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## **ARTICLE** **LEADERSHIP & MANAGING** **PEOPLE**

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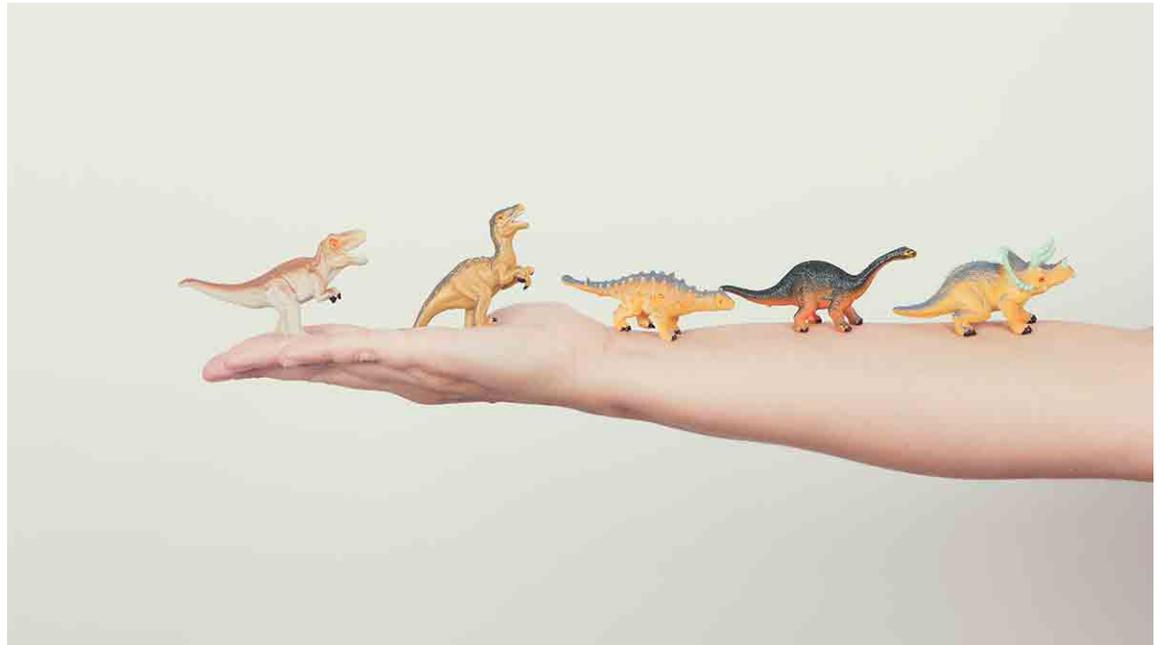
*by Rasmus Hougaard, Jacqueline Carter and Nick  
Hobson*

LEADERSHIP & MANAGING PEOPLE

# Compassionate Leadership Is Necessary — but Not Sufficient

by Rasmus Hougaard, Jacqueline Carter and Nick Hobson

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PAULA DANIËLSE/GETTY IMAGES

A global pandemic, Depression-level unemployment, civil and political unrest – from New York to Barcelona to Hong Kong, it feels as if the world as we know it is faltering. Economies are unwinding; jobs are disappearing. Through it all, our spirit is being tested. Now more than ever, it's imperative for leaders to demonstrate compassion.

Compassion is the quality of having positive intentions and real concern for others. Compassion in leadership creates stronger connections between people. It improves [collaboration](#), raises levels of [trust](#), and enhances loyalty. In addition, studies find that compassionate leaders are perceived as stronger and more [competent](#).

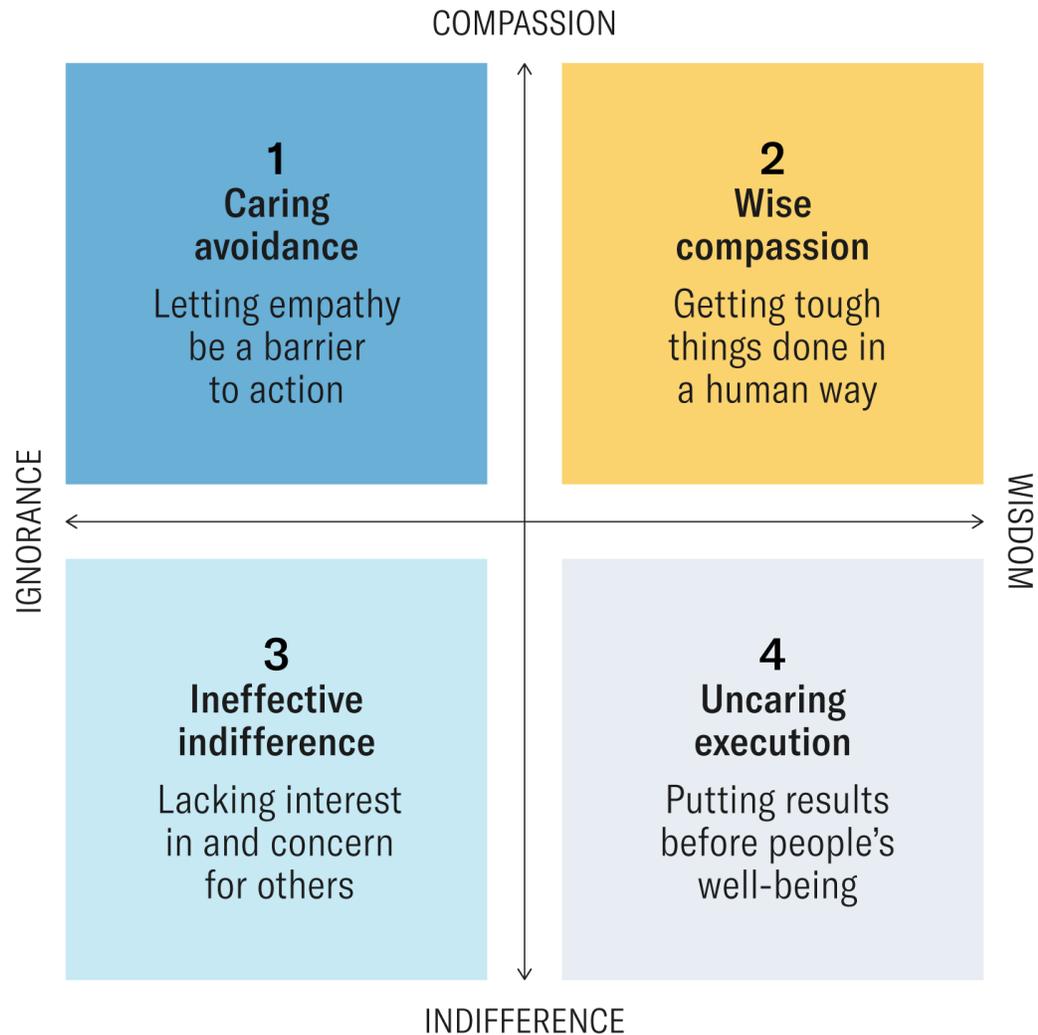
As the tragedy and hardship of our current context unfold, companies are awakened to the greater value in caring about people's wellbeing. At Potential Project, we have [studied](#) and [written](#) about the importance of compassion in leadership for years. Even more important, we've trained the leaders of global organizations in how to implement compassionate leadership.

Through this work, we've discovered a key component of compassionate leadership, something most other experts overlook: Compassion on its own is not enough. For effective leadership, compassion must be combined with wisdom.

By wisdom, we mean leadership competence, a deep understanding of what motivates people and how to manage them to deliver on agreed priorities. Leadership is hard. To be effective, it often requires pushing agendas, giving tough feedback, making hard decisions that disappoint people, and, in some cases, laying people off. Showing compassion in leadership can't come at the expense of wisdom and effectiveness. You need both. Wise compassionate leadership is the ability to do hard things in a human way.

# The Wise Compassion Leadership Matrix

Compare this leadership style to three other common ones.



Source: Rasmus Hougaard



It's important to understand that these styles or modes of leadership do not necessarily indicate permanent, hardwired characteristics of a leader, but more often are indicative of a particular mood or mindset or context that a leader is operating in.

In quadrant 1, at the top left, leaders care for people – which is great – but they tend to avoid the tough parts of leadership like giving hard feedback. In quadrant 3, bottom left, leaders are ineffective and indifferent, operating in a mode that is the opposite of mindful. Lacking both compassion and wisdom, these leaders appear to their followers as uncaring and unprofessional. In quadrant 4, at the bottom right, leaders are effectively executing on their business objectives, but have little compassion.

Finally, in quadrant 2, at the top right – wise compassion – leaders deliver the best results. Leaders operating in this mode are balancing concern for their people with the need to move their organizations forward in an efficient, productive manner. When tough action is needed, they get it done with genuine caring for people’s feelings and well-being.

To better understand wise compassionate leadership, we have gathered data from 15,000 leaders in more than 5,000 companies that span nearly 100 countries. (To gauge your own compassion as a leader and contribute to our data set, feel free to take this quick [assessment](#).)

Through extensive data modeling, we have discovered a clear correlation between higher levels of wise compassion and promotability. In other words, the more wise compassion you practice as a leader, the faster and higher you will rise in the ranks. This is great news, a clear confirmation that we do well ourselves by doing good to others.

## Actionable Routines for Cultivating Wise Compassion

One of the most important revelations in our data was that having a regular mindfulness routine leads to increased wise compassion. This effect on leadership style likely results from the fact that mindfulness practice makes people more self-aware and [more cognizant](#) of the behaviors and emotions of others. With greater awareness and presence, leaders are more intentional in bringing wisdom and compassion to an issue.

Here are a few tips to better develop compassion and wisdom as components of your leadership style. If your wisdom is strong but you still need to develop more compassion, here are a few things you can do:

- **Have more self-compassion:** Having genuine compassion for others starts with having compassion for yourself. If you’re overloaded and out of balance, it’s impossible to help others find their balance. Self-compassion includes getting quality sleep and taking breaks during the day. For many leaders, self-compassion means letting go of obsessive self-criticism. Stop criticizing yourself for what you could have done differently or better. You probably wouldn’t talk to a good friend or colleague who needed help the same way you address yourself. Instead, cultivate self-talk that is positive. Then reframe setbacks as a learning experience. What will you do differently in the future?

- **Check your intention:** Make a habit of checking your intention before you meet others. Put yourself in their shoes. With their reality in mind, ask yourself: How can I best be of benefit to this person or these people?
- **Adopt a daily compassion practice:** Compassion is a trainable skill. Our brains have an incredible level of neuroplasticity, which means that the mental states you develop can get stronger and more prominent. (We've developed [an app](#) that can support you in increasing your compassion.)

If your compassion is strong but you would like to increase your wisdom, here are a few helpful strategies:

- **Practice candid transparency:** As leaders, it is our responsibility to provide the guidance people need, even if it is difficult for them to hear. When a team member is underperforming, be candid and tell her or him what to work on. If you conceal your concerns in an attempt to be kind, people will neither understand expectations nor benefit from your wisdom. Because of this, concealing tough criticism is not kind – it is misleading. Instead, being clear is kind. Be direct and transparent.
- **One daily direct interaction:** If your natural inclination is more oriented towards compassion, being kind is your comfort zone. To improve your wisdom, try to adopt a habit of having at least one daily direct and assertive interaction with a person. It will help you to move out of your comfort zone and better develop your leadership wisdom.
- **Adopt a daily mindfulness training:** Research shows that when we practice mindfulness, we gain greater wisdom and leadership competence. (Here is [a tool](#) that can help you get started with mindfulness training.)

There will be many hard days, weeks, and months ahead. A mindset of wise compassion is the most effective, and humane, way to support people through these difficult times. As we collectively face the challenges, we'll need to make tough decisions. We should all strive to do these hard things in a human way.

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**Rasmus Hougaard** is the founder and CEO of [Potential Project](#), a global leadership, organizational development and research firm serving Microsoft, Accenture, Cisco and hundreds of other organizations. He is author of [The Mind of the Leader – How to Lead Yourself, Your People and Your Organization for Extraordinary Results](#) with HBR Press and will be publishing his next book *Compassionate Leadership – Doing Hard Things the Human Way* with HBR in 2021.

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