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Some thoughts on "business leadership"

Business leadership is a hot topic; much new writing, consulting, and teaching. This may be driven by exploding student interest in entrepreneurship as they confront their grim job situation. It may also be driven by management theorists' century of failure to deliver the long-promised "science of managing". The paper is basically methodological, leveraging from Ronald Coase's 1937 "nature of the firm" paper. It shifts attention from the generalizations that might underpin science to the uniqueness of leadership practice, proposing economic value-creation (the essence of business) as an art form rather than the application of science.

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Leadership is a truly ancient topic, so the recent surge of interest in business leadership it is slightly surprising. Perhaps there is a special unease about our time, that we lack the storied business leaders of the past – such as the Renaults, Carnegie, or Tata? Few of today's leadership academics pay much attention to those who wrote about it in the past, such as Homer, Caesar, or Von Clausewitz (Bass, 1990; Clemens and Mayer, 1999). Even though we do not know why business leadership has become so topical, one driver may be widening awareness of management theorists' failure to develop the long-promised "science of managing". Leadership may be a way to compensate for this failure. To illustrate the point; leadership in the semiconductor business revolves around superior technology, marketing, and so on – even as the ghosts of Gordon Moore and Robert Noyce hover in the background. Likewise, success in airplanes, data storage, and pharmaceuticals can be explained scientifically, just as Microsoft's success is economic science – the result of sustaining, thus far, a strong monopoly in an expanding industry. When business success comes from science there is no need for a "science or theory of leadership". Leadership is applying the science correctly – and this has little to do with, for example, the lauded "seven habits of successful leaders". But when there is no science of business, leadership may come into play. Paradoxically the leader we praise most is the person with the capacity to shape successful practice in situations that are so uncertain that scientific ways of thinking do not work. Disaster movies such as "Airport" or "Towering Inferno" dramatize hero-leaders making it up as they go along, though the movies teach us little about how this is done.

But the movies do show the crucial difference between classic leadership "traits" or "habits" versus being able to "read" the specific possibilities of the situation. Anyone claiming to help business managers with the burdens of leading must begin by appreciating the limited extent to which real-world business situations can be modeled in the quasi-scientific way management academics suggest. At the same time, writers unfamiliar with the realities of business and its specific uncertainties often claim to find something relevant about leadership from the rather different uncertainties of warfare, politics, or religion. No question, it is useful to see how particular individuals deal with pressure and inspire others, but the implications will probably be peripheral to business leadership. Turning this around, saying something relevant about leadership in business stands on a good understanding of the particular business to be led – one reason the term "business model" has proven so popular. If there was a single business model, always and everywhere applicable, there would be a single theory of business leadership – "Apply the model!" Academics often fall for such simplifications. Yet managers' enthusiasm for the term "usiness model" actually shows the opposite, that there are many models; each, perhaps, with its moment before being overtaken by events and obsoleted. Unlike management academics, managers see business leadership as highly contextualized and business as highly varied. A start-up calls for one kind of leadership, taking the firm to an IPO another, just as leadership in commodities trading is one thing, in an architectural practice another, and so on. Leadership in a recession differs from leadership in a bubble. Leadership in Brazil is not the same as in Russia or the UK.

What theory of business is relevant when talking about business leadership? This is where business people part company from management academics. Most managers sense that there is something unique about their business that its leaders must recognize, foster, disrupt, reconstruct, extend, or whatever – according to their strategic intuition. Their challenge is to construct a discourse of specification and control that embraces and articulates this uniqueness. In contrast, management academics draw on theories about business "in general"; most notably, that a business is "an organization", something generic, designed, even "totally obvious". This restates the mechanical metaphor, that a business is a logical machine for converting inputs into outputs, a Weberian bureaucracy. Leadership is designing and controlling a machine, buttressing its efficiency with clear instruction and performance measurement. The implication is that the business world is knowable and controllable using the methods of science. If such heroic simplifications captured the nature of business organizations and their control successfully, business leadership would be vastly easier than it is.

Bureaucratic theory feels very 19^{th} century, long past its sell-by date. Notwithstanding, it has recently been repackaged as "design thinking", conflating bureaucratic leadership with the aesthetic talents of - who else? – Steve Jobs – as if that might tell us something about leading Apple Inc. in the past or today. Who without personal experience of Apple's turbulent history dares speak about Jobs's leadership? Again, the new attention to design is surprising given few feel the design of the business is a useful description of the way it actually works.

An alternative metaphor strikes another group of academics as even more obvious and generic. Instead of a machine, a business is a group of "feeling" individuals, following a leader whose role is less to set goals and measure progress but more to sustain a culture or environment in which employees feel good and productive. But this does not clarify things much either because human groups are complicated and vary greatly – sports teams, political parties, volunteer firefighters, orchestras, etc. Indeed, the old distinction between task and group orientation muddies the notion of productivity. Also management analysis's oldest canard is that "happy workers are more productive", for which there is no compelling empirical evidence. Plus, managerial authority seldom has much to do with who gets followed. Overall, why would anyone think American group psychology, based on trivial experiments with unthreatened US college students as "subjects", a useful guide to business leadership?

I – WHAT IS A FIRM?

Lurking in the background is the management educators' dirtiest little secret. We do NOT know what a business is – at least not from the point of view of the managers who are responsible for making and shaping its future. This claim is not as strange as it sounds. It is precisely because managers know that their business can be changed into something different, a failure, a success, or something in a totally different field, that they know they must choose between, and thereby realize, one or other of its several alternative futures. These managers know their business has capacity to become what it is not. Thus leadership is re-shaping the business into something new and different, dynamically. If we knew for sure what a business was we would also know everything it could become. Hence business leadership is not static, enacting yesterday's plans, but dynamic, about giving the firm a new future as new worlds unfold.

Academics were famously challenged on not knowing what a business is by Ronald Coase (Economics Nobel 1991) in 1937 (Coase, 1937). He asked four "killer questions" that have yet to be answered – Why do firms exist? Why are their boundaries where they are? Why is their structure as it is? and Why is their performance so varied? Most management academics ignore these questions; for them leadership is not a puzzle, it is implicit in whatever they presume the business to be, such as a designed machine or a motivated group of individuals. Hence many academics wander innocently into trying to answer Coase's questions. Leadership, they imply, is whatever answers his questions. Yet all answers to-date fail. For instance, some claim leadership is about declaring clear goals and measures. Easy to say, especially given that most feel clarity is better than its opposite. But how realistic is this? If the world itself is uncertain and unpredictable, what is the value of a rational plan to reach an unambiguous goal? Many in business report their firm is in a state of benign chaos, surviving without the clarity academics and consultants say is essential. Perhaps leadership is the ability to adapt, abandon now irrelevant goals that seemed important in the past and re-group around new ones.

Others presume a business must have a coherent set of financial accounts, a clear P&L. In practice, accountants know profit is a slippery concept and managing the firm as if it is no more than a set of accounts generally leads to disaster. It may be that business leadership is actually about dealing with what the firm's accounts do not reveal – given accountants look through the rear-view mirror while leadership looks to the future. Others leadership theorists argue a business is "obviously" about people. Aligned and engaged, people – or their capabilities – become "our most valuable resource" etc. But which people, and what of their potential when surprised by something unanticipated? Plus the list of employees does not includes the legions of unknown customers or suppliers who practice "loyalty" to the business and without which it surely fails.

Notwithstanding our discipline's failure to develop a viable theory of business leadership, some useful things can be said. First, anyone leading a business bears non-trivial psychological burdens. There is much good (and often ancient) advice about how to cope with the interplay of fear, passion, determination, insecurity, stubbornness, denial etc. that business leadership offers. Seven habits intuited from hearsay heroes do not help; at least Mintzberg's categories of managerial work are based on his own empirical observation (Mintzberg, 1973). Second, we know self-monitoring often leads to better managing, but not always. Third, business leadership involves interacting with others. Helping them bear their burdens complements the leader's self-awareness and self-leadership. Much interaction, but not all, is "communication" or what is now labeled "the conversation". This adds a historical note. For millennia those who expected to lead the different parts of society – political, religious, military – were trained in "rhetoric", Aristotle's label for the oratorical means of persuading others to enact the leader's (rhetor's) purposes. Unquestionably, management is a talking (rhetorical) game and depends on the construction and deployment of discourse. At the same time today's context is not that of BCE Athens. Today's conversations are differently democratic, two-way, a tricky balance of persuading and listening. The balance changes as society changes; what works in Europe may not work elsewhere. But just as most managers can benefit from introspection and self-management, perhaps assisted with 360-degree feedback, most can benefit from help with language. Likewise, managers can benefit from better awareness of the social sciences, of history, of how culture shapes individuals' views, and so on.

II – UNIQUENESS

All this is interesting and may well apply to leadership generally, but it does not close in adequately on the particularities of business leadership, on what makes it so different and difficult – yet often rewarding and energizing. The missing piece is the uniqueness of the business and its value-creation processes. The key to understanding business leadership lies in grasping the uniqueness that characterizes the business to be led. Academic generalities dilute this uniqueness away because no business is just another business, generic. Each is specific, with its own history and nature – as most managers suspect. Leadership in McDonalds is not likely to be relevant in IBM, Facebook, or the hotel business. Corporate boards sometimes know this and seek senior executives to provide leadership able to deal with the challenges and opportunities the members agree apply uniquely to their particular business situation. Track records of success elsewhere are notoriously poor guides to performance in a different context. But what can be said if the real meaning of "business leadership" hinges on the uniqueness of the business to be led? Meaningful talk depends on a language's generality – we speak of managers, markets, profits, and so on. But the "natural language" managers speak differs greatly from the "formal" language academics use in their papers. Saying something insightful about business leadership means recapturing managers' talk from academics who focus on generalities to the exclusion of uniqueness. Things are not merely the categories we use to talk about them.

One way forward is to note that managers see business leadership converging with a business's strategy, and that strategies are always specific and contextualized, never generic. A strategy is a response to the specifics of the situation. Leadership is agentic and entails imagining and implementing a strategy. Curiously, management academics treat leadership and strategy as different topics; an error arising from management studies' obsession with generalizations and the pursuit of theory rather than attention to the specifics of practice. A business leader's most fundamental task is strategic - to project clarity and generate confidence in the midst of the situation's buzzing booming confusion, to provide others with workable answers to their "What do we do now?" questions. Yes, giving orders is part of managing, but those receiving them must feel they are relevant to the situation they are experiencing. Otherwise it is the old story of management "up there" who have no idea of what is happening "down here". Employees work with confidence when they sense their instructions' relevance. Of course motivation matters but it is always peripheral; there is little to be gained from motivating people who do not know what to do or how that fits into the activity around them. How can business leaders provide situated leadership and dispense with bland generalities about seven habits or five principles? It is important to get the framing straight before thinking about the uniqueness of a business situation. Leadership is about shaping others' practice under specific uncertain circumstances – there are no uncertainties "in general". Uncertainties make choices necessary. Employees need leadership to help them push back against the uncertainty and bafflement about what is happening around them – to become confident enough to act. Employees are normally pretty aware of their situation. After all, they are insiders – more so than consultants and others who depend on communicable data but lack the tacit understanding that comes from engagement in practice. But what employees know seldom eliminates all the uncertainties that stand in the way of confident action. They discover what they do not know about achieving their goals refracted through the prism of their practice. Thus strategy consultants who urge managers to "map the business environment" as if all the necessary information was lying there, passive, waiting to be acquired, and then to set up data collection and data sharing IT systems, calculate optimal asset allocations and so on, miss the strategic issues, just as leadership consultants with similar messages do. Practice in the situation leads the mangers and employees to discover new aspects of what they do not know – the "unk-unks". In contrast, consultants seldom know the consequences of the actions they recommend. They guess, of course, and may appear informed. But without access to the tacit understanding that comes from immersion in the specifics of practice they cannot do more than guess. A caveat; sometimes they are serving an internal political process that does not touch on the strategic issues and their ignorance is of no strategic consequence.

But the deeper point is that Coase's questions are "killers" precisely because they have no discoverable answers that are free of tacit content. There are no objective or scientific answers – nor to managements' puzzles. Ironically, the firm is a dynamic practice of creating new economic value from the situation's specific uncertainties, agentic responses to what is NOT known. In this framing the firm is neither a designed machine nor a definable social group, static models that cannot explain the creation of new value. The firm's true nature – to borrow Coase's terminology – is to generate new economic value in uncertain contexts, where markets fail and do not "clear". Maximizing value by maximizing the efficiency of the firm as a machine does not explain how the value being protected is originally created. Maximizing the participation of the individuals comprising the firm does not explain how their commitment leads to new value. New value emerges from the lacuna in the middle of these exhortations to maximize. The point here is that business leadership is utterly different from leadership in military, political, or religious situations, precisely because it turns on the creation of new economic value and not on military victory or political power.

III – WHERE NEW VALUE COMES FROM

Business leadership has little to do with the application of abstract rules or blandishments developed outside the context of the business, as if there was a science of leadership for all situations. Business turns on creating new economic value within a specific dynamic situation. Every situation is unique; "we never step into the same river twice". New value presupposes uniqueness and in-accessibility. Every viable business must synthesize something unique and have a complementary capacity to protect its doing this. The need to balance innovation against protecting the firm's quasi-monopoly is obvious to able business leaders, and the reason they pay attention to their firm's uniqueness – be that in technology, market opinion, employee commitment, or whatever.

Empirical research shows private sector businesses pursue new value within multi-dimensioned "opportunity spaces" of around a dozen different "modes of business knowing" (Spender, 1989). These "knowings" are specific to the situation - such as how dependent specific customers are on the firm, knowing how to train the employees actually available, knowing the appropriate investment in automation, knowing how to process new orders in ways that sustain the business, etc. These "knowings" are the basic ingredients or resources that must be articulated into the business's discourse of specification and control. Possessing a material resource such as cash or a factor of production is without value if the business does not know how to bring it into the business's practices. In spite of the popularity of the "resource-based view" (RBV), a single resource cannot lead to or explain new economic value. Multiple knowings must be integrated and articulated into the firm as a complex of discursively-shaped practice that occupy the opportunity space before new value can be created within it (Grant, 1997). The dozen or so modes of knowing that bound the opportunity space and comprise the "business model" are brought into functional relationship *via* the exercise of business judgment, especially in how to trade off the implications of one mode of knowing against another. For example, judging how to balance attention to specific customers (customization) against the benefits of standardization (scale). No single resource or capability suffices so each firm exploits its own business model. There are no universal business models. To the contrary, given the uncertainties among which firms mine economic value, managers debate their limited knowings continuously – and often discover knowledge-absences and shortcomings as disastrous surprises.

While the modes of knowing that demarcate an occupied opportunity space can be identified, synthesizing them into manageable action calls for entrepreneurial imagination, intuition, and judgment – synonyms for "business leadership". If the opportunity space was fully mapped and fully accessible there would be no uniqueness and all economic profits would be quickly competed away. Profit can only be garnered in situations that are not fully map-able. Thus, as Veblen argued (Veblen, 1965), a business's viability always depends on secrets and a lack of transparency. While knowing is fundamental, our capitalist system ensures possession, scarcity, and exclusion equally pivotal. To the extent an opportunity space can be mapped by others, profit depends on the degree to which it can be "owned" and made inaccessible to others. Again, business leaders seek opportunities that are not widely understood by others; and if others understand those opportunities, they must be prevented from articulating that knowledge into economic activity. Competitors who understand the business must be excluded. Porter's 5-forces analysis is based on this intuition, yet many presume, incorrectly, it is generic and scientific. It is not, for it always turns on the specifics of successfully engaging the uncertainties of a chosen opportunity space – though Porter emphasizes protecting the focal firm's economic rents rather than analyzing their nature, origin, ownership, and extent.

It follows that every value-creating business model is fundamentally mysterious and uncertain, especially to those who do not inhabit its context. Put differently, Gates's, Musk's, or Jobs's capacity to become "business leaders" arose from their knowing that others did not - its dimensions, timing, and how its components can be synthesized into successful practice. Leading is the process of developing and sharing such knowledge with those whose collaboration is essential to the process, transforming "outsiders" into "insiders" who can help the business work towards its goals. Leading is the practice of providing knowledge enough for collaborators to act as insiders, confident in their creative capacity rather than mindless rule-following from fear or blindness. Given the opportunity space's uncertainties the threshold for confidence is neither certainty nor proof. Insiders are those, including investors, persuaded to "get with the program" sufficiently to act "mindfully". Their confidence is not a product of motivation. Leaders must speak to the specifics of their collaborators' practice, not just to their psychological state. The knowing called for goes beyond data about the situation's present to embrace a future, a sense of what might become, a mode of insider knowing that cannot be uncovered by competitive intelligence, market research, or sifting "big data", for that all lies outside the situation rather than within it. Competitors in the same market space may get closer to being insiders but key details will elude them precisely because they inhabit another context. Elon Musk's leadership at Tesla is inexplicable and incomprehensible to auto-industry experts whose knowing is based on the US Big Three's practices.

IV – ENTREPRENEURSHIP

This kind of business leadership is also called entrepreneurship. Because our creativity complements but stands outside our reasoning, especially when acting in situations that are not "computable", the precise nature of the creative act in any field lies beyond logical analysis. At best we label it an act of imagination – putting it equally beyond analysis. Picasso's paintings, Einstein's theorizing, or Djokovic's stroke-play are beyond being explained rigorously. Equally, precise "scientific" answers to Coase's questions can never be found. Entrepreneurship is the art of creating economic value, perhaps the art most crucial to our capitalist democracy. Our political and social arrangements are sustained by the new economic value that private sector business produces. If firms merely distributed economic value, as markets do, democratic capitalism would collapse. Although new value is fundamentally mysterious, whether in business, science, or the arts, it seems associated with the unlikeliness of the arrangements the entrepreneur/leader proposes. Encompassing these possibilities with a science, capturing their likeliness, would make them open to all, denying their uniqueness. Likewise, the possibility of new value would be denied if the socio-economy's future was discoverable and made "likely". When a context's future is uncertain, underdetermined or clouded to the point of not being forecastable, entrepreneurs have the opportunity to imagine/see as possible what others dismiss as infeasible.

Obviously leadership, strategy, and entrepreneurship overlap in spite of management academics treating them as different subjects. So it is more useful to focus attention on the differing contexts of imaginative action – economic, political, religious, scientific, literary, artistic, and so on. Entrepreneurs focus on economic activity and thereby differ from other contexts of human creativity. For instance, the natural sciences strive to uncover Nature's nature and workings, truths that, if our methods were perfect, would be independent of the individuals seeking them. Economics is very different, forever anchored in our perceptions of property and its increase, and thus of scarcity. There is little to be said about analyzing economic ideas so long as they are "non-rivalrous" – shared without loss to their possessor. Economics presumes scarcity so an "economics of ideas" is tricky. Instead, property is presumed unambiguously "rivalrous". Non-rivalrous ideas, such as trademarks and patents, can be transformed into property *via* legal and institutional arrangements. These may prevent the profitable application of the idea rather than keeping it secret, so easier to police. In many cases the idea behind the patent must be revealed for the patent to be granted, a loss of secrecy that many regard as too risky.

While rivalrous property is a precondition of economic analysis, the processes of creating property also lie at economics' core. These are often shaped by ideas from science and technology as well as by the social, political, religious, and psychological aspects of human action and effort. But when property is considered "material", unambiguous, and certain, business leadership reaches beyond the application of science's truths to property. In the natural sciences "materiality" is ontology, what exists independent of our knowing. Value creation happens in the socioeconomy and is only possible because of what we do not know. Yet ideas can become material-like constraints to thought and action Leonardi et al. (2012). The firm, as a discourse of clarification and control shaping imaginative practice that is the product of leadership, is bounded by such materiality. But this is never "given". As Penrose pointed out, property's economic value is inherently uncertain, always contingent on how it contributes to the firm's practice in the socioeconomy where managerial knowing and re-imagining matters (Penrose, 1995). Data matter too and can point towards the material constraints to practice, but there will always be some uncertainty or ambiguity about the processes of property allocation and creation – and here is the source of the possibility of economic profit. Thus business leadership applies its knowing to the uncertainties of what is known about the situation's materiality or seemingly rivalrous aspects. It shapes imaginative practice within the universe of production and consumption rather than in the non-material universes of intellectual ideas or political practice.

Entrepreneurial ideas are no more than a preamble to business leadership as a contextualized practice. Entrepreneurial education has exploded along with leadership education and both are now highly sought by students, even as we lack practical theories of either (Sexton and Landstrom, 2000; Casson et al., 2006). This is partly because little of the entrepreneurship discussion deals with the material world and its relationship to ideas. Too often entrepreneurship and leadership are conflated with motivation – as if "a silk purse can always be made from a sow's ear". Value creation hinges on the materiality of the economic universe, not the psychological, social, political, or religious universes managers, investors, employees, customers etc., inhabit. Neglecting this leads to strange analyses that, missing value-creation, have nothing to do with economics or business. For instance, the RBV simply presumes material advantage without explaining how it arises or how it is transformed into profit. Likewise, equilibrium based models deal with property's redistribution, not its creation. Note that value-creation in other fields, such as music and science, is irrelevant to business leadership until materiality, ownership, and scarcity have been established via the socio-economy's legal and institutional processes – hence the commercial courts and opportunities for entrepreneurial corporate lawyers.

Business leadership springs from the capacity to unpack the differing modes of knowing the economic situation's materiality. As noted earlier, empirical research shows the materiality (factual-ness) of the "opportunity space" for value creation and it can framed (discussed) within around a dozen different kinds of knowing (Spender, 2014). The possibility of value-creation hides in the complexity of these dimensions and the resulting uncertainties of their interplay. To illustrate, there is economic value to gained from the materiality (existence) of differences between manufacturing costs and what managers discover the market will bear. The cost/price relation is under-determined, a-theoretical, and unrelated to any equilibrium condition. The difference exists as an empirical "fact of the situation", explained or not – though if the difference could be explained rigorously there would be no prospect of value creation. Costs and prices are further mediated by human practice as the actors' ideas engage the material world. These ideas and practices are also shaped by socioeconomic "facts", such as the workings of the capital markets, investors' behavior, the history of the economy, and the relevant business law, as well as by science and technology.

Successful entrepreneurs keep their differing knowings of the opportunity space "ready-to-hand" and sense how to work them as a successful painter senses how to work her/his materials to good and possibly novel effect. Unfortunately, the present academic fashion among management researchers is sharply limiting in that it makes it almost impossible to grasp what business leaders do. While managers work with a dozen or so incommensurate modes of knowing, academics admit no more that two. First, a theory or causal model that anticipates an outcome - a choice justified in the literature part of a paper - and, second, in its results section, observations that reveal whether the theory survives empirical test or is "falsified". The observational mode of knowing must be "incommensurate" with the theory being tested, otherwise their relation is mere tautology. But, as a result, drawing conclusions about how the theory and test relate becomes a matter of judgment rather than of logic for, colliding incommensurate modes of knowing, their interaction cannot be evaluated rigorously. This helps show how managerial judgment is always central to "knowing" an opportunity space, articulating its tacit aspects. With a dozen or so ways of knowing to hand, business leaders can open up the possibility of new economic value.

In contrast, the academics' two modes of knowing are insufficient to capture the materiality of economic value. Hence the view that economics was transformed into an abstract mathematical pursuit by the popularization of marginalism and the work of Menger and Marshall. Ultimately Coase's questions point to contemporary economists' failure to adopt and articulate a methodology (mode of thinking) that enables them to probe economic value creation; so their failure is self-inflicted. Business leaders, in marked contrast, leverage from their subtler knowing of the opportunity space to explore new arrangements and pursue new value.

Of course the materiality of the economic universe matters greatly, not just to entrepreneurs. Materiality makes possible the bridge that connects value-creators to value-consumers. Potatoes, iPhones, and automobiles are moved and consumed as well as created. As noted earlier, ideas, such as Broadway musicals and academic textbooks can be consumed but to no economic benefit unless they have previously been turned into "properties" and "materialized" within our capitalist system. The innovation's unlikeliness or surprising-ness - a measure of its value potential - is the obverse of or complement to the consumers' appetite for the value created. For example, who could have imagined the appetite for bottled water or conversation as mobile carrier plans became available? Operating in the material universe business leadership faces two ways, one towards innovative supply and the other towards innovative consumption. Ideas have the potential to shape both and creating a new market often seems as important as creating a new product. But this sense of demand's flexibility may hide how the ideas deployed are bounded by and capture the product-market's materiality. The complementary expressions of economic value – creator and consumer – are two sides of the same economic realm.

The ways economic value is mined in or extracted from the socio-economy's uncertainties means business leadership inevitably has social and political consequences unrelated to the economic consequences. The intersection of value-creating and value-consuming practices inter-relates two contexts of incommensurate non-economic values. The difference is material and puts the economy in motion, to borrow Schumpeter's phrase. But there must be a bridge in the material world. Here the practice's metrics are quantity and economic increase, ultimately money. Yet the inter-connection of value-creation (work) and value-consumption are embedded in a real society wherein qualities pervade and all metrics are problematic. The contrast between the materiality of economic value creation and the social and human value-bases of creation and consumption means business ethics is a contested field; on the one side measurable economic quantities whose value is economic, on the other the shifting historically and socially contingent nature of creation and consumption activities that engage values as complex as society itself.

Much recent work on business ethics seems to overlook the materiality of capitalism's value-creation processes, how "lifting all boats" or "millions out of poverty" requires brutal imaginative work and business leadership. It also seldom recognizes the field's long history that stretches back, *inter alia*, to the Ancient Greeks and the early Christian church and the debates about property. Once property is accepted and legitimated it enacts an economic domain of value that lies beyond and incommensurate with the human condition. Thus "business ethics" has little to do with "regular" ethics of choice and action in the social world. Business leaders generally recognize their ethical and social responsibilities precisely because the activity they precipitate is embedded in a social, psychological, and political context – as illuminated by Shakespeare's *Merchant of Venice*, Marlowe's *Jew of Malta*, or Miller's *Death of a Salesman*. Because value-creation only happens through active engagement with the opportunity space's uncertainties, the ultimate consequences of any action are always as under-determined as the world itself is uncertain. Who knew of thalidomide's eventual effects or climate change?

Business leadership is about profit within the economic domain and business's framing. So "business ethics" is an aspect of the opportunity space the socioeconomy has provided, not of the society beyond. Perhaps the most that business leaders can do is articulate the values they intuit in the value-creation and consumption domains they engage into forecasts of their choices' impact – as "stakeholder theory" suggests – recognizing that these values are not relevant in economics' material domain; profit is profit whether justly or ethically garnered or not. Social, political, religious, and ethical debates about the purpose/s of business practice and the opportunity spaces arising lie beyond. Aside from the implicit corporatism, conflating business leadership with social, political, or religious leadership makes it impossible to understand economic value creation and its impact in our capitalist democracy.

CONCLUDING COMMENT

Because business hinges on uncertainties business leadership cannot be reduced to a science; there are no "generic" models, seven habits or five principles. Leadership is the practice of attaching a leader's imagination to specific material contexts of human activity. Being anchored in property, scarcity, value-creation, and value consumption, business leadership differs from leadership in the political, psychological, social, legal, religious, or military spheres. The practice of business leadership begins with unpacking and grasping the specific implications of business activity's dependence on property, the uncertainties of the economic realm – the historically contingent, materialized and value-pervaded place we inhabit. The analysis of economic value-creation is quite straightforward provided an appropriate multi-dimensional methodology is adopted. Unfortunately, too many management academics have become committed to abstractions and rigorous methods that make it impossible for them to comprehend new economic value. Against such naiveté, appreciating business leadership as a creative art-form, shaped by the materialities of specific contexts, clarifies the advice that can be given to its practitioners.

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