

We used to say that “knowledge is power”. Sometimes that’s still true, but these days it’s generally more accurate to say that “knowledge is ubiquitous”. We’re just clicks away from more knowledge than our grandparents ever conceived of accessing.

But the accessibility of knowledge doesn’t create – and may even hinder – the growth of wisdom. Wisdom is being able to make good decisions by the application of knowledge and experience to discern an appropriate course of action. I can go online and easily access a wealth of knowledge on marketing a product. It takes wisdom to discern the subtle reasons why an approach that worked great in one case



might fail in a similar one. Experience provides the strongest opportunities to grow wisdom. That’s why wisdom is often associated with age, although associating it with experience is more accurate.

In [The Fifth Discipline: The Art and Practice of the Learning Organization](#)<sup>1</sup>, Peter Senge describes three

ways to explain complex situations. The first, and most common explanation is at the **event** level. Something happens and we recognize that it was caused by something or someone. Simple knowledge facilitates this kind of *reactive* explanation. It’s true, but not complete. If we stop here, we are subject to the consequences of this short-term, who’s-to-blame explanation.

## Higher Level Thinking

If we take a breath and stop to consider the longer-term picture (past and future), we can break the grip of short-term reactions and *respond* based on **patterns** that aren’t obvious at the event level. We raise prices and sales go down. An event level response would be to lower our prices to recapture sales. But experience may help us recognize a pattern from previous price increases where sales dipped and then soared shortly thereafter. That equips us to weather the short-term dip for the future gain.

But wisdom can carry us to an even more powerful explanation. A **systemic** (or **structural**) understanding reveals what causes the patterns of events. We see beyond the delays between cause and effect that we miss in just analyzing an event. To continue our sales example, we might identify that the sales drop is because the price increase puts our price above our competitors. But the rebound comes as our reputation grows because of the added features that accompanied the price increase. Also, our competitors tend to follow our lead within a short time and increase their prices, putting us back on par pricewise.

Wisdom enables us to connect dots that aren’t connected by a straight line. It enables us to see (and plan for) peripheral impacts of our actions/behavior changes and long-term impacts beyond the intentional results we are after. Wisdom gives us the strength to endure short-term pain for the long-term gain. It also helps us see when the long-term gain is a mirage.

Knowledge is easily found on the internet and in college classes. Wisdom takes in the context of our current, real-world circumstances and discerns which knowledge to apply to it.

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<sup>1</sup> Senge, P. M. (1990). *The Fifth Discipline: The Art & Practice of the Learning Organization*. New York: Currency/Doubleday; Revised & Updated edition (March 21, 2006).