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The TramutoPorter Foundation

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Compassionate Leadership in The Workplace

RESEARCH SUMMARY NOVEMBER 2021

COMMISSIONED BY

Donato Tramuto
The TramutoPorter Foundation

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Overview

Prior to the COVID-19 pandemic, we observed negative trends in the workplace that included lower worker satisfaction and engagement, rising dissatisfaction with leadership, even bullying in the workplace. The pandemic and the social and political upheaval that started before it led to widespread disruption and to epidemic levels of loneliness, anxiety, and depression at home and at work. The workplace has also changed as a result of new generations of workers -- with different priorities, values, and work styles -- entering the workforce in greater numbers. These younger workers are still being led primarily by a less diverse set of senior leaders trained under traditional leadership models. Technology advancements have also been driving a need for a different type of employee - one with more developed 'human' qualities and 'soft skills' like creativity, adaptability, while workplaces still focus on productivity, profitability, and technology. This confluence of events and trends has resulted in a seismic shift in the workplace that has left many leaders ill equipped for the workplace of today, and that of the future.

We saw a clear need for a different model of leadership - one that is more aligned with its workforce and current trends, an approach to leadership that is as people-focused as it is results-focused. Our belief is that compassion should be the core driver. Fortunately, we see that when practiced effectively compassionate leadership leads to better performance, better worker engagement, and better bottom-line results. So why isn't everyone doing it? In past studies, when asked, most leaders have agreed that compassionate leadership is a good thing. Yet, it is still practiced by a minority of leaders. An often-cited Harvard Business Review study showed that eighty percent of managers want to be more compassionate, but they do not know how.

The TramutoPorter Foundation set out to help close the gap between acceptance of the notion of compassionate leadership and its actual implementation. The Foundation commissioned workplace research that included surveys and interviews as part of the development of a broader compassion initiative and to inform the development of its book, *The Double Bottom Line: How Compassionate Leaders Captivate Hearts and Deliver Results* that provides a compassionate leadership roadmap for current leaders and those just starting out on their leadership journey. We did an in-depth literature review, then used findings from that and our own hypotheses to develop a survey which was completed by a random sample of 1500 workers in the US. We then surveyed and conducted in-depth interviews

with dozens of leaders who we selected based on their proven track record of compassionate leadership (compassionate leadership group) and we compared their answers to the random sample of leaders among the 1500 workers surveyed.

Key Findings

1. The Compassionate Leadership Gap

Perhaps the most striking finding that emerged from the research was a demonstrated gap between what leaders say they believe about compassionate leadership and how workers perceive the beliefs or actions of their leaders. While most leaders say they believe in compassionate leadership, most workers do not believe leaders are practicing it.

Some examples from the survey results:

Most workers believe a compassionate workplace leads to cooperation, which leads to greater productivity and profitability. Yet most workers believe the workplace is more competitive than cooperative.

- Eighty-four percent of respondents believe that a compassionate workplace encourages cooperation, which in turn leads to greater productivity and profitability.
- Sixty-eight percent believe the workplace is more competitive than cooperative.

Most leaders and workers believe that compassion can be part of a double bottom line that favors both profitability and care for workers and communities. Yet, at the same time, most workers see their leaders as rejecting this notion.

- Eighty-four-and-a-half percent of the compassionate leadership group and seventy-seven percent of our survey group believe that compassionate leadership can be part of a double bottom line.
- Sixty-and-a-half percent of all workers believe that leaders in general reject compassion because they see it as contradictory to productivity or profit.
- Sixty percent of workers said that the beliefs and attitudes held by leaders are insufficient in the promotion of compassion.

Most workers see compassionate acts by their leaders as good examples, yet a majority also view compassionate leadership as weak or distracted. This contradiction might point to one reason for the compassionate leadership gap. Leaders who lack compassion are not necessarily dispassionate people, they might think that they are not allowed to be compassionate due to the perception

• Eighty percent of workers believe that leaders who demonstrate compassionate acts set a good example for others to follow.

• Fifty-seven percent of respondents strongly or somewhat strongly agree that leaders who emphasize compassion are seen as weak or distracted from normal priorities.

This statement might also reflect the "perception of how things are" by respondents, compared to what they want it to be. They are essentially saying "I wish compassionate leaders were not perceived as weak." The perception is getting in the way of improving compassion in leadership, or, if the perception of weakness didn't exist, leaders would be more compassionate.

When asked whether compassionate leadership is viewed as weak, we saw most of the leaders in the random survey sample agree with this notion. Yet, of our individually chosen compassionate leaders, only a minority of them agreed, suggesting perhaps that they were more likely to practice it in the first place because they did not view it as weak, or that once practiced, they no longer saw it that way.

- Sixty-seven percent of the most senior respondents (CEO, president, owner, etc.) in our workplace survey said that compassionate leadership is often viewed as weak, they also said that it's important.
- The majority of the group of compassionate leaders we interviewed for this book said the opposite: Only twenty-three percent strongly or somewhat agreed with the notion that compassionate leadership is weak.

Part of the research focused on the comparison between the responses, views, and beliefs of the most senior leaders and the lowest-level employees. One statement read:

Leaders in my current organization inspire others to be compassionate in their work and personal lives.

- Eighty-six percent of the most senior leaders (e.g., CEOs, C-suite executives) said they agreed with this statement.
- Sixty-five percent of the lowest-level employees agree with this statement.

Leaders in my organization seek input and support from employees and other stakeholders to promote a compassionate workplace.

- Eighty-five percent of the most senior leaders agreed with this statement.
- Fifty-nine percent of the lowest-level employees agreed with this statement.

In fact, in our workplace survey, more than eighty percent of senior leaders said that their organization has established and updates its mission statement regularly. Yet only fifty-nine percent of entry-level workers thought that was so!

II. Key Dimensions of Compassion in the Workplace

In our research when we surveyed 1,500 people in the workforce at all levels and asked them what characteristics were most important in a compassionate culture, the two with the most affirmative responses by far were commitment and communication. This is compelling because communication and commitment combine to form trust. When communication from leadership is clear, regular, and honest, and when it is directed toward and accepted by everyone in the organization, team members feel like involved contributors, and they feel safe to share their thoughts. In our workplace survey,

communication, commitment, and collaboration ranked as the top three keys to compassionate culture and collaborative teams. These keys of compassionate leadership combine to help the people involved form a strong and safe sense of community, which is the essence of successful teams.

In the workplace survey, commitment was the component of leadership that ranked highest among employees. Eighty-two percent of respondents said that "committing time and resources to the mental and physical wellness of an organization's members or employees improved productivity and profitability."

When we asked survey respondents to rank the elements important to compassionate leadership, "change" was dead last for senior leaders, and that escalated with age. Seventy-eight and a half percent of senior managers aged forty-five to fifty-four ranked change as the least important element of compassion, while 100 percent of senior leaders sixty-four and over ranked this as least important.

Summary

We believe this research suggested or confirmed some important findings and identified some actionable insights for leaders (these are covered in depth and expanded upon with examples in the book, *The Double Bottom Line*, which was informed by the research.). A few key takeaways below.

- Empathy Isn't Enough. Empathy has been a major buzzword in leadership discussion, but we believe empathy can be insufficient, even a negative if it is not coupled with *action*. The gap in perception between leaders and those they lead shows that in many cases, leaders believe they are compassionate when they are probably stopping short of that they may feel and express empathy, but without the action, it isn't enough. It can even backfire if a leader expresses empathy for an employee's challenges but does nothing. We believe that empathy + action is core to the definition of compassionate leadership.
- The Compassionate Leadership Gap. A 'Leadership Gap' exists in many organizations between what leaders think they are expressing and what their workers perceive or observe. We see compassionate leadership as a broad concept encompassing many key areas and dimensions. Once a leader identifies this gap in their own organization, there are myriad opportunities to increase the potential within their workforce, to strengthen their teams, to increase productivity and innovation, and to drive better results.
- The 3 Cs of Compassionate Leadership. We saw in our survey that there were three dimensions that workers perceived as the most important when it comes to compassionate leadership -- communication, commitment, and collaboration. This is compelling as we see communication and commitment as the two elements that combine to form trust. When employees receive clear, regular, and honest communication from their leaders, and the action of the leader aligns with what they say, and when employees see that those leaders are committed to their welfare and development, it builds trust and a sense of safety. These are keys to stronger teams and healthy culture. We also see that when employees see a leader actively working on their behalf, they are more motivated to work hard for that leader.

Methodology

The research started with five research questions, as identified by our working group. The research questions are:

- 1. What are the key elements in a definition of compassionate leadership?
- 2. What are the key attributes that help identify a compassionate leader?
- 3. Can compassionate leadership be taught?
- 4. Do the attributes of compassionate leadership change over time?
- 5. Can organizations successfully promote compassion on an equal or greater level when compared to profit or other material goals?

Once the research questions were identified, a literature review was conducted. This review produced several recurring themes related to the research questions that helped to develop the questions for the survey. The themes were: Change, Commitment, Communication, Community, Consistency, Cooperation and Courage.

The survey consisted of a 5-point Likert Scale (strongly agree to strongly disagree). There were seven questions for each of the five research questions, one for each of the emergent themes from the lit review.

The survey was conducted by marketing agency TideSmart Global using PureSpectrum Insights, an industry-leading consumers insights solution, and included responses from 1501 workers in the general population in the US between December 02, 2020, and December 09, 2020, via online surveys. The survey respondents represented a cross section of ages, levels of seniority and income, etc. In addition, the same survey was completed by individually selected, proven compassionate leaders and the results were used to compare to the general population and specifically the senior leaders in the general population. Finally, the proven leaders (30) were also interviewed to gain additional anecdotal insights.

Expanded research insights and conclusions can be found in the book, <u>The Double Bottom Line: How Compassionate Leaders Captivate Hearts and Deliver Results (March 1, 2022)</u>.

For more information about Donato Tramuto and The Tramuto Foundation, please visit donatotramuto.com or tramutofoundation.com.

