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Family, feudalism and selfishness: Looking at Indonesian leadership through a wisdom lens

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Abstract

Using Social Practice Wisdom (SPW) as a conceptual lens, we shed new light on destructive, selfish leadership and its negative effects. Our study highlights the negative effects on followers of leaders' selfishness, as well as lack of empathy and inauthenticity. Our work also sheds light on new cross-cultural leadership challenges in emerging economies like Indonesia. Analysis reveals deep tensions between Indonesian leaders' tendency to position themselves in self-serving discourses of feudalism and family, and what young, western educated Indonesian professionals now expect of leaders. Selfish leadership discourse and lack of leader wisdom jeopardize Indonesia's economic development. We argue that wise dialogical communication enhances wise leadership.

Keywords

Wisdom, discourse, employee commitment, values, leadership, Indonesia

Indonesia is predicted to be the world's fourth largest economy by 2050. But economic predictions do not always consider the influence of culture or organisational leadership in enterprises generating such growth. This paper considers the culture clash between the

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'old economy' family business and the 'new economy' need for a university-educated workforce to drive economic transformation. We analyse this clash with reference to Indonesia's official unifying national principles of the Pancasila that commits the diverse Indonesian nation to 'relationships within society and state that must be based on a just and civilised morality', and that 'all groups of Indonesians have an equal and just opportunity to earn their livelihood and secure a life with human dignity' (Department of Foreign Affairs Republic of Indonesia, 1997). Moreover, Pancasila calls for democracy guided by the 'inner wisdom in the unanimity arising out of deliberations amongst representatives'. Because a 'socialised' wisdom is an explicit component of Pancasila we analyse the fit between Indonesia's contemporary workplace conditions and members of its young, university-educated workforce within a Social Practice Wisdom (SPW) framework. In this paper, we begin by briefly outlining Indonesia's current economic situation. Following this we explain Pancasila and idealised models of leadership and toxic or destructive leadership before we outline the principles of SPW as our analytical framework. We then provide the methodological details of our study followed by our findings. To conclude, we identify potential paths for wise social practice needed to meet both economic objectives and Pancasila values.

Indonesian economic context

Indonesia has a market-based economy with a gross domestic product (GDP) of about \$US 870 billion, approximately the size of Turkey or the Netherlands, and has been growing recently at about 6.5% per year (US Department of State, 2011). As it undergoes rapid modernisation and industrialisation, Indonesia is increasingly attracting foreign investment. Alongside western capitalism, family capitalism, companies owned and managed by family members are common in Indonesia (Tabalujaan, 2002). More than 95% of businesses in Indonesia are family owned (Indonesian Institute for Corporate Directorship (IICD) in Simanjuntak, 2010: 113).

Many businesses in Indonesia use contract-based employment (Faizal, 2011). In fact, 65% of Indonesian employees are contract-based, rendering them ineligible for many labour benefits such as health benefits, insurance and leave periods, and they are vulnerable to unilaterally planned layoffs (Faizal, 2011). The situation is worsened by a lack of unionised labour, grievance systems, organisational policies and rule enforcement (OECD, 2008). Because employees have low bargaining power, given high unemployment rates and relatively low growth of formal employment (Chowdhury et al., 2009), they are susceptible to exploitation.

Indonesia has more than 300 ethnic groups with cultural identities formed over hundreds of years, and its many cultures are influenced by Indian, Arabic, Chinese and European traditions. Culturally, however, Indonesia is a collectivist, high-power distance, moderately masculine and uncertainty-avoiding society (Hofstede, 1993). While acknowledging Hofstede's shortcomings and the difficulties of generalising about such a diverse nation, this characterisation of Indonesia aligns with other research (e.g. Thomas and Pekerti, 2003). It is not surprising, then, that it is generally expected that Indonesian employees respect their leaders' power, and that decision making is done mostly by senior managers (Thomas, 2008; Thomas and Pekerti, 2003). Further, because Indonesia was colonised by the Dutch for 350 years until 1949, western models of education and management exist concurrently with historical feudalistic social structures (Tornquist, 2007).

This historical and cultural context, particularly its diversity, greatly affects leadership research in Indonesian organisations. The experience of leading and being led are deeply influenced by history, culture and social structure in a specific location. It is therefore important to acknowledge tensions between discourses in the construction of culturally shaped forms of leadership (Jepson, 2010). An important aspect of this article's research is that it captures discursive tensions, including where the long dominant discourse is being seriously challenged by non-dominant groups. Although the cultural and cross-cultural dimensions of leadership are often discounted in leadership research and practice, particularly where the local and global intersect (Jones, 2005), they matter and are highlighted in our analysis. Cultural constructions of work and leadership such as those in Chinese family business (Jones, 2006), the effects of education on expectations of leaders (Jepson, 2009), over-emphasis on a unified, even stereotyped national culture (Warner and Grint, 2006), ethnicity (Jones, 2005), and that work is still a local experience despite the effects of globalisation (Jones, 2005) are all relevant to our study. Our research identifies how Indonesia's diversity, its continuing emergence in the global economy, and its ethnic, linguistic and cultural tensions affect workplaces and the experience of leading.

Pancasila, idealised leadership and toxic leadership

Although Pancasila, as the philosophical foundation of Indonesia, has been interpreted differently by different Indonesian governments, it nevertheless remains a statement of ideal values to help create social cohesion. As a text established in 1945 in Indonesia's contested discursive space, Pancasila is important. Pancasila sought to calibrate values and behaviour in a diverse and disunited Indonesian society as a nation building focal point. Its values are taught in schools as part of national character building, to build national identity and to eliminate corruption (Wiyono, 2012). The five principles of Pancasila (Department of Foreign Affairs Republic of Indonesia, 1997) are: belief in the one and only god; a just and civilized humanity; the unity of Indonesia; democracy guided by the inner wisdom in the unanimity arising out of deliberations amongst representatives; and social justice for all Indonesian people.

Our study suggests that Pancasila remains an ideal rather than a practice because feudal hegemonic practices remain entrenched in many of Indonesia's dominant organisational discourses. Although assuming that ideals are inherently practical, we nevertheless argue that ideals are hard to live by and therefore hard to put into practice. It stands to reason that letting go of selfish, exclusionary and polarising practices is necessary in implementing leadership consistent with Pancasila's values. One of the enduring challenges for humanity is overcoming the obstacles to making the worthwhile become concrete presences in life. Any hope of realising the Pancasila principles is likely to depend on new leadership discourses from political, economic and social elites who can transcend self-interests.

A central concern in this paper is to understand Indonesian leadership, which could be formed in the light of Pancasila. Indeed, Sukarna (2006) argues that Indonesian leadership practices should be based on the five Pancasila principles and argues that Indonesian leadership should therefore be based on: one god, the spiritual element of leadership; humanity; the unity of diversity (nationalism); democracy; and social justice. Our research shows that some Indonesian leaders fall well short of embodying the ideal values and ethics of Pancasila. Given the scarcity of literature on Indonesian leadership, extant sources come from anthropology, history and political science (Irawanto, 2011). According to the

Indonesian Great Dictionary (Kamus Besar Bahasa Indonesia, 2008) the word leader is *pemimpin* which literally means ‘someone who leads’. Leadership has an Indonesian equivalent in *Kepemimpinan*, which means ‘concerning a leader’; or the way one leads (*perihal pemimpin; cara memimpin*). Gani (2004: 178) argues that ideal Indonesian leaders should adopt the role of a father who behaves wisely and honestly. Germane to this article is that some argue that the enacted leadership values operating in Indonesian culture are authoritarian and paternalistic (Gani, 2004; Irawanto, 2011; Mulder, 1994). *Bapakism* is a Javanese word used to describe authoritarian and paternalistic leadership. *Bapakism* is the leadership style often associated with Javanese culture, the dominant culture in Indonesia. It is problematic that the authoritarian and paternal character of *Bapakism* is unlikely to support unifying, just, humane and dialogical or democratic leadership promoted by Pancasila. This serious tension in Indonesian organizational life must be dealt with openly to bring about the kind of change Pancasila demands. Historically, Indonesian local leaders derived their authority from many sources including by virtue of their connections with government authorities (Cederroth, in Irawanto, 2009). Even in colonial Indonesia, Indonesian noblemen with access to Dutch colonial authorities gained authority and privileges. There are many reasons for concern when leadership legitimacy is linked to the politics of friendship, paternalism and favours (Irawanto, 2009).

Contemporary leadership is increasingly criticised for often becoming destructive as toxic leaders poison workplace relations (Chatterjee and Hambrick, 2007). Transformational leadership (Avolio and Bass, 1995), authentic leadership (Luthans and Avolio, 2003) and spiritual leadership (Fry, 2003; Parameshwar, 2005) theories are now also being reassessed for their impracticality and theoretical shortcomings (Case and Gosling, 2010; Spector, 2014; Tourish and Pinnington, 2002; Tourish and Vatcha, 2005). In particular, toxic or destructive leadership research is pointing to tyrannical and aggressive leaders (Einarsen et al., 2007), narcissistic leaders (Chatterjee and Hambrick, 2007), assessing the negative effects of bad leaders (Schyns and Schilling, 2013), and explaining dictatorial leadership (Padilla et al., 2007). This article provides empirical analysis of destructive leadership, highlighting leaders’ selfishness, lack of empathy and inauthenticity, and it uses a wisdom framework to understand destructive leaders’ behaviour.

Social practice wisdom

Our conceptual framework is SPW (Rooney et al., 2010). SPW is grounded in everyday practices, histories, values and assumptions that define cultures and the possibilities for social agency. In this formulation, wisdom is not simply about practice in everyday life; it involves living and contributing to the world wisely to produce wise outcomes. In part, this combines the moral and intellectual virtues that underlie Aristotle’s idea of practical wisdom. For Aristotle, virtue (character) ethics requires doing the right thing in the right way to achieve the right outcome. In contemporary research, we might call this having pro-social dispositions, social and emotional intelligence and commitment to the long term to create worthy, just and sustainable outcomes. This is a theme not only for Aristotle, but also for Buddha and Confucius (Bettignies et al., 2011; Birren and Svensson, 2005; Case and Gosling, 2007; Cooper, 2012; Zhu, 2011), although each uses different approaches for articulating and implementing this idea. We use SPW rather than Pancasila as a conceptual framework because SPW links micro social practices with meso and macro-discourses. SPW is thus grounded in praxis, social relations and culture; it is sociological, whereas

most contemporary wisdom theory is psychological. As a national values statement, to a large extent Pancasila's values resonate strongly with SPW and other wisdom theories.

SPW manifests as competence to live in particular times and places. By drawing on and appropriately integrating reason, subjectivity, transcendence, virtues, aesthetics and other practical skills, excellence in social action is achieved. Those who have SPW can discern between short and long term interests for the greater good. Those who exercise SPW display and integrate the five principles set out by Rooney et al. (2010: 57–58) by: carefully using their reason and knowledge to understand their observed world; balancing this rationality with non-rational strategies such as intuition and emotional understanding when making judgements and decisions; directing their actions to humane and virtuous outcomes; articulating judgements and ideas creatively, understanding the aesthetic dimension of their work and pursuing the personal and social rewards that contribute to the good life; and displaying wisdom in the practical actions of everyday life by 'walking the talk'.

Thus, according to the first principle, when exercising judgment, a wise leader thinks cogently using sound reasoning and salient information when exercising judgement. Wise leaders also negotiate uncertainty rather than avoiding it, often questioning the underlying assumptions of orthodox practices. The second element of wisdom supplements reason and knowledge with intuitive, subjective and creative capabilities when making judgements and decisions. Because wise leaders understand the contingencies of life and social constructedness of phenomena, they manage uncertainty through their insight, judgement and foresight.

Wise leaders also acknowledge that people see problems from different perspectives, particularly if there is dissonance between people's values. The third element says that wise leaders value humanity over their own or organisational interests. Consequently, they consider the interest of those who are affected by their decisions and also the broader environment. They prioritise long-term good over short-term interest. Furthermore, by being tolerant, humble and empathic, they learn from others and admit mistakes. The fourth element is that wise leaders communicate aesthetically and humanely by exhibiting sensitivity and using language appropriate to the situation. When differences amongst interlocutors occur, wise leaders seek dialogic communication. This is at the core of deliberative democratic process. The final feature stresses that wisdom must be practically applied within organisations, particularly by understanding context.

Old practices and leadership in a new economy

Using the SPW lens, we consider the causes for young, educated Indonesian professionals becoming deeply dissatisfied with working within traditional structures. Such dissatisfaction is likely to imperil not only Indonesia's economic future, but also its desired social norms expressed in the Pancasila. Employee resignations (Ramlall, 2008) incur recruitment and training costs (Preenen et al., 2011), destroy organisational social capital that provides competitive advantage (Dess and Shaw, 2001; Morrell et al., 2004), and erodes employees' tacit knowledge (Hammer, 2002).

At the core of wise practice are ethics, openness and human flourishing. Simply put, people do best when they behave virtuously thereby contributing to socially desirable outcomes for all. In an organisational context, wellbeing would be evident in low turnover, high levels of trust, abundant organisational social capital and effective productivity. This study provides empirical evidence about the relationship between an absence of wisdom, values conflict and poor working conditions leading to young highly qualified professionals in

Indonesia resigning. Resignation was chosen as a variable in this research as it is an unambiguous act of dissatisfaction and loss of employee commitment (Falkenburg and Schyns, 2007; Johns, 2001). This research focuses on the roles of discourse and dialogical communication in wise leadership and work practices (Barge and Little, 2002).

Method

Discourse theory assumes that a person (or subject) is positioned in a social historical context within which multiple discourses operate. That is, people draw on particular discourses that are available within any given spatio-temporal location (Foucault, 1972, 1978) and 'the constructive potential of discourse is based primarily on its deeper structures, and on the consonance of surface communicative actions with these structures' (Heracleous, 2006: 1059). These disparate discourses produce different sets of relationships based on different assumptions about reality for each person that create deeper, less visible structures. Consequently, these relationships imply different relationships of power. Such understandings of workplace discourse are evident in Bryant's (2006) study that explicated employees' voices in understanding their response to organisational change and Heracleous's (2006) study that revealed relationships of power by contrasting marginalised discourses with dominant discourses in one particular organisation. This article assumes that 'rich descriptions of the social world are valuable, and they are concerned with discourse and the way language shapes the way we see the world' (Turnbull, 2002: 322). Through creating texts from a particular subject position in the material world, people make sense of their world to create knowledge and meaning. Gergen (2001) says that individuals live in constructed narratives of people, culture, family and religion. Thus human subjectivity, knowledge and wisdom are also influenced by enduring historical narratives that negotiate or resist or succumb to emergent discourses. By analysing interviews with young, well-educated Indonesian professionals who recently resigned from professional positions in Indonesia because of their dissatisfaction with their workplaces and leaders, we highlight the dissonance of emergent discourses associated with modernising the Indonesian economy and the extant power discourses on which Indonesian economy and society are built. Our analysis understands interviewees' decisions in terms of their subject position and the implicit conflict of values, assumptions and logics that underpinned their decisions.

This research uses an interpretive discourse analysis (Heracleous, 2004) and an SPW framework to understand how leaders influence interviewees' dissatisfaction. Flyvbjerg (2001) argues that practical wisdom requires researchers to focus on values and to place power at the core of analysis. He further asserts that to research practical knowledge, researcher must ask detailed questions to produce thick descriptions of knowledge, examining practice and discourses, study contexts and join agency and structure. The goal of wisdom study is to 'produce input to the on-going social dialogue and praxis in a society, rather than to generate ultimate, unequivocally verified knowledge' (Flyvbjerg, 2001: 137).

An Indonesian researcher conducted 19 interviews for this study: 10 with female and 9 with male participants. Interviewee ages ranged from 26 to 36, with an average age of 31. Five participants had completed at least a Masters degree, five are currently studying for Masters degrees and the rest had completed Bachelors degrees. Five of the Masters level respondents are currently studying in Australia; one had completed a Masters in the United States (US), one in the Netherlands and three in Indonesia. In terms of professions, there are four marketing officers, one secretary, three teachers, three editors, one consultant, one

architect, two project officers, two researchers, one IT officer and one medical doctor. Interviewees previously worked in small- to medium-sized organisations in the public and private sectors (including not-for-profit organisations), and family-owned organisations in Indonesia. All interviewees had resigned from their previous position due to dissatisfaction with their workplace and leaders.

A snowball sample was applied as this was most useful for a study seeking individuals who were no longer part of the particular organisations they were evaluating (Bryant, 2006). The call for participants stated that interviewees had to have left their most recent job due to dissatisfaction with their employer. To avoid over-representation of ideas and knowledge from the same group of informants, sampling was commenced from different starting points by making announcements in a range of Indonesian communities (educational, religious and professional) in Australia and in Indonesia. Initially 26 participants were identified. We then reduced participants to 19. One person fell ill and was not interviewed, one person was too difficult to contact and five were eliminated because their reasons for leaving were not to do with dissatisfaction with their employer. In this way, the sample was confined to people who left their employment because of dissatisfaction with their employer rather than other reasons, such as seeking a better paid position.

Semi-structured interviews ran from between 45 and 65 min. Face-to-face interviews were conducted with participants who live relatively close to the interviewer, while internet-based interviews via Skype were carried out with those who were less accessible. Interviews were audio-recorded and transcribed verbatim in Indonesian, the native language of the interviewer and interviewees. During the interviews, some participants used different varieties of Indonesian, with some vocabulary from different ethnic languages (such as Javanese) and styles (such as Jakarta style), and also some English. In this respect, the researcher's role becomes salient in capturing and reconstructing meaning (Hammersley, 2010).

The interview questions were directed to capture participants' evaluations of their previous supervisors' behaviour based on five SPW principles. To help participants make their evaluation, the first question asked about the problems that led them to leave the organisation. Using the problems as the context of participants' evaluation, questions based on the five SPW principles were asked. Participants were then requested to provide other reasons or problems relating to their dissatisfaction and decision to leave, if they had not been covered by previous questions.

Our core interview questions probed issues such as the soundness of their managers' reasoning; whether their decisions seemed to consider the longer-term benefits; whether their manager appeared unethical, immoral or inhumane; whether rules were too rigidly implemented; and their manager's communication practices. The interview concluded with a question about the potential for an Indonesian form of wisdom.

Data analysis

The interview data were analysed in two stages. In the first stage, theme analysis, the transcribed data were read repeatedly until central themes were found inductively (Singer and Hunter, 1999). Our analysis involved 'searching across a data set' (Braun and Clarke, 2008: 86) instead of focussing on individual interviews. In this study, repeated patterns of language use (terms, expressions and metaphors) were sought within texts.

Important statements were retrieved and arranged into themes, then reorganised in a cyclical and iterative process (O'Leary, 2010). As Heracleous (2004) suggests, discursive patterns and structures across texts are uncovered to show how social reality is constructed and to identify the dominant discourses that shape organisational reality. In organisational discourse research, it is important to identify different discourses based on the participants' subject positions, agency and the sites in which they were operating (see Heracleous, 2006).

Findings

Our thematic research provided findings that are classified as: (1) general discourses of dissatisfaction (dissatisfaction across the entire dataset); (2) site-specific discourses of dissatisfaction (dissatisfaction based on the two major sectors, family business and the public sector); and (3) employee reality (focussing on participants' discourses of expectation and evaluation).

General discourses of dissatisfaction

Six themes related to dissatisfaction with previous leaders were identified: unfairness, inflexibility, lack of appreciation and understanding, unclear and inappropriate spoken communication, insincere and inauthentic listening and lack of trustworthiness. Although all themes were evident in responses in all settings, examples in this section are taken from those in private organisations. Additional findings specific to family businesses and the public sector are presented later. The categorisations below are not rigid or mutually exclusive because similar meanings may be found in more than one category.

Unfairness. Participants expressed their dissatisfaction with leaders' perceived unfairness using terms such as 'imbalance', 'partial', 'one-sided' and 'discriminating'. For example, JD, an IT officer, decided not to renew his contract with his organisation after having a dispute with his Human Resources manager. He stated that when the HR manager pressed him to do something unethical, he presented the problem to the chief executive, whom JD considered to be one-sided in finding a solution:

- (1) When I had a conflict with the HR manager about my contract . . . he (the chief executive) just listened from **one side**, the opinion of the HR manager . . . he tried to debate me and prove that I was wrong. (Emphases added in this and all following quotes)

The expression 'unfair' is also used by participants when they perceived that their rights were ignored. 'Rights' include payment of wages, ability to express opinions, and to be treated equally. In Indonesia, it is culturally important for a leader to protect their followers' rights and for leaders to be guarantors of followers' welfare, as suggested by Ashkanasy (2004). At the very least, Pancasila implies the imperative to find appropriate balances between rights and responsibilities so that social justice and fair deliberations are achieved.

Inflexibility. Participants stated that their leaders were 'forceful', 'insisting', 'demanding' or 'authoritarian' when deciding complicated problems or giving orders, indicating inflexibility. For example, James, who worked as a researcher for a political organisation noted that when

employees and the leader disagreed about a project that he felt was unethical, the leader insisted they continue the project despite strong opposition:

- (2) At that time when the leader had to make a decision, he knew that all of us (the subordinates) disagreed, but he **forced** us to continue with the project... he **insisted** that this is the only way to get sufficient funds for our next program. We provided him many reasons and solutions... there are still other ways to find that sum of money... he just **did not want to change** his perspectives.

A common assumption in many cultures is that leaders are entitled to get their way and this may be reinforced by cultural acceptance of high power-distance between leaders and their subordinates in Indonesia (Pekerti and Sendjaya, 2010; Thomas and Pekerti, 2003). Hence, when a leader asks an employee to do something, the employee may acquiesce to the request even if it conflicts with their beliefs. In Indonesia, the term 'obedience' or '*patuh*' is usually used together with the word 'command' and carries a positive connotation rather than the word 'critical', which is negatively connoted. Obedience is considered a good moral virtue that should be displayed by members to their leaders (Koentjaraningrat, 1985), while independence and critical thinking are seen as unfavourable (Chandra, 2004). In interviews, the expressions 'he is the boss, he can do everything', 'what else can we do', 'it is organisational policy, what more can we say', 'if that is what she wants—we cannot do otherwise' and the metaphor 'he is the God' are associated with participants' negative views of leaders' authoritarianism. This indicates the institutionalisation of obedience to leaders in society (Farver and Wimbari, 1995).

Lack of appreciation and understanding. This theme emerged from participants' dissatisfaction with the leaders not acknowledging what participants achieved. For example, Mawar, a teacher, who discontinued work at a private school, stated:

- (3) I wouldn't need any big bonus as he [the manager] gets every year... all I need is an **appreciation** of what we [teachers] had done so far... we had been in the school long before he [the manager] came, at least he could give us **credit** for the successful project – and not present his own name to Jayabaya [the head quarter office].

While the theme 'appreciation' is used to discuss material rewards such as 'money or salary', 'bonus', 'medical check-up', it also relates to intangible phenomena such as 'recognition', 'time with family' and 'acknowledgement'. Participants' subject positions may influence how they evaluate appreciation. For example, the medical doctor and teachers emphasised that a qualitative form of appreciation was important in their decision to leave. Yet for Mawar is clear that the manager added insult to injury by passing off the good work of the teachers as his own. More than this, it shows a level of disdain for employees.

Leader appreciation of their employees' effort is vital, especially in Indonesia where group harmony is of paramount importance. As suggested by Sendjaya and Pekerti (2010: 656), 'leaders who make conscious and constant efforts to respect their followers, treat them as partners, and affirm their confidence in them are much more likely to engender a strong sense of camaraderie in the leader-follower relationship'. However, many participants in this study report that their leaders did not show due respect by treating them in an authoritarian manner.

Unclear and inappropriate communication. The fourth theme identifies managers lacking the skill or will to express their ideas clearly, leaving employees uncertain about their leaders' expectations. In some cases this lack of clarity led employees to make errors that leaders perceived as employee incompetence. Satria, a marketing officer in a medium-sized bank, stated that his former supervisor:

- (4) Was never **clear** about what he expected from us, well... sometimes he knew what he wanted but **he just did not tell us**. It was dangerous... especially for those newbies.

The clash of old and new is evident in this discursive relationship as participants regarded 'clarity' and 'directness' as very important, whereas traditionally, Indonesians, especially the Javanese, typically speak indirectly (Koentjaraningrat, 1985). Indirectness is culturally important as a form of politeness that is preferable to straightforwardness, especially when expressing criticism (Ting-Toomey and Chung, 2005). However, participants viewed this indirectness as slyness or containing a hidden agenda. In some extreme cases, supervisors verbally attacked and intimidated participants, although this intimidation was uncommon as leaders preferred to criticise them indirectly. Satria's situation may be emblematic of a growing contrast and tension between the discourse of an assertive young, educated workforce with the dominant discourse of paternal-authoritarian leaders that contains assumptions that appear aggressively selfish to some of their younger colleagues.

Insincere and inauthentic listening. The insincere and inauthentic listening theme emerged from statements asserting that leaders did not listen sincerely to their employees' opinions. Consequently, decisions made without any discussion were described as 'hurtful', 'disappointing' and 'unexpected'. Leaders who used listening as a mechanical part of managerial procedure were seen as insincerely attempting to understand others. Srikandi, a teacher, described her former director's tendency when solving a problem:

- (5) She actually opened discussions... **but she did not really listen... pretended to listen**... she wasn't confrontational... but the annoying aspect behind her good communication style was that the result was opposite to our expectation.

Combined with unclear communication, inauthentic listening destroys the possibility of creating social cohesion and trust needed for Pancasila's just society and democratic deliberations. Moreover, given the role of dialogue in SPW, wisdom seems a distant hope.

Lack of trustworthiness and dishonesty. Leaders were often regarded as untrustworthy. In extreme cases, participants felt that leaders betrayed their trust. Leni, a marketing supervisor in an educational organisation, expressed her frustration when a former superior broke her trust:

- (6) He **stabbed me from behind** while actually we had a very good relationship in and outside the office... I never understood **how he had made me look bad** in front of other employees. I helped him in that project, and **if I was wrong why didn't he tell me?**

This statement reinforces the relationship of this theme to the inconsistency between leaders' words and their actions. For many interviewees, direct, face-to-face critique is

appreciated more than indirect critique. However, the Indonesian cultural preference for indirectness involved supervisors telling a subordinate's colleagues about their mistake to convey the message to the subordinate. Yet, this practice is considered untruthful or dishonest by our participants. The subordinate expects the supervisor to tell her directly if she errs. But she also expects that the advice is given politely and compassionately. We use the word 'respectful' to translate the Indonesian word *santun*, which denotes compassionate communication. It is usually coupled with the word *sopan* or well-mannered and in accordance with tradition. *Sopan* is typically used to describe an expected behaviour of subordinates and *santun* is usually used to describe a leader's behaviour that is compassionately manifested in their verbal and nonverbal utterances (Supriatin, 2007). Participants in the study emphasise how respectfulness in expressing disagreement is preferable to 'lie', 'manipulation' or 'betrayal'. Good character, which is part of wisdom's virtues, is the foundation of humaneness. Character flaws in leaders in our data go beyond dishonesty to lack of courage, even betrayal, thereby undermining wisdom and humanity.

Site-specific discourses of dissatisfaction

This section elaborates additional themes specifically related to two different sites: family businesses and public institutions.

Family businesses. Themes for participants working in family businesses are similar to those working in the private sector. The difference is that family business participants reported higher levels of abuse. The problem with family business employment is that rules are less clear, and regulations are less enforced than in the private or public sectors (Tambunan, 2008). The degree of unfairness, inflexibility and lack of appreciation is provided by an employee working in a family-owned architecture firm:

(7) In my previous work place, **unjust treatment** was very visible. The director who is also the owner often **made us** do a side project for **his family's benefit**, without giving us any incentive, bonus, or even **appreciation** . . . Often, we had to sacrifice our own job.

Low levels of trust were also evident in family business treatment of professional staff, which manifested as excessive management of tasks rather than trusting an employee to organise and perform their work independently. For example, an editor working for a family-owned publishing company stated:

(8) At that time the director **interfered** [in the] editors' job too much. I don't think it is appropriate considering his position as a director. He **micromanaged** everything, that often contradicted book writing principles.

Notwithstanding this lack of trust, the most salient concern expressed by participants was a general lack of altruism in leaders. In particular, those working for family businesses were discouraged by the selfish tendency in family businesses to seek unfair economic benefit for the family at the expense of their employees. Expressions such as 'of course, it was a family business they wanted to enslave us', and 'they wanted to get the best possible margin with

minimal inputs' were common. For instance, Meisya told the story of her work colleague who, according to her, was abusively treated by a selfish manager:

- (9) When one of my colleagues who just had a first child . . . the boss asked if she planned to have a second kid and she said no . . . but then she had an unplanned pregnancy . . . [S]he asked for longer but unpaid maternity leave because there was sort of something wrong [with the unborn baby]. The policy actually states you can get a month paid [maternity leave]. But . . . my boss said **he was deceived** because she previously mentioned that she would not have another baby . . . finally he gave her a three month unpaid maternity leave, but **she had to pay a fine**.

In such situations leaders fail to acknowledge boundaries that regulate intrusion into one's private domains and transgress boundaries of abuse of power.

Public institutions. Dissatisfaction themes in public institutions relate to unfairness, inflexibility, lack of appreciation, poor communication, lack of trustworthiness and lack of altruism. Participants claimed that this dissatisfaction was masked under organisational policy and rules. For example, practices of discrimination and inequality were camouflaged under rules, as expressed by a medical doctor who liked to dress in a distinctive style and was told to sign a:

- (10) statement stating I would dress according to the **rules and regulation**. I did not have any problem with that, but the fact was that many [employees] did not dress according to rules and they **were not even reprimanded**.

That public sector participants saw their leaders as 'selfish' and 'arrogant' is problematic given the public sector's commitment to service. Participants asserted that leaders wanted to make themselves look good to their superiors, but, more seriously, sought 'personal economic benefit' for themselves and close colleagues. For example, a consultant from a public organisation said that their managers lacked integrity:

- (11) . . . the company **budgeted** 10.000 (for expenditures). They would do **whatever they could** to make **it** (the expenditure into) 5000 (Rupiahs) but still reported 10.000 (Rupiahs) . . . they were **selfish** and **arrogant**.

Leaders' selfishness and arrogance were sometimes masked under technocratic discourses. Interviewees linked justifications of selfish behaviour to 'budgets', 'control mechanisms', 'accountability' and 'efficiency'. Frustratingly, while new technocratic discourses were deployed to the leaders' advantage, old discourses incorporating traditional relationships of authority were used to curb younger professionals questioning selfish and greedy practices. For example, participants were told not to question their leaders' behaviour because doing so is not in their 'job description' or is 'beyond their authority'. Given that the current Indonesian political economy, which is considered amongst the most corrupt in the world (Transparency International, 2010), this practice is normalised in the public sector (McLeod, 2006), and has become what our participants called a 'public secret'. This lack of integrity violates every principle of Pancasila and SPW.

Employee reality: Discourses of expectation and evaluation

Implicit in our participants' rejection of their workplace culture is an ethical foundation that is at odds with the negative aspects of traditional culture, or more accurately, the use of traditional discourses to mask inappropriate behaviours. Old-economy social structures meant that most participants, especially those working in family businesses, believed that they were not sufficiently protected by regulations. They demanded more regulations to protect them from selfish and abusive leaders and to guarantee their rights (McLeod, 2006). Wise leadership practices limit the need for regulation as virtuous behaviour is not selfish or abusive. In contrast, participants working in public organisations and private (non-family) organisations stated that, although rules existed, they were not appropriately enforced. Thus, the experience of these participants could be understood as the dissonances occurring at the nexus of the old and new economy and their cultures. Four ethical themes emerged from the participants' responses.

Vision. As is common in a paternalistic culture, participants expected that leaders should achieve their vision unselfishly by respecting and understanding the needs of employees (Sendjaya and Pekerti, 2010). Participants recognised that their leaders could have good vision, but were unable to pull all the employees together to achieve it. An architect says of his employer that: 'His vision was pretty good... but I think he was often blinded by his personal ambition'. Short-sighted behaviour was noted by many interviewees. Aligning the vision theme and the communication theme (see below), some participants asserted that their leaders were 'incapable of aligning employees to achieve vision'. However, more than expecting leaders to communicate a vision, participants expected leaders to set an example and bring members together as a team.

Humanity. At a broader level, participants considered that their leaders lacked consideration of the greater good or a deep humanity. This failing was often related to leaders valorising economic values over human values. Such a concern was at the core of the criticism expressed by Srikandi, a teacher:

- (12) In the end, what matters is the way superiors treat them [the employees] as human, whatever position they have, important or not in the eyes of organisations, because they are not cash cows.

Failure to respect the humanity of employees underpins much of the dissatisfaction our interviewees experienced.

Communication and manipulation. Although the severity of poor and inauthentic communication practices varied in the participants' statements, the nature of their concerns about communication was about insincere listening, inappropriate and unclear spoken communication, and also lack of trustworthiness. Importantly, such communication practices left participants feeling 'hurt', 'betrayed', 'neglected' and 'undermined', thereby destroying trust in leaders. Unclear communication, therefore, led not only to misunderstandings but also to toxic relationships between leaders and members, leading to members who were unclear about their tasks performing poorly. Finally, communication by leaders was sometimes seen as manipulative. As Mawar, a teacher, said, her boss 'seemed to listen' but ignored what she was told if it suited her, leaving Mawar feeling 'manipulated'. This sense of being manipulated clearly had a powerful negative effect on many participants, creating toxic environments.

The collective effect of poor leader communication is unhealthy working environments that trigger dissatisfaction and emotional exhaustion (Wright and Cropanzano, 1998). Sometimes, employees were blamed because leaders poorly articulated their ideas, expectations and instructions. Participants expected their leaders to be respectful when communicating their ideas and to listen sincerely to employees' opinions. In cases of disagreement, participants expected leaders to communicate honestly and respectfully by incorporating participants' ideas in the resultant decisions.

Commitment. Despite their diverse backgrounds, participants reported that their decision to resign was caused by dissatisfaction with previous leaders and workplaces. Some participants, especially those who were less confident about finding another job, admitted that they stayed for some time before leaving for purely economic reasons or because they were hoping for improvement. Regarding their expectation, participants claimed that they could be loyal to organisations that are fair and wise, appreciate their needs, understand their limitations as human beings and who trust their employees. As Srikandi noted:

(13) They should be **fair** and **wise** . . . **understand** that we, **human beings**, have **limitations** and they should trust us if we have displayed professionalism so far.

Sofia, a tutor with valuable skills, stated that when she left she told her employer that 'she could not just tell us [employees] what to do without giving us any appreciation' and expect well educated people to stay, despite the fact that 'looking for a job in Jakarta was not that easy'.

Indonesian wisdom

Implicit in their criticism was the absence of five leadership qualities in which these younger educated Indonesian workers believed. Firstly, our interviewees identify that leaders should be 'smart' and 'rational'; however, they also need to be open-minded, flexible and appreciate rather than minimise difference. This was evident in JD's statement:

(14) A wise leader should be able to see things clearly, without being biased. She has to be smart and rational. She can identify problems correctly, and see problem and contexts from many different angles.

Secondly, leaders should not only be right-thinking but also right-doing. Srikandi used the term *menungsake uwong* meaning to treat humans as human by being fair and to 'understand that we human beings have limitations'. A third quality, harmony, emerges as an epiphenomenon of this right-mindedness rather than being a quality of individuals in its own right, which appears less successful as a Pancasila principle. James referred to it as *gotong royong*, which he said emerges when leaders harmonize different organizational groups and embrace people's ideas allowing a sense of collective ownership. The fourth quality, also an aspect of right-doing, is leading by example to encourage employees. This principle is articulated in the traditional Javanese saying '*Ing ngarso sung tulodho, ing madya mangun karso, tut wuri handayani*'. Turner (2009) translates '*Ing ngarso sung tulodho*' as to 'bestow a good example at all times while you serve as a guide to that other person [a follower]'. '*Ing madya mangun karso*' is explained by Turner to mean 'continuous nurturance based on universal principles for achieving the manifestation of virtuous personal intent

while you are being present' as a mentor. Turner's interpretation of '*Tut Wuri Handayani*' is 'a conscious effort to follow the lead of the one being nurtured while ensuring empowerment of mind-body-spirit of the leader, having established a full trusting working relationship between the leader and the follower'. The fifth quality is that wise leaders communicate with their followers in a respectful dialogue. One participant, Sofia, acknowledges the inherent class system of Javanese society, but asserts, nonetheless, that good leaders 'don't let the distance [between leader and members] become too wide'. An effective work ethic, she argues, is not built on authoritarianism but by leaders 'who are capable of leading people, managing people, and able to respect the capacity of individuals'.

Discussion and implications

Judged according to SPW criteria, it is evident that participants' negative experiences are determined by organisational and leader failures to meet wise practice criteria. This is summarised in Table 1. We draw attention particularly to the negation of the third criterion, humane and virtuous outcomes, as this is the ethical core of wise behaviour. This was experienced as unfairness, dishonesty and lack of trust (second column). The participants felt that they were not appreciated and were not listened to, revealing a lack of empathy in leaders. Furthermore, reasoning was replaced by inflexibility, and communication was inadequate. Thus, social practice at an organisational level clearly lacked characteristics of SPW.

Table 1. Themes of dissatisfaction, expectation and SPW violation.

SPW feature	Employees' dissatisfaction	Perception of leaders
1. Carefully use their reason and knowledge to their observed world.	Inflexible	Inflexible ^a Unclear rules
2. Balance this rationality with non-rational devices such as intuition and emotional understanding when making judgements and decisions.	Lack of appreciation and understanding. Insincere and inauthentic listening	Lack of appreciation ^a
3. Direct their actions to humane and virtuous outcomes.	Unfairness Dishonesty Lack of trust	Unfairness ^a Lack of trust ^a Selfish ^a
4. Articulate judgements and ideas creatively understand the aesthetic dimension of their work, and pursue the personal and social rewards contributing to the good life.	Unclear, inappropriate communication	Poor communication (in public sector; deliberate misuse of technocratic language)
5. Manifest wisdom in the practical actions of everyday life by 'walking the talk'.		Abuse Lack of altruism ^a Arrogant (public)

^aOccurs in family business and public sector.

When considering the results at a leadership level (third column), two other related elements are worth noting: the selfishness of leaders in both the public and private sectors, and the obfuscation of these selfish motives by drawing on contemporary technocratic discourses. Given that the participants are well educated, it is not surprising that they demand more flexibility and autonomy in doing their job. The demand for autonomy in this emerging Indonesian cohort creates cultural pressure between the new workforce and traditional leaders. This new workforce has a strong sense of agency that challenges the historical hierarchical social structures and values. For example, James, a researcher, felt that, despite being knowledgeable and capable in doing his job, he was not given problem solving opportunities. The lack of agency is worse in family businesses when the leader, who is usually also the owner, micro-manages employees' work implying little trust in their employees.

Although no necessary nexus exists between traditional Indonesian leader–follower relationships and dishonesty and abuse, they transgress the foundations of just relationships (Okimoto, 2009), particularly where betrayal, humiliation or undeserved blame occurs (Bies and Tripp, 1996). Perhaps exposure to the notion of rights through their university education increased graduates' sense of entitlement to respectful treatment, which may not be the case for less formally educated workers. As a result, there is the likelihood that a cultural gap between old and new values could damage older industries because of higher turnover and a reluctance of educated younger people to be employed in such industries. There is certainly evidence for this avoidance or withdrawal because of grievances about injustice in Western cultures (Bies, 2005; Tyler and Blader, 2000, 2003).

Furthermore, from a social identity perspective, there is also evidence that lack of procedural fairness can lead to decreased value placed by an individual on group membership (Okimoto, 2006). These are matters for conjecture in other research. The more relevant point raised in this study is that the reported behaviour of the leaders violated the fundamental element of wisdom, virtue.

Another violation of SPW principles was poor communication skills. Inauthenticity and unclear communication led to misunderstanding and mistakes. Participants reported that they were blamed for mistakes resulting from leaders' unclear communication, resulting in feelings of hurt and of being undermined. Apart from leaders' inability to communicate instructions necessary for workers to work efficiently, leaders also failed to communicate a vision that gave direction and meaning to people's work. Although participants stated that they wanted to be involved in achieving the vision, leaders were perceived as selfish in pursuing their vision. Participants stated that leaders considered accommodating employees' opinions, but only enough to create the superficial impression that they are engaging them. Consequently, the practice was seen as inauthentic. Insincerity is perceived when communication serves the leaders' interests and, in the case of the family-run businesses, their close colleagues or family.

An important element of leader communication is to reward workers with positive feedback. Unwise leaders in this instance were seen as unappreciative of employees' work and lacking empathy. Leaders were seen as undermining good employee performances by harshly treating mistakes. In other words, such leadership produced a compliant and risk-averse culture that eliminated the potential for creativity, intuition and humane practices. Although most participants wanted material rewards for their work, they also sought non-financial acknowledgement of their work, and time with their family. Often poor employer behaviour was related to lack of understanding and empathy, illustrated by Meisya's story of her

Table 2. Tension between existing leaders' discourses and new workforce discourses.

Leaders' discourses	New workforce discourses
<i>Feudalism</i>	<i>Modern</i>
Authoritarian	Equality
Demand compliance	Critical
	Knowledge
<i>Capitalism</i>	<i>Humanism</i>
Profit	Balanced life
'Value free'	Ethical

colleague paying a fine to the business because she was pregnant. Such behaviours indicate that these leaders see employees as human capital objects of production who generate income. These discontented employees wanted their employers to show leadership in four ways. First, consistent with SPW, good leadership has a foundational goal of a culture characterised by integrity, trust and justice (Bass, 1998). Second, to achieve this, leaders should create and maintain organisational processes that produce 'a culture of meaning that boosts loyalty and nurtures collective potential' (Holt et al., 2012). The third element of good leadership is that organisations be structured so that subordinates can fulfil their own personal improvement and life goals (Smith, 2011: 637). The fourth element is that leaders communicate dialogically to build and maintain mutual respect and trust from which emerges a mutual obligation (Uhl-Bien and Graen, 1998), the psychological contract.

Underlying the tensions between our participants and their leaders is a generational issue that has implications for Indonesian managers who want to lead wisely in the emerging economy (Table 2). Although it may not be applicable to all Indonesian employees, our data reveal a tendency for educated young employees to demand an environment that is more fulfilling and congruent with their personal values and visions. This inter-generational conflict is reported in the literature relating to western organisations (Dencker et al., 2007), but we cannot just assume that it applies in an eastern culture. However, as participants in this study come from Generations X and Y who, because of their professional education and access to global cultures through social media, are more exposed to western values and education, it is likely that they do have different views about agency, work-life balance and respect (Eisner, 2005), and so are more critical of unwise practices in organisations.

The values and behaviours displayed by these Indonesian managers may well be the result of a synthesis of feudalism and colonialism. As the feudal system has dominated Indonesia for hundreds of years, its values will most likely change slowly. Even during the Dutch colonial period, social economic structure remained practically unchanged. The political decentralisation policy implemented by the Dutch in 1901 made little change to the lives of non-elite Indonesians (Tikson, 2008). After Indonesian independence, the new order led by ex-President Suharto maintained feudalism, dominated by bureaucrats, causing political and economic exclusion (Tikson, 2008). The degree of exclusion is conveyed in the fact that 95% of private external foreign loans (\$80 billion) were distributed to only 50 business groups in 1997 (Kwik, in Tikson, 2008). Even today, cultural assumptions in Indonesia emphasise the distance between leaders and employees (Thomas and Pekerti, 2003), and

this makes exclusion and malpractices such as those identified in our data somewhat intractable.

As it undergoes rapid modernisation and industrialisation, Indonesia has to negotiate the macro-discourses of capitalism and globalisation that pressure the government to guarantee a conducive environment for foreign investment. As a result, owners and managers face the pressure of providing cheap labour to attract investors, thereby weakening protection for employees (Tornquist, 2007). Because this economic pressure is taken for granted, it is used to excuse poor organisational practices. In contrast, the new educated workforce is critical of such directions (Eisner, 2005). Ironically, the perspectives of many participants in this study have been shaped by western education systems that value critical thinking and equality that are antithetical to the global capitalist tendencies that Indonesia is experiencing. Furthermore, these young workers grew up in the shadow of the failure of authoritarian leadership in Indonesia when Suharto fell in 1998 and many organisations with unethical leaders also fell. This intergenerational conflict creates tension and different expectations regarding leader behaviour.

An emic indigenous orientation

A criticism of this analysis might be that we have been insensitive to cultural differences in criticising Indonesian management styles by using an etic approach that assumes universal characteristics of good leadership and worker motivations. However, we contend that there are near universal characteristics of motives for working efficiently and well as well as for effective leadership. For example, Gelfand et al.'s (2007) review of cross-cultural organizational behaviour provides good evidence that motives such as self-efficacy, need for achievement and intrinsic needs for competence are universal (p. 482), although factors driving such motives vary across cultures (e.g. personal feedback influenced self-efficacy beliefs in individualistic cultures while group feedback influenced self-efficacy beliefs in collectivistic cultures: see also De Luque and Sommer, 2000).

The issue of cultural differences in leadership effectiveness is more complex. Increasingly, Asian-based leadership research is proposing not so much to supplant the dominant western transformational leadership model as to provide alternative models that take account of indigenous culture, conditions and history. For example, Palrecha et al. (2012) tested three competing leadership approaches (Transformational; Nurturant-Task (NT) (Sinha, 1995); and RDO) to classify leader behaviours as universalistic, culturally-specific and organizationally-specific within an Indian context. Of importance in Asian cultures is the distinction between paternalistic and authoritarian leadership. Paternalistic leadership is a 'hierarchical relationship in which a leader guides professional and personal lives of subordinates in a manner resembling a parent, and in exchange expects loyalty and deference' (Gelfand et al., 2007: 493). However, an authoritarian relation 'is based on control and exploitation, and subordinates show conformity solely to avoid punishment' (Pellegrini and Scandura, 2008: 507; see also Aycan, 2006). Indian studies have shown that authoritarian leadership styles are less affective (e.g. Sinha, 1995). Instead it was proposed that the ideal Indian leader 'is both nurturing and task oriented' (Palrecha et al., 2012: 149). However, there is a transactional element in that the leaders' nurturance is contingent on the subordinate's task accomplishment. Furthermore, certain follower characteristics may need to be present to complement this NT relationship, such as dependency and a preference for hierarchy.

While these potentially important contextual issues need to be considered in the case of Indonesia, of considerable relevance is that NT is characterised by benevolence, warmth, consideration, affection, care and a commitment to subordinates' growth, which are virtues. Thus when exploitation replaces benevolence and control replaces concern, the relationship moves away from paternalism toward authoritarianism (Aycan, 2006). Furthermore, the degree to which these leadership qualities are contingent on a docile and dependent followership is clearly a relevant consideration for more highly educated employees as this is clearly not the sort of relationship that is consistent with their aspirations. To sum up, it can be said that the SPW principles are consistent with indigenous practices particularly for the emerging, younger, educated employee.

Applying SPW to these findings

We stated at the outset that the Pancasila establishes an ethical framework of wisdom, justice, civility and dignity that is consistent with the principles of SPW. Consequently, we considered the experiences of those who had left their employment because such principles were not enacted due to a failure of wise leadership. Given that Indonesia is undergoing rapid economic development through its incorporation into global capitalism, it is vital that the country's leaders in business and government exercise good judgment and enact and embody the necessary virtues of Pancasila and wisdom. We have seen that the five principles of SPW were violated. To conclude, we identify five ways that this wisdom might be displayed and enacted consistent with SPW principles.

First, from a macro-discursive orientation, as Indonesia moves into the global capitalist economy, wise leaders need to open themselves to different perspectives to become aware of the intersection of multiple discordant discourses and cultures rather than adopting mono-cultural assumptions. Economic discourses of price competitiveness should not lead to harsher management designed to extract more output from each worker using existing technologies and processes. Rather, by opening management to new knowledge that younger, more educated workers bring would more likely lead to enhanced productivity by updating capital and developing new production processes (innovation).

Second, many young, tertiary educated workers, having accessed the macro socio-cultural discourses of freedom, agency, rights and justice, have incorporated those in their own subjective dispositions that are at odds with the meso-discourses of organisations involved in this study. At the meso-level, the wise leader would draw on intuition and emotional intelligence to understand that their younger, educated workers are differently constituted from the subservient subject with whom they have traditionally dealt. Thus, subservience would be replaced by greater agency, more life balance and more affirmation for workers. Although difficult for older managers whose traditional ways have, until now, achieved the desired ends, those with sufficient wisdom recognising this change, will adapt, and so will be more likely succeed in the longer term.

Third, underlying wise practice is a commitment to humane and virtuous outcomes, which is consistent with the Pancasila. Adapting to the new economy in only technical or functional ways does not constitute wise behaviour; at best, it is just clever behaviour. Unless leaders commit deeply to the wisdom values enshrined in the national constitution, they will be seen as inauthentic. Fourth, such a fundamental change is possible only by being deeply reflexive about one's practices (Cunliffe, 2002). Such critical reflexivity is more effective if it is informed by others in the organisation who also seek positive outcomes, but operate from

different assumptions. Positive outcomes have been linked with meaningfully negotiating organisational diversity (Cunliffe and Jun, 2005). Rather than appearing weak, such leaders develop strong loyalty from their subordinates because subordinates' needs are being met and because they share in the organisation's enhanced outcomes (Madlock and Lightsey, 2010).

Fifth, we have seen that meaningful, dialogic communication is crucial to authentic wise leadership. Such communication clearly provides a guiding vision, and is dialogic because it is based on deep listening (Ucok, 2006), that is sensitive even to silence (Nakane, 2006). Good communication is also characterised by the capacity to explain tough decisions or longer term decisions that may in the short term appear unsatisfying.

Limitations

There are five limitations to this study. First, interview-based research may be limited by informants' verbal ability to express their ideas (Hopper, 1993: 802). Nonetheless, social constructionists argue that research that takes into account the cultural context in which these accounts are set can provide a level of 'facticity' that gives findings good efficacy (White, 2004). Second, interviews, analysis and reporting were conducted in different languages. People from various backgrounds have their own use of language (Wardhaugh, 2006) where terms may not be fully transferable and translatable into the other language for reporting. Here, because the lead researcher shared the language and cultural background of the interviewees, a more credible translation was possible (Hammersley, 2010). Third, the study does not attempt to specify causal relationships between wisdom principles and organisational outcomes (commitment, satisfaction, and withdrawal) or on causal relationships between each element of those organisational outcomes. Instead, the aim of this research was to show the qualitative relationship between unwise leadership and its effect on employees. Fourth, our findings do not represent the entire business context in Indonesia, or in other developing countries. To make more generalised claims about the Indonesian context requires larger scale studies. This study aims only to shed some light on how unwise leadership may influence employee commitment and satisfaction. Finally, we have used a selective sample of dissatisfied employees who are likely to talk negatively about their leaders. Nevertheless, while we acknowledge this limitation, there was still variability in participants' responses, and our main interest was in this variability within this selective sample. Future research can use more sophisticated sampling methods (i.e. representative sampling) that produce a more balanced sample.

Conclusion

Our research provides empirical evidence about the relationship between employee disengagement through resignation, cultural gaps and lack of wisdom in leaders. We have shown that unwise leadership affects organisational outcomes, particularly employee satisfaction and commitment. Leaders influence organisational culture by enacting values, beliefs and practices in organisations (Ramlall, 2008: 1596). Selfish practices that lack empathy and exhibit inauthentic behaviour are the two overarching drivers of unwise leadership in our data. Our analysis also shows that lack of wisdom maintains a gap between organisational practices and national values and ethics expressed by Pancasila. Our results are therefore best interpreted as a failure of SPW in leaders who do not exhibit the empathy, self-discipline

in interpersonal behaviour, virtue and emotional intelligence needed in leadership. Furthermore, we have shown a failure in achieving wise social practice as a failure of enacting Pancasila. Pancasila cannot be realised by a selfish and unwise leadership cohort. Selfish leaders see themselves as above cultural norms, common decency and disciplined, humane judgement. In doing this, leaders in our study comprehensively fail the test of SPW by not recognising the humanity of employees. The result is leadership characterised by manipulation, toxicity and justifiable loss of trust and faith by employees in those leaders.

As Indonesia's political economy rapidly engages globalist economic principles, the inducement to submerge the philosophical foundation (or *Pancasila*) of nationhood to be wise, fair and humane is strong. Such values also infuse many local ethnic and religious cultures. While family businesses remain a dominant feature of the Indonesian economy, it risks extinction in the new conditions of global capitalism. Thus it is essential that family business leaders adopt wise practices if they are to adapt and survive. By considering the perceptions of educated Indonesians who left their employment, these businesses can learn about potential obstacles to wise leadership and economic success. However, such principles apply also to other types of businesses and government administration. By enacting the principles of its nationhood in relations of employment, Indonesia could provide a model of wise leadership for other nations to emulate in the Asian ascendancy of the global economy.

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