

# The only way is up



Empathetic, compassionate management improves business, and will become even more important as we enter a post-COVID-19 world, reports Xenia Taliotis

**B**uzz words and phrases often start with a whisper that becomes more vociferous with time. This has certainly been the case with the concept of collaborative, compassionate and communicative business, an approach that is now getting the credence that indicates its time has come.

If you are in any doubt as to how long leaders have been talking about empathy being at the heart of good practice, you might be interested in these two quotes.

“Coming together is a beginning; keeping together is progress; working together is success.”

And: “If there is any one secret of success, it lies in the ability to get the other person’s point of view and see things from that person’s angle.”

They didn’t come from a millennial disruptor. Nor did they come from Peter Drucker, the father of modern management and a champion of collaborative business. In fact, those words were spoken by 20th-century industrialist Henry Ford who, despite developing the production line, still realised that without a contented, well paid workforce, he’d have nothing.

“Ford recognised that a company’s greatest assets are its people long before others were credited with that epiphany,” says Talita Ferreira FCA, author of *The Authenticity Dilemma Resolved*, who advises on leadership. “For the past 25 years, I’ve been helping leaders adapt or reinvent their

management style in order to create trust-based work cultures so that their employees – and therefore their organisations – can thrive. My message is that business ‘doing good’ is not confined to providing social activities in the community... It includes a social responsibility to have people working in the way that best suits them to ensure they have a higher level of motivation, development and engagement.”

The fact that engaged staff doing purposeful work are more productive has been shown by numerous studies. In 2019, a six-month research project conducted at BT call centres by Oxford University’s Saïd Business School found that employees were 13% more productive when happy, while a 2017 US-based survey by Gallup said that engaged ‘business units’ saw a 41% reduction in absenteeism, a 17% increase in productivity, a 10% improvement in customer ratings and a 21% increase in profitability.

So companies would do well to boost employee wellbeing. The way to do this, says the Workforce Institute – a think tank that helps organisations improve performance by addressing management of their staff – is through “compassionate and inclusive management that builds trust”.

**‘Organisations that show compassion and understanding to those who are struggling will be more likely to thrive after the great reset’**

The Institute's Executive Director, Dr Chris Mullen, is so confident that good leadership lies in putting the lives of staff ahead of work that he has made it one of his key predictions for 2021.

'Wholistic' employee wellness is vital, he says. "The past year has challenged people enormously and we are seeing higher incidences of depression, isolation, anxiety and stress. Businesses have done more than ever before to protect workers and their families, but the ones that will excel will be those that emphasise empathy, wellness and belonging.

"Organisations that show compassion and understanding to those who are struggling will be more likely to thrive after the great reset."

Jennifer Jones FCA, founder and consultant at Metis, which advises organisations on leadership and change management, agrees: "Even before COVID-19, millennials were driving through significant cultural shifts, but the pandemic has greatly accelerated the move from results-based business models to value-centred ones, and focused attention on how people worked before, how they are working now and how they wish to work going forward.

"Trends that are likely to be permanent are emerging. For example, a move towards a hybrid model that embraces flexibility by allowing workers fluidity of movement between working remotely – from home or even abroad – and the office."

Several issues will have to be addressed as the workplace transitions to a kinder place. "Organisations will need to make conscious and deliberate decisions about policies and processes," says Mullen. "They will begin to refocus and reinvent and think about which practices have gone forever, and which will return."

Such decisions may take years to solidify, which means that work will be defined by uncertainty. Again, the firms that survive best will be the ones that can deal with this. In times of uncertainty, trust will play an even greater role in organisations – particularly between leaders and their team members.

"Employees will need to trust that they will be looked after and supported throughout any difficulties they might encounter, while companies will need to trust that their staff will work to the best of their ability when working remotely," says Jones. "The bedrock of trust is honesty. Managers will need to see their team members and also allow themselves to be seen. When leaders show their vulnerabilities and say they share similar anxieties, they help flatten the traditional hierarchical structure and encourage a greater sense of belonging.

"It's not about saying 'we're all in this together,' which, let's face it, can actually be quite patronising and alienating, but about being genuinely empathetic. This paves the way to creating a truly sustainable business model, one that is built on communication, trust, collaboration, understanding and mutual respect."

## The expert view

Human resources (HR) will play a vital role in shaping the workplace of the future. Here, HR experts give their views on compassionate leadership.

### **Dr Andy Brown, CEO, ENGAGE, a leadership and engagement consultancy**

"The pandemic has changed the definition of strong leadership. It has affected organisations across sectors, geographies and demographics, and has forced leaders to refocus efforts on the human aspect of their business. Having the right traits, wisdom and skills is just one contributor to successful long-term, post-crisis leadership. Behaviours – externally showcased actions – are equally critical. We call this human, or balance, leadership.

"Organisations that have shown resilience and success have demonstrated a common set of leadership behaviours, including being visible and available; communicating through check-ins and two-way dialogue; listening authentically and acting on what employees, customers and stakeholders are saying; being open and honest; and admitting when they don't have the answers

"Successful leadership balances harder business elements with softer human ones, while also focusing on continual engagement with vision and strategy. Traditional leadership frameworks, typically based around big-picture thinking, a focus on results and building high potential, are not enough on their own to drive success in this new future.

"The ability of businesses to survive and evolve rests on how leaders respond to changes in the way businesses work, the way teams are structured and managed, and the way employees are engaged. How they emerge after the reset will depend on them maintaining this approach and combining it with leadership effectiveness and knowledge. That means

redefining the pure-play model of leadership – based on business outcomes and KPI metrics – that we've worked from over the past 20 years. Expected behaviours will need refreshing and the factors on which leaders are chosen, promoted and rewarded will need to shift. Leaders need to be able to make mistakes and change direction while maintaining trust and confidence. The introduction of elements such as humanity, humility, openness and listening will create a more balanced approach to leadership as we move forward."

### **Jenny Burns, expert on work reimagined and executive partner at Fluxx, which supports clients to accelerate growth and sustain change**

"Emotional intelligence is the key leadership skill of 2021. Business leaders that promote a culture of psychological safety, empathy and trust within a business will be the winners; when emotional intelligence is ingrained in the DNA of an organisation, it enables better collective decision-making, especially in times of crisis, and even more for the new hybrid world of work."

### **Liz Sebag-Montefiore, director of HR consultancy 10Eighty**

"For some time, there has been a shift in how people want to be led, and the pandemic has accelerated this. 'And Beyond' leaders of the future need to facilitate positive and sustainable change to meet the challenges of the new world of work by creating an environment that's focused on collective leadership and business agility in an age of disruption. They will look beyond the norm to identify the right strategy, decision or outcome and will find ways to experiment and adapt. Jacinda Ardern is a good 'And Beyond' role model. Her empathy, compassion and integrity engender a high level of trust and confidence in her, which she lives up to."