

Leading with compassion



Leading people, the phrase as we know it has evolved manifold since 2020.

The traditional role of a people manager included constructive feedback, delivering results, managing engagement and enabling career growth. People management challenges involved managing high performance but abrasive behavior, ensuring retention of high performers, managing for talent “hoarding” by line managers and institutionalizing knowledge management. Fast-forward 2022, the role of the manager has expanded beyond driving work performance and engagement. We have witnessed the shift from Taylorism, McGregor to Mayo theory of management. Hybrid working (73% of employees want flexible remote work options to stay)¹, changing workforce demographics, talent mobility and the geo-political environment have added complexity to prevalent people management challenges which demands for a paradigm shift in our approach to managing people.

¹ Donald Sull, Charles Sull, William Cipolli, and Caio Brighenti, “Why Every Leader Needs to Worry About Toxic Culture,” MIT Sloan Management Review, March 16, 2022, sloanreview.mit.edu.

The great resignation has proved that it is not an employer but an employee market. Toxic culture is 10 times more important than compensation in predicting attrition and is fueling the Great Resignation.² For example, we are seeing an uptick in steady performers with good track records switching companies when they feel they are not receiving enough support from their line manager. To win the talent war, organizations must prioritize employee wellbeing, attract with purpose, and enable holistic growth. The cost of replacing a full-time employee is anywhere between 1.5 to 2 times the annual salary. Fifty-two percent of voluntarily exiting employees say their manager or organization could have done something to prevent them from leaving their job.³ We have all heard the age-old adage; the employee leaves the manager not the company. This itself warrants a fresh look at the way managers can lead.

The manager today acts as the portal that enables the employee to experience what the organization stands for – the purpose, the ambition, and the challenges. The role needs a pivot beyond transactional people management to one that champions the whole person and what they bring to the team. Leading with compassion is critical today for the following reasons.

Firstly, inclusion remains critical as we continue to make strides in this hybrid work environment of 2022. Lack of inclusion made it to the list of top five drivers of toxic culture that result in employee turnover.⁴ The boundaries between professional and personal lives blurred during the pandemic. Beyond the flawless performance record, we saw much more - a single parent, a family member struggling with critical illness, a special needs child, a broken home. Bringing your whole self at work meant the need for a higher degree of self-acceptance and self-disclosure. Our professional and personal identity is integrating, so organizations are witnessing a more holistic picture of what employees face both at home and at work. The line manager plays an instrumental role in creating a culture of acceptance, psychological safety and a sense of belonging by celebrating the whole person. A Gartner analysis shows that managers who display high levels of empathy have three times the impact on their employees' performance than those who display low levels of empathy.⁵ In economies like the Middle East that are a melting pot for so many cultures and where employment is a key factor in ensuring continuity of stay in the region, the role line managers play in ensuring psychological safety cannot be underestimated.



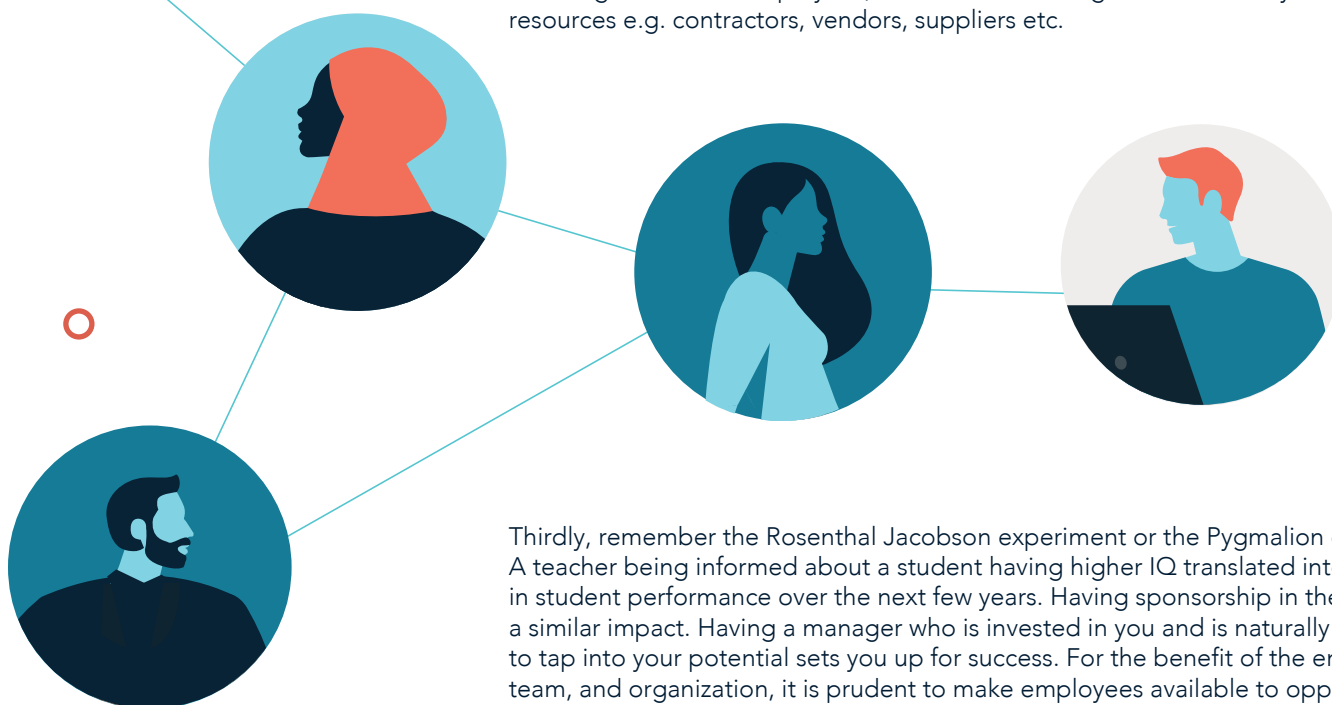
2 Donald Sull, Charles Sull, and Ben Zweig, "Toxic Culture Is Driving the Great Resignation," MIT Sloan Management Review, January 11, 2022, sloanreview.mit.edu.

3 Shane Mcfeely and Ben Wigert, "This Fixable Problem Costs U.S. Businesses \$1 Trillion," Gallup, March 13, 2019, [gallup.com](https://www.gallup.com).

4 Donald Sull, Charles Sull, William Cipolli, and Caio Brighenti, "Why Every Leader Needs to Worry About Toxic Culture," MIT Sloan Management Review, March 16, 2022, sloanreview.mit.edu.

5 Mary Baker and Teresa Zuech, "Gartner Survey Reveals HR Leaders' Number One Priority in 2022 will be Building Critical Skills and Competencies," press release, October 20, 2021, [gartner.com](https://www.gartner.com).

Secondly, jobs or roles continuously evolve, not just in a gig economy. A vendor may become a colleague, an employee may become a client and a team member may become the next leader. The longevity of relationships holds more weight than the longevity of the role. A more human and empathetic stance generates higher levels of trust in relationships making it more conducive to sustained relationships beyond the title. A leading energy player in the Middle East region has consciously considered the value they can provide to attract the workers of the gig economy as they revisit their employee value proposition. They have redefined the definition of talent to anyone who contributes to the value chain of providing energy to the end consumer. By adopting this new mindset, they are not restricting themselves to only investing in full-time employees, but also considering the entire ecosystem of resources e.g. contractors, vendors, suppliers etc.



Thirdly, remember the Rosenthal Jacobson experiment or the Pygmalion effect?⁶ A teacher being informed about a student having higher IQ translated into a boost in student performance over the next few years. Having sponsorship in the firm has a similar impact. Having a manager who is invested in you and is naturally inclined to tap into your potential sets you up for success. For the benefit of the employee, team, and organization, it is prudent to make employees available to opportunities that match their potential. Otherwise, good employees will eventually leave. For the Middle East region, one of the most prominent trends for leadership development initiatives is to create support ecosystems for high potential talent. This includes assigning C-suite mentors – when a senior leader is involved in mentoring; they feel invested in the high potential talent and that can create a positive feedback loop where the mentor feels motivated to set a good example and in turn, the mentee strives to perform due to increased visibility and access. When this happens at scale, the amplification can cut across the entire company, positively influencing the culture and increasing retention by creating stickiness.

Finally, with employees now spanning across multiple generations, the leading with compassion mindset allows for an approach of not just leading and role modeling but also learning from the employee. It brings in more humility and self-compassion to the role of line management. It creates room for accepting that the employee may be technically more adept in a certain field, and it creates a learning mindset where both manager and employee are leaning in. In the Middle East region, these mentor assignments last anywhere from 9-12 months and continue to grow organically with the C-suite team also recognizing the benefits of reverse mentoring – one example that comes to mind is a head of function who got a chance to work with an intern directly. The senior benefited from reverse mentoring by picking up fresh technical skills; further augmenting the rich industry expertise he already had.

⁶ J. Sterling Livingston, "Pygmalion in Management," Harvard Business Review, January, 2003, hbr.org.

The journey from “leading as a line manager” to “leading with compassion” can be embraced by exploring the following steps gradually:



Connect with curiosity

The new “busy” is fast replacing being “human” in connect and conversation. Spend time with your employee to really get to know them. What motivates them, what are their career aspirations, what are their interests outside of work, when are they quickest or slowest to respond to a request, what is the feedback others have on them? Get to know what is important to them about their role beyond the functional aspects.



Be accessible

Be clear on how you want to be available. Tread carefully between being available versus empowering the employee. Recognize the difference and exercise choice to empower, give stretch, opportunity and provide support. Be aware when distance is needed to create independence. Notice why your team member is reaching out - are they reaching out to brainstorm, to solve problems or to make decisions? Are they raising their hand to volunteer or try new things at work? Reflect on the pattern to see how you can best support. Also, don't wait to be told. Reach out first and check in with your direct report on how you can best support them.



Create opportunity

Be a sponsor and let your team members shine. If you know a certain project or piece of work will really fill their “purpose” bucket, assign it to them. Recruit opportunities that enable them to be their best self and help them build a personal brand in the organization. Share credit and acknowledge contribution in wider forums.



Be vulnerable

Don't be afraid to show your own vulnerability and ability to ask for help. This takes away the effect of ego and allows you to connect at a more human level. It also relieves the pressure for the manager to have all the answers. Demonstrating vulnerability shows the employee it's ok to not be perfect. Asking for help when needed is not a sign of weakness, instead, it humanizes the manager by showing that they also need support occasionally.



Be intentional

Feedback needs to be constructive and called out as you see it. Provide feedback with the mindset of enabling growth, not serving a consequence. Before pointing out an employee's mistake, find out their perspectives and reasons behind their actions. Go a step further and encourage your employees to reflect on possible solutions by guiding their thought process instead of telling them exactly what they should change. Encourage them to seek feedback from others they work with regularly. Step in and role model – ask them to give you feedback.

Finally, as we embrace leading with humanity, let us recognize that the demand on the managers has only increased. With these increased expectations on managers, we must not forget that they are not “superhuman”. Managers also need support and this needs to be role modeled from the top. Managers must feel supported so that they don't feel as though they are pouring from an empty cup. Managing bandwidth through deliberate prioritization of the strategy and clarity in communication from the top leadership can enable this. Compassion is not linear but a multilateral relationship in organizations and communities.

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