

*Academy of Management Learning & Education* literature review suggests that wisdom is increasingly acknowledged in the business field (McKenna, Rooney, and Kenworthy 2013) after having been studied in fields such as psychology, education, leadership, and decision-making (Glück et al. 2013). McKenna, Rooney, and Kenworthy's (2013) review provides an overview of the wisdom research to-date as well as its practical application to instruction within business schools, executive coaching, and personal development.

Wisdom, similar to leadership, lacks one clear, non-limiting, and widely accepted definition. It has been suggested that wisdom involves character, moral values, and an understanding of individual weaknesses, although is not solely defined by those characteristics. Practical wisdom requires more than a scientific understanding of facts. It also includes an accurate understanding of how things work and are organized, a comprehension of the written and unwritten rules of a situation, and the ability to make expert virtuous decisions (Bloomfield 2000; Kessels and Korthagen 1996). Essential elements of wisdom, such as reflective thinking, intuition, sensitivity, and empathy, are crucial to organizations that are increasingly forced to make challenging moral and ethical decisions (Rowley and Gibbs 2008).

In a business climate of post-modern ethics, organizational ethical codes need to be both explained and demonstrated utilizing specific situations (Nyberg 2008). This questioning and determination of the right and good way to proceed develops practical wisdom. Nyberg differentiates between the current ethical "search for universal rules to handle all situations" and the "development of practical wisdom to handle particular situations" (Nyberg 2008: 596). Mele stated that "practical wisdom should reject ethically unacceptable alternatives and focus on the greater possible good, which includes the economic viability of the business firm" (Mele 2010 : 644). It is believed that this growth in practical wisdom will result in more ethical decisions. Therefore, the current study is specifically designed to empirically test wisdom in an organizational setting and to further test the relationship between wisdom and ethical attitude. The study tested two hypotheses:

H1: Greater wisdom is accompanied by a rejection of questionable business practices.

H2: Greater wisdom is positively related to the rejection of practices that are harmful to others, society, or the environment.