

Empathy is the Most Important Leadership Skill According to Research

Empathy has always been a critical skill for leaders, but it is taking on a new level of meaning and priority. Far from a soft approach it can drive significant business results.

You always knew demonstrating empathy is positive for people, but new research demonstrates its importance for everything from innovation to retention. Great leadership requires a fine mix of all kinds of skills to create the conditions for engagement, happiness and performance, and empathy tops the list of what leaders must get right.

The Effects of Stress

The reason empathy is so necessary is that people are experiencing multiple kinds of stress, and data suggests it is affected by the pandemic—and the ways our lives and our work have been turned upside down.

- **Mental Health.** A global study by Qualtrics found 42% of people have experienced a decline in mental health. Specifically, 67% of people are experiencing increases in stress while 57% have increased anxiety, and 54% are emotionally exhausted. 53% of people are sad, 50% are irritable, 28% are having trouble concentrating, 20% are taking longer to finish tasks, 15% are having trouble thinking and 12% are challenged to juggle their responsibilities.
- **Personal Lives.** A study in *Occupational Health Science* found our sleep is compromised when we feel stressed at work. Research at the University of Illinois found when employees receive rude emails at work, they tend to experience negativity and spillover into their personal lives and particularly with their partners. In addition, a study at Carleton University found when people experience incivility at work, they tend to feel less capable in their parenting.
- **Performance, Turnover and Customer Experience.** A study published in the *Academy of Management Journal* found when people are on the receiving end of rudeness at work, their performance suffers and they are less likely to help others. And a new study at Georgetown University found workplace incivility is rising and the effects are extensive, including reduced performance and collaboration, deteriorating customer experiences and increased turnover.

Empathy Contributes to Positive Outcomes

But as we go through tough times, struggle with burnout or find it challenging to find happiness at work, empathy can be a powerful antidote and contribute to positive

experiences for individuals and teams. A new study of 889 employees by Catalyst found empathy has some significant constructive effects:

- **Innovation.** When people reported their leaders were empathetic, they were more likely to report they were able to be innovative—61% of employees compared to only 13% of employees with less empathetic leaders.
 - **Engagement.** 76% of people who experienced empathy from their leaders reported they were engaged compared with only 32% who experienced less empathy.
 - **Retention.** 57% of white women and 62% of women of color said they were unlikely to think of leaving their companies when they felt their life circumstances were respected and valued by their companies. However, when they didn't feel that level of value or respect for their life circumstances, only 14% and 30% of white women and women of color respectively said they were unlikely to consider leaving.
 - **Inclusivity.** 50% of people with empathetic leaders reported their workplace was inclusive, compared with only 17% of those with less empathetic leadership.
 - **Work-Life.** When people felt their leaders were more empathetic, 86% reported they are able to navigate the demands of their work and life—successfully juggling their personal, family and work obligations. This is compared with 60% of those who perceived less empathy.
- **Cooperation** is also a factor. According to a study published in *Evolutionary Biology*, when empathy was introduced into decision making, it increased cooperation and even caused people to be more empathetic. Empathy fostered more empathy.
 - **Mental health.** The study by Qualtrics found when leaders were perceived as more empathetic, people reported greater levels of mental health.

Wired for Empathy

- In addition, empathy seems to be inborn. In a study by Lund University, children as young as two demonstrated an appreciation that others hold different perspectives than their own. And research at the University of Virginia found when people saw their friends experiencing threats, they experienced activity in the same part of their brain which was affected when they were personally threatened. People felt for their friends and teammates as deeply as they felt for themselves. All of this makes empathy an important part of our human condition—at work and in our personal lives.

Leading with Empathy

- Leaders can demonstrate empathy in two ways. First, they can consider someone else's thoughts through cognitive empathy ("If I were in his/her position, what would I be thinking right now?"). Leaders can also focus on a person's feelings using emotional empathy ("Being in his/her position would make me feel ____"). But leaders will be most successful not just when they personally consider others, but when they express their concerns and inquire about challenges directly, and then listen to employees' responses.
- Leaders don't have to be experts in mental health in order to demonstrate they care and are paying attention. It's enough to check in, ask questions and take cues from the employee about how much they want to share. Leaders can also be educated about the company's supports for mental health so they can provide information about resources to additional help.
- Great leadership also requires action. One leader likes to say, "You're behaving so loudly, I can hardly hear what you're saying." People will trust leaders and feel a greater sense of engagement and commitment when there is alignment between what the leader says and does. All that understanding of someone else's situation should turn into compassion and action. Empathy in action is understanding an employee's struggles and offering to help. It is appreciating a person's point of view and engaging in a healthy debate that builds to a better solution. It is considering a team member's perspectives and making a new recommendation that helps achieve greater success. As the popular saying goes, people may not remember what you say, but they will remember how you made them feel.

In Summary

- Empathy contributes to positive relationships and organizational cultures and it also drives results. Empathy may not be a brand new skill, but it has a new level of importance and the fresh research makes it especially clear how empathy is the leadership competency to develop and demonstrate now and in the future of work.