines and to 'surprise' them with new ideas and challenges to their taken-for-granted understanding of management practice[2].

Analyzing students' reactions and reflections: a qualitative methodology

To investigate students' reactions to the course, we employed a qualitative method, based on a narrative approach. This implies collecting and analyzing the stories, ordered sequences unfolding over time, that actors (in our case, students) use to account their attempts at making sense of their experiences (Boje 2001; Rhodes & Brown 2005). In particular, we wanted to understand how this sensemaking process unfolded at the beginning, during, and at the end of the course. We applied three different analytical techniques (theme analysis, textual data mining and inducing sensemaking processes) to understand the way in which students

[2] A table providing in depth details about the course and course activities and materials is available from the authors upon request.

interpreted and assimilated the complex tapestry of intellectual and emotional inputs they received during their learning experience.

Research data is provided by the students' reflections, as captured in their reflective diaries. These texts, approximatively 6 pages long, are a sort of learning portfolio (Scott 2010), comprising three sections that are written by students (being an obligatory assignment) at separate points in time. In the pre-course reflection (PRE), students are asked to describe their main assumptions about and reflect on the key concerns or tensions associated with managing, leading and stewardship. In the mid-section (MID) of the diary, prepared after 6 weeks, students are asked to reflect on how well their existing knowledge is working in their everyday practice, and what needs to change in terms of their thinking and practice, on the basis of topics and experiences provided in the course so far. In the post-course reflection (POST) students integrate and extend the considerations made in their mid-reflection, and outline a commitment to realistic individual action-guiding principles, providing concrete examples of how they plan to apply these in their work practice. Since the course commenced in 2015, over 1500 reflective diaries have been completed.

Theme analysis: identifying recurrent themes

We employed NVivo to perform the first analytic technique, aimed at identifying key themes. The purpose of this analysis was to gain insight into students' thought processes, affects, and associations related to their learning experiences (Baden 2014). The analysis provided a first level of abstraction from our rich dataset. We focused on a cross section of students' reflective diaries submitted in 2015 and 2016, including twenty diaries totaling 141 pages. Two of the four authors chose ten of the diaries submitted, and ten diaries were randomly selected to offset bias.

The analysis included independent identification of themes, followed by comparison and discussion of the results, with any disagreement leading to a joint review of the entries to settle any discrepancies. As a result, a list of key themes represented in the 20 diaries across the three sections of the diary was generated. Examples of key themes included: the nature and role of managers and leaders; management as a key organizational function; stewardship as a new concept; the nature and aims of organizations and their role in society; employees and their relations to managers; nature of management decisions; ethical issues and tensions.

Textual data mining: elaborating themes and their connections

To study in further depth the transitions in students' views revealed by the theme analysis, we applied a logic of purposeful sampling to identify "information-rich cases for in-depth study" (Patton 2015, p. 264), selecting 100 of the highest marked diaries (hence, the most articulate works) in the period 2016-2018 (over 600 pages of written reflections). To decipher and visualize the structure of these complex textual data we employed a textual data mining software (Leximancer 4.0). The underlying assumption of the software is that words are defined by the context within which they occur, and words that co-occur reflect concept categories with specific meanings. Leximancer applies a Bayesian learning algorithm to identify: (1) the most frequently used concepts within a body of text and (2) the relationships between these concepts. Accordingly, Leximancer extracts the main concepts of the text by identifying keywords, then groups the keywords that describe an idea and occur in close proximity (Constantinou & Kuys 2013). Machine-based concept identification exhibits close agreement with expert judgment, making it suitable for sophisticated exploratory research, as it exhibits high reliability and reproducibility of concept extractions and thematic clustering (Campbell, Pitt, Parent, & Berthon 2011; Rooney 2005).

Leximancer first generates a thesaurus of words that are closely related to a concept, i.e. a collection of words that carry related meaning (Campbell et al. 2011). Relationships between concepts are then identified and aggregated into themes, represented as circles, creating 'maps of meaning'. The importance of a theme is shown through the size of its circle, which is proportional to the number of concepts that have been clustered together. The distance between concepts circles shows how closely the concepts are related: the closer the circles the stronger the semantic relationship between concepts (Campbell et al. 2011; Rooney 2005). In order to 'clean' the list of concepts generated by the software, we adopted the standard practice for Leximancer (Letch 2012) of merging similar concepts (e.g. managing and management, organizing and organizations) and removing irrelevant concepts (e.g. the name of the course).

Inducing sensemaking processes

In order to explore what processes enabled the changes in key concepts and their relations revealed by the textual data mining, we also examined the content of individual journal entries. Using the first sample of 20 student diaries, we moved back and forth between the data and literature to interpret the results (Orton 1997). Two of the authors read through the selected diaries coding passages in the diaries in which students were making sense of learning (and work) experiences as they progressed from PRE to MID to POST reflections, focusing on passages revealing shifts in perspectives, struggles in dealing with ethical tensions, and descriptions of planned or current actions. This led to the grouping of diary excerpts and refining them analytically into higher-order categories while continuing to make connections to the literature and our research question. The two authors met repeatedly to discuss the codes and categories, resolving interpretation discrepancies by discussing the texts. In the final step, we identified the sensemaking processes that unfolded over the narrative sequence (PRE, MID and POST) presented in the diaries (Kothiyal, Bell, & Clarke 2018).

FINDINGS

Theme analysis findings.

As we reviewed the three sections of the diaries, we noticed how key themes discussed in students' MID and POST reflections changed to include a much higher consideration of context, personal values, emotions, power and social relations in comparison to the pre-reflections. For example[3], in PRE, a view of management as instrumental and being in control was expressed, and a belief in the separation between management and employee work:

> "My main assumptions regarding managing, leading, stewardship is heavily influenced by my current role in HR. I perceive the management and employee relationship as, us vs them mentality. I have always believed that management and employees were on completely different levels in which management had power over lower levels. My understanding and experience of managing is ensuring employees have the right tools for productivity to achieve business outcomes. Managers implement the solutions and employees simply follow. I have always believed, 'what managers say is always right ethically, morally or legally'."

There was also a belief that managers and organizations are responsible for achieving profit independent of the means for doing so, and that a manager cannot be accountable for multiple goals:

> "Prior to the start of the course [] I believed a manager is responsible for the achievement of company objectives regardless of the perceived integrity of the task. Therefore, in some cases a manager could not also act as a steward."

The role of managers and leaders was seen as clearly cut, focused on instrumental goals. Students expected that the course would reinforce many of the above beliefs and will provide them with techniques on how to be more effective as a manager or a leader:

> "I am expecting to learn some practical theories on different forms of management and how it can be used to get the most out of different types of

[3] We chose these exemplary quotes as representative of the prevalent sentiments expressed in our sample of reflective diaries.

> people. As everyone has unique personalities and comes from different backgrounds, I think there will be several methods to address this."

In MID, a perception shift is noticeable: students often described their experience as a "revelation", allowing a more nuanced understanding. Difficult feelings were expressed (e.g. 'heart sinking' in the engagement of learning in the role plays). Shift in beliefs on leadership practice was expressed, taking up notions of emotional intelligence and stakeholder concerns:

> "What I found to be common sense, was evidently not in traditional business practice, and extensive academic research lends support to this. For instance, Freeman et al (2004) and their Stakeholder Theory presented a eureka moment for me." (P10)
>
> "After reflecting on different scenarios with the class, my perspective changed ……. I learnt it comes down to a personal choice. Taking part in unethical practices and breaking away from the culture could be easy for some and not for others. It is determined by what the individual is driven by. As a leader I can only guide them in the right direction, which made me ponder my actions. I learnt that my workplace was run by destructive leadership and ethical blindness and I felt anxious going to work each day. I began to make my own choices but this backfired with much resistance from management."

A shift in understanding of the role of a manager/leader was common. Students were revisiting earlier definitions and how these affected their own leadership practices:

> "I believe [that] a manager can be emotionally intelligent when making decisions whilst reading the signs; stimuli such as nonverbal communication, aggression, fear, happiness, thoughtfulness and sincerity, all allow for the best possible outcome. [It is about] understanding stakeholder concerns as opposed to my original view of leadership being a transactional approach. [] taking an approach that a manager cannot be the friend of all staff but they can show that they care for all staff. This simple change can quickly and significantly change dynamics and it is one I have started to implement in my own workplace."

In POST, students were reflecting on how their perspectives have widened, enabling them to analyze issues in practice from multiple perspectives:

> "…the [course] has taught me to evaluate a given problem using multiple perspectives, multiple organisational theories as each theory has its assumptions, and each assumption will lead to a different solution. I have learned to question what is taken-for-granted, to think critically. [The course] highlighted the importance to think in a pluralist way, hence seeking long-term well-being and avoiding injustice and undeserved harm."

They also reported on revisiting their original views and assumptions and changing their understandings:

> "I have learnt there is nothing to be scared about power. Moving forward, when I attain power, I will use it to inspire future leaders and restrain from negativity. Although I lack experience in very complex decision making I can only prepare myself the best I can. It seems absurd to assist employees in complex situations having never experienced certain issues. As a leader I can only encourage employees to make a decision they are comfortable with."

Textual data mining findings.

Fig. 2 show the key themes as identified in the PRE, MID and POST student reflections.

Insert Fig 2 About Here

The analysis of these concept maps allowed us to identify 8 major trends (Tab.1). These trends reveal a general complexification of the narrative frames employed by students to describe and make sense of their experiences, with an increased understanding of the social dynamics that characterize organizations, and a renewed focus on relations, human values, community and stewardship responsibilities.

Insert Tab 1 About Here

Inducing sensemaking processes

This last step in the analysis led to the abstraction of three key processes through which students made sense of the introduced complexity: 1) emotional involvement; 2) contextualized deliberation and 3) self-awareness and reflexivity. In describing how these three processes unfold in the overall learning process we follow again the time sequence of students' reflections (PRE, MID and POST). We also note how these different processes assume different relevance (i.e. they are more or less emphasized in students' accounts) in the three moments of reflection (see Appendix for a selection of relevant quotes from the diaries).

Pre-course reflections.

At the start of the course, students show a general openness and willingness to have their assumptions challenged, noting that their understanding of management and leadership may be subject to questioning and shifting. The stated purpose of the course opens questions and possibilities (for instance a challenge to the idea that management involves technical, rather than ethical judgment). This openness comes with a cost, expressed in the form of doubt and skepticism about the ability to achieve better ways of engaging in business.

The common belief that managers instruct (and manipulate) employees, reducing them to passive 'followers', is associated with a feeling of powerlessness. This is coupled with expressed admiration for managers who are perceived as 'authentic'. Conversely, the individual and structural barriers to the achievement of authentic leadership are perceived as a source of emotional distress and ethical predicaments. Power relations are usually construed as a source of tension and emotional discomfort, and, especially through disempowerment and voicelessness, as a major influence in the manifestation of ethical tensions in the workplace. Tensions and alignments between theory and practice are pivotal in developing the ability to apply knowledge in a way consistent with personal beliefs and ethics. The existence of incompatible value systems in the workplace, also manifested in different personal values and priorities, is often identified as a major challenge and a source of doubt and lack of confidence.

Mid-course reflections.

By mid-course students begin to demonstrate an increased awareness of how ethical concepts apply to their life and work. Course content is perceived as "challenging and demanding" (intellectually, but also in relation to the investigation of personal values) but also rewarding. Students highlight the disparity between what is assumed as "common sense" and what takes place in the business world. The role of trust, in particular, is viewed as a significant

factor in facilitating ethical decision-making as opposed to compliance or regulatory requirements. Trust also presupposes relationality, i.e. considering "the other person is not an object to use and manipulate, but a living being who can be present to us in a reciprocal relationship" (Govier 1998, p. 24).

Role playing of specific scenarios/dilemmas assumes both a cathartic and confronting function, shifting perceptions of management and leadership. While some experiences are seen as "contentious", students acknowledge these allowed them to reframe their personal experiences and beliefs, applying knowledge to conflicted and ambiguous terrain. Role-play experiences are constantly referred to in students' reflections as pivotal moments, which allow a profound shift in their perspectives, enabling a nuanced articulation of the emotional and ethical implications of difficult decisions making (for instance the issue of dissociation from blame). In particular, emotional reactions and the power of empathy become highlighted in these learning experiences: students refer to embarrassment, and passion, as they engage in the simulations. This is in line with the idea that empathy is central to moral development (Hoffman 2001). This leads to a reported shift in students' understanding of leadership practice, opening their views up to be more receptive of ideas of emotional intelligence and multiple stakeholder concerns as opposed to the managerialist orientation that dominated their PRE reflection.

These MID reflections also highlight students' direct experience of unethical practices and behaviors in their current workplace. Thus, the embodied awareness of ethical tensions acquired in class through simulation and reflection instigate a desire of becoming more inquisitive and critical in the examination of their lived reality. At this stage the emphasis appears to be on individual agency: practices are viewed as determined by "personal choice", with the consequence that students feel a degree of antagonism and anxiety, deriving from the perceived difficulty in resisting some unethical but widespread practices (e.g., not showing

reciprocity in the relationship with employees, who are first asked to put all their best energies and emotional commitment on the job and are then treated as disposable tools in order to pursue short-term economic gains).

In the process, multiple doubts and fragility are present. Students express concern about the concrete applicability of ethical principles in practice due to limitations and constraints experienced in their current employment, in particular because of a sense of being "voiceless". The necessity to balance multiple stakeholders' interests and needs is also seen as both a challenge (juggling contraposed interests) and an opportunity (gaining alliances).

These shifts are largely enabled by the collective nature of experiential learning activities with students reflecting that the need to provide critical feedback and receiving feedback from others facilitated 'actual' reflection on their work. Group work allows a deeper reflection on what choices are made and how these change in the process of dynamic and open discussion in group situations. Collecting learning experiences facilitate developing an understanding of the benefit of incorporating alternative points of view, and a more context-based mode to supporting decisions on a wider collective level, emphasizing the importance of relations. In the words of one student:

> "The benefit of this exercise was not the exercise of critical debate, argument and influence, it was the feedback obtained from [other students] when doing so. This highlighted my intricate actions and idiosyncrasies […] In business practice, reflection on this will mean that I shall seek feedback from those under my management in order to improve my management style."

Post-course reflections.

At the conclusion of the course, post reflection entries describe the course as an encouragement to be more aware of one's role in business. This comes with a price: one student explained that they had been "shaken to the core" in regard to topics and content presented, while another cited the "emotional toll" caused by the realization of the negative impacts of

business practices. Another student described the experience as “being humbled” in the process realizing how no action followed from a sense of moral discomfort. The outcome of this difficult journey is, according to students’ reports, a renewed capacity to question the status quo, also stimulating a conscious effort to build up the moral courage required to create change for the better.

At this final stage, a degree of confidence in applying knowledge to future business activities is achieved, together with a sense of empowerment to drive change, expressed as specific ‘change strategies’. For instance, one student outlined they would be applying learning and self-reflection to counteract a “fast paced” attitude, questioning business practices in the intent of aligning two life-worlds, work and life, that they had previously seen as separate in terms of values. Another important reflection concerned the notion of ‘honesty’, as students started to question notions of lying and cheating, how these become sometimes normalized, even required, in business contexts. Central to this transition in attitudes is the realization that the collective learning experiences enabled them to revisit past experiences with new knowledge, and to find novel value in disagreement and differences in opinions. In this regard empathy and accountability in relation to multiple stakeholders are seen as pivotal elements, together with the acknowledgment of impulses towards greed and self-interest. Students also report having developed a less pessimistic view about the possibility of ethical management, which they learnt to understand as a complex challenge rather than an exercise in ritual compliance with formal norms.

This optimistic picture should not shroud the persistence of tensions and contradictions: in some cases, students felt that the course compelled them to face the reality of a misalignment between their ethical principles and the practices of their current workplaces, a feeling compounded by a sense of impotence in changing the situation. Indeed, in the case of at least

one student this led them to resign from their job, beginning a "new chapter" in their professional life.

Key findings: the sensemaking process activated by the course

Our analysis of students' diaries revealed the sensemaking process that allowed students to reinterpret the relationship between leadership and stewardship, giving meaning to a newly discovered idea that managing others does not simply imply controlling subordinates and extracting productivity, but also entails taking responsibility for the consequences of one's action, caring for others and respecting their rights. The process (schematically illustrated by Fig 3) starts with questioning an entrenched instrumental view of management, informed by technical rationality and a values-free 'engineering' way of knowing (Khurana 2007). Students become aware of the consequences of their decisions and actions on others by being exposed to simulations that shake their belief in the political and ethical neutrality of management, and having to swap roles, assuming the perspective of different stakeholders. These experiences make them realize that some of these situations are paradoxical (for instance, when their ability to manage conflicts serves to preserve an oppressive regime) and cannot be reduced to a problem-solving exercise.

Insert Fig 3 About Here

As the linear logic of management as technique is challenged, a spike in emotional involvement is recorded by the diaries. This is partly triggered by a sense of outrage deriving from understanding unfairness and injustice not as ideal concepts but, thanks to the role-playing exercises, as personally lived experiences. Emotions are also fueled by an increased awareness of the complexity of management ethics in a context of power differentials and structural

constraints, which leads to feeling of discomfort and – for some students - doubt in their adequacy to meeting the challenge.

This emotional storm placates in the POST reflection, as they realize that complexification is not just a harbinger of difficulty and anxiety but can also marshal new possibilities of action. Acknowledging the existence of an interdependent relationship with other stakeholders offers also opportunity for creating new forms of collaboration and synergies. Also, embodied phronesis stimulates a practical immersion that is achieved both through direct experimentation of actions and through a reassessment of personal experience. The reassessment (a form of contextual deliberation) takes the form of an introspective dialogue in which learners consider their past behavior in light of the new awareness of ethical complexity.

The vast majority of final reflections in student diaries attest to students recognizing the significant merit of reflective judgement in crafting their own action-guiding moral principles for ongoing challenges. Thus, "students value and identify with intellectual curiosity, critical thinking and introspection which would ultimately pave the way for serving the public interest" (Koris, Örtenblad, and Ojala (2017, p. 176). Embodied phronesis enhances self-awareness and reflexivity, not as a navel-gazing exercise in introspection, but as a frank consideration of how visible and invisible forms of power shape choices and rationality (Flyvbjerg 2001; Flyvbjerg, Landman, & Schram 2012). Our success in this enterprise is never perfect, since students have varying willingness and capacity to critically reflect and/or to challenge their own assumptions. Yet, the learning outcomes of the course can be assessed in light of both the transformation of the attitudes and the new considered possibilities that are documented in the reflective portfolios, and – informally – in subsequent encounters with former students.

DISCUSSION AND CONCLUSION

With this paper we have aimed to contribute, both conceptually and empirically, to the debate on how to improve the impact of Business Ethics Education on managerial practices. Current literature advocates for the adoption of integrated models that combine normative and behavioral ethics, either by using the former to devise a roadmap and the latter to support the implementation of coherent actions (a 'map-an-car'model), or by considering normative and behavioral aspects as practically intertwined (a 'spaghetti model') (de los Reyes et al. 2017). Our paper advances a third option, one that augments the 'spaghetti model' by incorporating an understanding of power and social dynamics, while at the same time empirically assessing the viability of this solution.

We have presented a pedagogy (embodied phronesis) that is based on the acknowledgment that managerial ethics is a practical activity, dealing with wicked problems in social contexts characterized by power dynamics, ambiguities and persistent tensions. This experiential learning pedagogy challenges students' assumptions through engagement in simulations and role plays that activate emotional responses and foreground the role of power and relations. Aware that the resulting 'dish', including normative, behavioral and social ingredients, could be too difficult to digest for students, we have investigated their reactions. We found that proficient students activate a sensemaking process that enables them to enrich their understanding of management ethics without being paralyzed by this complexity. They learn how to manage complexity by focusing on practical engagement with specific contexts and leveraging tacit knowledge while being politically savvy. Practical immersion implies a capacity to accomplish that is in part cognitive, in part embodied, in part embedded in tools (Gherardi 2012). Hence, the usefulness of distinguishing between ethics, as individual virtue, and moral, as capacity to align with social expectations (Ulrich & Fearns 2008): ethical managerial practice requires both personal character and capacity to maintain legitimacy.

We are aware of some of the potential negative side effects of our pedagogy. In particular, we are concerned that leveraging emotions could be cause of distress for some students. The exposition to – albeit simulated – management injustices, and the discussion of toxic organizational practices, might remind some students of negative, even traumatic experiences that they lived in the workplace. Yet, students demonstrated a remarkable capacity to elaborate these experiences and to reflect on them. They deal with such lived experiences by coping with them in practice, employing: 1) a higher-level conscious cognitive system for exploration, self-awareness and reflexivity (Tomasello 2016; Tsoukas & Shotter 2014), and 2) an intuitive, tacit and emotion-driven system for identifying and activating responses to morality issues (Orlitzky 2017).

Our paper offers a contribution to the literature on BEE that is at the same time practical and theoretical. In first place, answering to the call of engaging "both the normative and empirical dimensions of business ethics" (de los Reyes et al. 2017, p. 333), we have shown the benefits of using integrative 'spaghetti' models over linear map-and-car approaches, and the need to further enrich this integration of behavioral and normative ethics by considering power and social dynamics. Second, by demonstrating that a practice, rather than merely 'practical' orientation (Corley & Gioia 2011), is key to navigating contradictions, conundrums and conflicts deriving from managerial ethical action, our study supports calls for cultivating business graduates' capabilities in accordance with a profession-like public trust orientation (Khurana 2007; Trank & Rynes 2003). A practice orientation requires application to a specific context, involving embodied engagement, relationality, awareness of field logics, and political awareness (Gherardi 2012). Making tensions between organizational roles and profession-like agency salient, we encourage learners toward an engaged reflexivity, understood not as detached speculation but as concrete acts. Finally, we signal the opportunity to leverage relationality to augment the potential of Kolb's model of experiential learning. Perceiving

ourselves as part of a system of relations implies treating judgment as a political ability, the capacity to think from the standpoint of everyone else (Arendt 1992). Combining care for others (Noddings 1984) and awareness of invisible power relations (Flyvbjerg 1998) also helps us, instructors, to navigate the critical pedagogy paradox that manifests when learners "experience more repression than ever as they become stripped of their own capacity to respond to new, more challenging demands that come with emancipation [from a dominant discourse]" (Kayes 2002, p. 142). The emerging form of responsible leadership is not made of individual attributes and virtues, but it is relational and socially constructed, emanating from connections and interdependencies of organizational members (Uhl-Bien 2011).

The proposed pedagogical approach has limitations. Emphasizing the value of personal responsibility and accountability might overwhelm individual students. As they find themselves in toxic organizations that value profit over human dignity, students could feel unable to drive change. Therefore, instructors need to be aware of the constraints that learners encounter, cautioning them against Quixotic crusades. It is important to stress that we consider embodied phronesis as a 'working hypothesis', an ongoing learning opportunity, rather than the one best way to teach business ethics. Moreover, the course we designed and analyzed represents just one possible exemplification of the embodied phronesis pedagogy. In this perspective we – as educators – accept that we are not merely imparting our superior 'ethical wisdom' to students, but are implicated with them in an open-ended learning process. We believe this openness to learning is, in coherence with the focus on relationality and together with a practical orientation, an effective way to maximize the impact of formal learning on ethical behavior.

One limitation to our research design is that our data is limited to a period of time during which students completed the course (12 weeks). We are therefore not able to conclude whether

the changes reported by our students are adopted past the course completion and whether students' learning has a long-term impact on their attitudes, behavior and practice. Conducting longitudinal research studies with students who completed this or similar courses incorporating BEE will provide valuable insights into the interplay between learnings from BEE and competing discourses, goals, and identities in practice (Bansal, Smith, & Vaara 2018). Such studies could also investigate ways to continue to engage with alumni and support them in navigating ethical-moral issues, for example through ongoing seminars or other forms of life-long learning. Another limitation is that the course is largely based on Western philosophy which encourages students "to actively participate in their own learning, to gather and critically evaluate information, and challenge, question, and justify understandings and beliefs" (Hardy & Tolhurst 2014, pp. 271-272). In contrast, the Confucian philosophy stresses the need to respect and obey authority figures, and viewing such figures as the source of knowledge. Students from Asia originally struggle with the requirement to question taken-for-granted assumptions and practices and established power relations. However, we observe that many of these students increasingly adopt critical thinking practices during the course. Existing research demonstrates that a practice-based, experiential learning approach is well aligned with Buddhist and other Eastern philosophical traditions (Hardy & Tolhurst 2014). Further research could focus on conducting comparative studies on different student populations to investigate potential differences in how to best engage students from different cultural backgrounds in BEE including potentially the need to develop different approaches to challenging and questioning existing assumptions and practices.

Little of substance has changed in the business school curriculum since when, prior to the Global Financial Crisis, Ghoshal (2005) and Khurana (2007) denounced its amorality and subjugation to short term profit mentality. Systemic reform, based on shift from neoliberal *homo economicus*, exclusively concerned with shareholders returns, to a more inclusive range

of societal and moral obligations (Stout 2012), is now demanded. Given ongoing corporate and organizational scandals and questionable organizational practices from across the globe, business schools need to do more to cultivate moral and ethical capabilities of their graduates as current and future managers and leaders. To achieve this result, it is not sufficient to teach aspirant managers to be honest and courageous; it is problematic to consider that being ethical requires some unique virtue or willingness to self-sacrifice. Mindful of Brecht's admonition, "Unhappy is the land that needs a hero" (Brecht 1955 [2015], p. 115), we should try to teach our students to become 'practically wiser' so that they can create organizations where public accountability for ethical concerns become a defining part of managerial practice.

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Figure 1 *Empowering integrated Business Ethics Education via embodied phronesis*

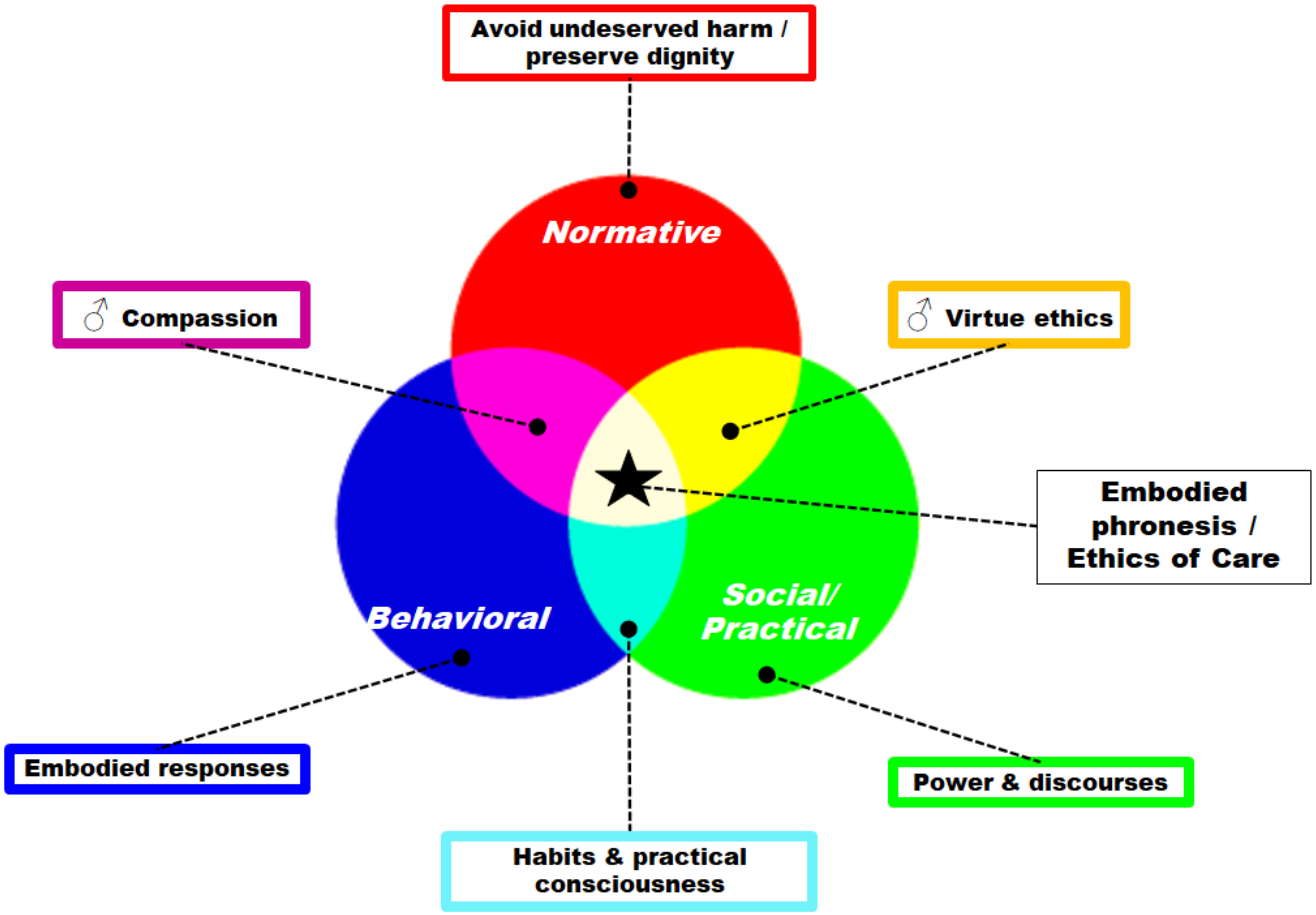
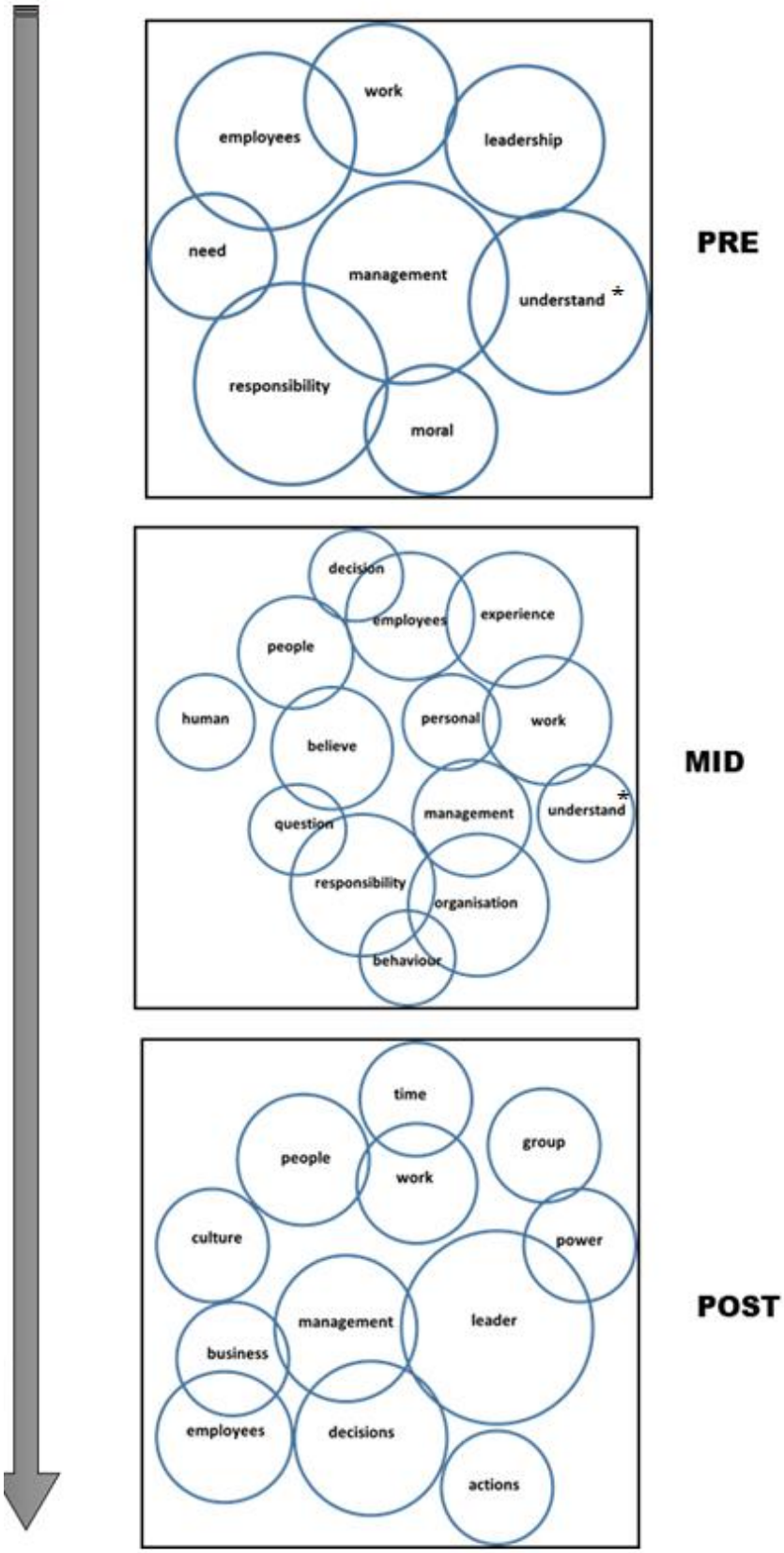


Figure 2. ***Diaries – concept maps (main themes)***



(*) 'understand' refers to attempts to comprehend the concepts discussed in the course, especially the implications for leadership and management.

Fig 3 ***Emphasis on different sensemaking processes at different moments***

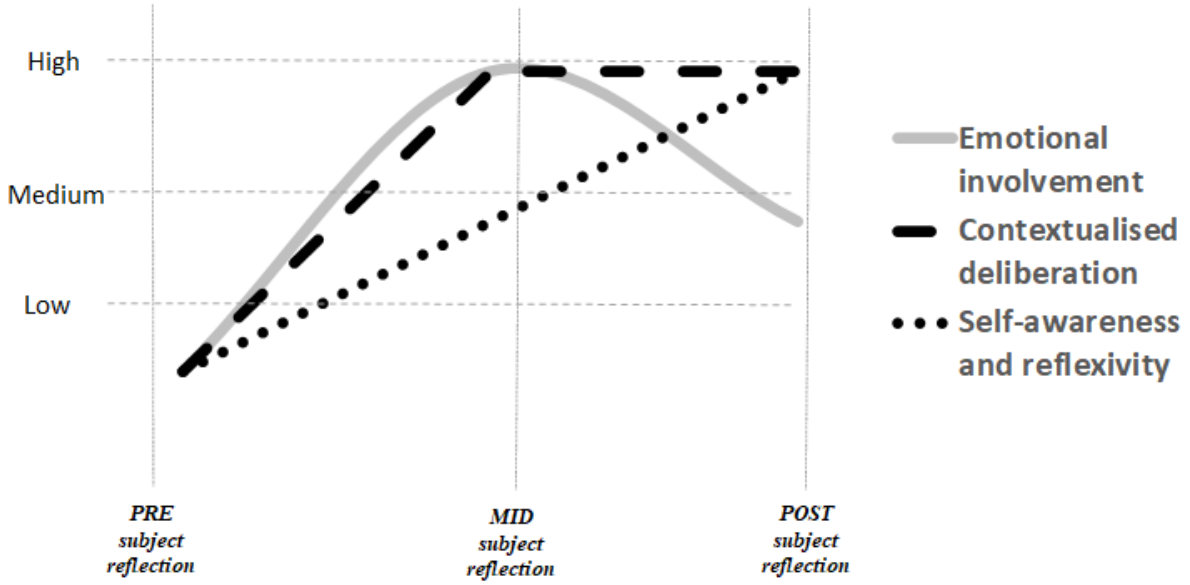


Table 1 – *Trends revealed by textual data mining*

Trend	Evidence	Interpretation
1. Increased awareness of interdependencies in managing and leading	Number of concepts referred to the key themes increase markedly (almost doubling between PRE and MID); emergence in MID of 'question', '(personal) experience', organization etc.; emergence in POST of 'culture', 'power', 'time'.	The linear picture revolving around the centrality of management fragments In POST learners make sense of complexity through practical engagement with a specific social context.
2.Increased awareness of ethical dilemmas intrinsic to management	Concepts 'moral' and 'ethical' are the top rising concepts by hits in the progress of the course; concept such as 'moral' 'leadership' or 'management' and 'ethic' or 'stewardship' that are disconnected in PRE becomes paired in MID; in POST 'stewardship' and 'morality' become intertwined.	Concepts such as stewardship and responsibility become integral to students' understanding of management (which thus ceases to be a merely technical activity).
3. Shift from theory to practical understanding	In PRE concepts 'example', 'understand' 'theory' are strongly connected with 'learn' but in MID and POST learning becomes more associated with 'practice', 'action' or 'change'.	Lived experience of simulations and reflection on their own experience leads student to appreciate the centrality of situated practice in managerial action and ethical behavior.
4. Shifts towards management as a social, rather than individual accomplishment	'Society' and 'community' emerge as key concepts in POST; 'leadership' is associated to 'skills', 'actions', and 'goals' in PRE but become related to 'team', 'trust' and 'moral' in MID and with 'followers', 'feel', and 'group' in POST; also in POST the concept 'others' is strongly related to 'actions' and 'responsibility'; in POST 'management' is strongly related to 'followers', 'group', 'stakeholders', 'culture', 'society' and 'community'.	Students tend to reconsider the concept of leadership in a relational perspective, and acknowledge that it is not purely linked to the possession of technical skills: they realize that the course is not about developing personal skills but much more about developing constructive relationships with others.
5. Increased awareness of stakeholders (in particular the role of employees)	'Stakeholder' newly emerges in MID, in strong relationship with 'responsibility', but also in relationship with 'understand' and 'need', and 'different'; in POST, 'needs' becomes very relevant and specifically related to 'community'; the relationship with 'stakeholder' and 'decisions' emerges in MID and strengthens in POST.	The existence and role of different stakeholders becomes salient to students, who try to incorporate their perspectives and interests in their picture of management.
6. Increased awareness of power/politics	'Power' emerges in MID, in a strong relationship to 'trust', 'question' and 'moral; in POST there is a stronger focus on power towards/for others (being related to 'follower', 'community', 'other', 'human').	Students do not solely acknowledge the role of power but feel encouraged to question current relationship of power; they also become aware of how (their) power affects others.
7. Increased awareness of corporate culture and situational context	In POST, the concept of 'culture' has key relationship to 'company' (1st rank) as well as to 'organization' (3rd rank); in MID 'situation' emerge, in strong relationship with 'personal' and 'action'; in POST the top relationship of 'situation' is with 'feel/being aware'.	Students acknowledge the influence of previously taken-for-granted corporate culture, and start to think about their actions with regard to the situational context.
8. Increased awareness of the 'human' components	In PRE, 'human' mostly refers to 'human resources'; by contrast in MID, human becomes associated with 'dignity' and 'stewardship'; in POST human' shows key relationships to 'community', 'social' and 'others'.	Concepts related to humanity and dignity develop towards a sociological understanding that foregrounds the importance of community building.

Appendix - Processes for making sense of complexity: exemplary quotes from student diaries

Port-folio	Emotional involvement (emotional reactions, including outrage, empathy, shame etc.)	Contextualized deliberation (cognitive elaboration of specific experience)	Self-awareness and reflexivity (incorporating learning into practice-praxis)
1	"[M]y 'tensions' of managing and leading have come from conflict with staff and trying to avoid conflict rather than address it and be critical of people."	"The benefit of this exercise was not the exercise of critical debate, argument and influence, it was the feedback obtained from 'staff' when doing so. This highlighted intricate actions and idiosyncrasies which students found obstructive or condescending."	"There is a great importance in weighing up options and making carefully considered actions or decisions – not 'gut' feelings. This can be achieved through careful consideration of rational defence of judgement; A judgement that at its heart, should seek the most good and the least harm."
2	"This course is a hard course, full of tensions and struggles, and a lot of times I was fighting internally before, during and after the class."	"Similar to [the case], a lot of state-owned companies are closing down in China. [] the managers are only interested in what they could gain, and forget about all the other stakeholders."	"I have always had a weakness that I saw the world as black and white. [] if there is one most important thing that I have learnt is that the world is not only black and white, it is full of greys."
3	"Reading the role play environment, I saw from the student playing the MD [Managing Director] was empathetic especially when students' role playing as staff and families start saying 'How will I pay the bills? How will I feed my children? I felt my own heart sink and you could see it on his face also."	"I found myself thinking sincerely of [] aged workers who were saving hard at the tail end of their careers for the future and the unlikelihood of finding work again. Stewardship teaches patience, empathy, thoughtfulness – key skills not just in work but in life. They affect all things; relationships, self-worth, engagement, purpose."	"I learnt that I need to control my natural fast paced attitude to both work and life by trying to ask questions to all stakeholders."
4	"During the role-play it slowly became evident that firing employees has a profound and lasting effect on all stakeholders… It was clear that the decision to lay off workers was an extremely tough one, even for my classmate who was acting as the Managing Director. From time to time, he looked physically shaken ..."	"I feel at times that being a follower means being voiceless and mindless. This voicelessness is particularly pertinent in modern society…These followers are voiceless, which serves to indoctrinate the notion that all followers, in general, should be voiceless drones."	"One way to overcome this entrenched attitude is to encourage people to think about morality []. [The course] has fostered a sense of moral accountability in the decisions I make and the actions I take. I can safely and confidently defend those actions if I have critically reflected upon them before engaging in them."
5	"The discussion in class was somewhat similar to how I would have approached it as well. I envisioned myself as a robot where I had to give difficult news and not allow any emotional responses to affect me."	"My shortcoming is that I do not consider everyone and everything. It is embarrassing that I subconsciously have justified my choices by focusing on the beneficial aspects rather than taking a closer look at how it can negatively affect others."	"My pessimistic mentality towards management has improved tremendously. [] I was headed towards a path where I felt most corporations abused their power. [] I feel that I have learned there is still good in the work environment and that it is possible to change with the right ideas and people backing it."
6	"[P]ower creates tension for me. Personally I have never been comfortable acquiring power in decision-making, for fear that I will make the wrong decision and be frowned upon."	"My new way philosophy is to apply the question 'Why is it like that?' in complex situations. Each person has their own perception on realities, which is dependent on their experience. I took this into account at work and the importance of respecting other people and their perspectives broadened my knowledge."	"My view on management has changed; no longer about making something more efficient or instructing lower levels. It is about influencing employees to trust your leadership skills and decision."
7	"I found that I was able to relate to a more emotional interpretation of the down-sizing experience through the lived case than had been my previous perception of redundancy."	"Upon reflection this was because I felt powerless to improve a situation that very clearly was impacting irreparably on the lives of so many. This was directly at odds to my personal experience of redundancy, in which I had felt empowered to use the event as a catalyst for career growth."	"Through this subject I have developed a view that a humanistic and community centred approach to business is vital to ensuring my personal values are aligned with that of the organisation for which I work. I do not believe that my current workplace is aligned to my personal values."
8	"Having this responsibility was the worst thing that ever happened to me as a manager: knowing the "ugly truth" before having to follow the redundancy procedure; also knowing that I could not really talk to anyone but my boss about this was very stressful."	"My studies in this unit have helped me see just how ruthless this company taking over my employer was and how little they seemed be to thinking about employees as important stakeholders in the company. After having a semester to reflect on their behaviour it looks very short sighted."	"I plan to put these ideas into practice as a manager. However, I realise from our studies this semester that managers have to be adaptable and as contingency theory reminds us we should act based on circumstances not just be driven by overly rigid ideas and theories."
9	"During the role play … the managing director felt stressed and frustrated when delivering the bad news. Even in a fake scenario, the manager felt a sense of guilt and uncomfortability (sic)."	"The case showed that solving problems in the corporate world using a purely technical perspective might help the organisation to survive, but also might lead to disastrous consequences."	"First, there is no rational decision unless it satisfies the moral law. Second, during a moral crisis, the worst decision is not taking any decision."
10	"I found this exercise confronting yet cathartic in many ways. I was afforded the hindsight to realise that my own personal redundancy had been delivered by someone who in turn had little to no control over the final outcome and that leadership in this area comes from above."	"However testing, this semester has been insightful [] highlighting public and sometimes sensitive topics for discussion. The lack of a formula for success as a manager or leader [] proved that everything was reflective and grew out of the operational context and setting."	"[C]onsidering all the knowledge I have gained from this course must be now incorporated into my future enterprise and that is on me to do... I am confident in my knowledge and ability [] to apply these to my start-up and aspire to drive the change I have been looking to create."