



Why Empathy Makes for Stronger Organisations

Executives' ability to see themselves from the outside and others from the inside, plays an important role in effective team formation

The strategy meeting was running smoothly. For days, the senior management team had been preparing intensely for their final presentations about a planned corporate transformation to the CEO. He was quite unpredictable. Would he go for their plan, or shoot them down?

As the CFO began her overview, the CEO's phone rang. To everybody's surprise, he took the call and walked out of the room. The CFO waited for a few moments, not sure if she should continue. She did a quick redirect and addressed her comments to the others, but she was secretly fuming. When the CEO returned thirty minutes later, all he said was a curt "Sorry about that." The discussion that followed floundered; the meeting was an opportunity lost.

This was not the first time the CEO had acted this way. He didn't seem to care how other people felt. But this time, his lack of empathy would cost him dearly. Enough was enough for many in the senior team. A number of them refocused on their own divisions so that even if the overall company wouldn't do very well, they would still look good. As many expected, the company's waning strategic agility contributed to a rapid loss in market share, and eventually, to a shareholder revolt. Hundreds of employees were fired.

I heard the story about the strategy meeting much

Visit **INSEAD Knowledge**
<http://knowledge.insead.edu>

later from the CEO. I suggested that he might consider developing his level of empathy. He was quite surprised. He knew, of course, what the word "empathy" meant. As a matter of fact, he considered himself an empathetic person. But he also felt that too much empathy could hinder people from getting the job done. They were in a very competitive business. People who had risen to the level of the executive committee should be tough enough to get on with it, and not be swayed by personal issues.

What is empathy?

Empathy is not the same as sympathy, which involves feelings of compassion, sorrow, or pity. It is the ability to imagine the emotional experience of another person, their pain, joy, anger, in our heart. Thus empathy is a core component in effective and satisfying interpersonal relationships. It helps us to make sense of what is said or *not said*; what is done or *not done*. It enhances our ability to receive and process information, and to find solutions. Empathy strengthens bonds of trust, and it is the basis for our intrinsic sense of justice. In particular, *empathy with the negative*, that is, with the emotions behind someone's unpleasant or destructive actions, can provide clues to behavior.

The neurological drive towards social bonding

Empathy has played a key role in human evolution as a mechanism to enhance parental nurturing and protection. Indeed, much of our ability to empathise derives from childhood experiences with parents and other caregivers. There also seems to be a neurological component to empathy. The chemical currency of empathy is controlled by a group of neurotransmitters — endorphins, dopamine, serotonin, and oxytocin — that reward us by making us feel good. In particular, oxytocin (also known as the “love hormone”) seems to play an important role in social bonding by, among other things, making us more sensitive to the emotions of others.

Empathetic leaders

Like this CEO, there are many (often successful) people in organisations who are direly lacking in empathy. Some executives are quite narcissistic. Self-centered as they are, they may find it difficult to put themselves in other people’s shoes. Other executives may have sociopathic traits. They project an air of sincerity, but in reality they feel nothing, and are fine with that. Some people even turn empathy into a destructive force, using their keen sense of a person’s emotional state to manipulate or destabilize him or her. Many more people, like the CEO, are wary of the chaos that might ensue if “personal feelings” were acknowledged. But behaving in these ways in our increasingly network-oriented society comes with a steep price.

Empathic executives are better at managing relationships. They establish safe environments in which people can express hopes and fears. Because it is “contagious,” empathy contributes to better negotiation, collaboration, and conflict resolution. Empathy plays an important role in effective team formation. When the expression of empathy is part of a company’s culture, its stress level will be lower. All of these advantages lead to a more committed workforce with a greater motivation to perform beyond expectations.

The CEO could see my point. He then asked: How can I make it work?

Empathy has been described as the ability to see ourselves from the outside and others from the inside. Seeing from the outside means to recognise and accept our own feelings. To see the inside of others, it’s essential to listen very carefully and patiently, without judging. It’s important for the person to feel that you are fully present. No checking social media, no phone calls. Also, you need to be mindfully aware of the non-verbal behavior of the other person. You should refrain from giving advice immediately, and be careful that your own ideas don’t get in the way. To use Moliere’s words, “We need to examine ourselves for a very long time before thinking of condemning

Visit INSEAD Knowledge
<http://knowledge.insead.edu>

others.”

Empathy goes two ways

The CEO acknowledged that he had not been very empathetic to the presenter. With hindsight, he admitted although she kept a cool exterior, she was probably quite nervous and hoping for his approval. Then the CEO told me his mother was gravely ill at the time. The phone call was from his sister. His abrupt departure and return hid his emotional distress.

I agreed that the CFO and the other senior executives could also have been more empathetic in that meeting. Someone could have asked the CEO, at least later in private, if everything was all right. But no one had, so what did that say about the level of empathy of others in the group? No one seemed able to empathise with the negative: seeking to understand the source of the CEO’s apparently rude action.

Lack of empathy prevents awareness of the experiences of others, even in organisations, and leads to insensitivity and misunderstanding.

Because empathy is an early and critical element of our human experience, one could argue that to resist expressing empathy in organisations is to deny a fundamental characteristic of what makes us human. Visibly caring about the well-being of others creates reciprocity; empathy begets empathy.

Work on empathy; develop your curiosity about yourself from the outside, and about others from the inside. Your organisation will be a better place.

Manfred Kets De Vries** is the Distinguished Clinical Professor of Leadership Development & Organisational Change at INSEAD and The Raoul de Vitry d'Avaucourt Chaired Professor of Leadership Development, Emeritus. He is the Founder of INSEAD's **Global Leadership Centre** and the Programme Director of **The Challenge of Leadership**, one of INSEAD's Top Executive Development Programmes. His most recent books are **“You Will Meet a Tall, Dark Stranger: Executive Coaching Challenges”** and **“Telling Fairy Tales in the Boardroom: How to Make Sure your Organization Lives Happily Ever After.”

Follow INSEAD Knowledge on **Twitter** and **Facebook**

Find article at
<https://knowledge.insead.edu/blog/insead-blog/why-empathy-makes-for-stronger-organisations-4815>

Download the Knowledge app for free



Visit INSEAD Knowledge
<http://knowledge.insead.edu>