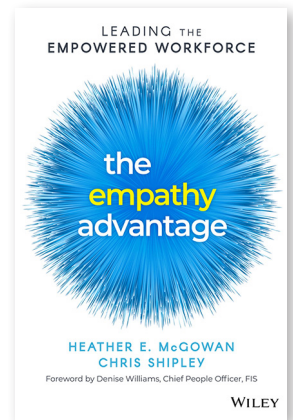


The Empathy Advantage

Leading the Empowered Workforce

by **Heather E. McGowan and Chris Shipley**



Contents

The New Normal of Work

Page 2

Meet Your New Workforce

Page 2

Upgrade Your Operating Models

Page 3

Enable Your Empowered Workforce

Page 4

Pilot Your Expedition Team

Page 5

Embrace Your Superpowers

Page 6

Emergence of the Empathetic Leader

Page 6

THE SUMMARY IN BRIEF

The why, where, and how we work has changed forever. Work isn't returning to "the way it was" and leaders who resist this will struggle the most. The job of staying on top of people and labor market trends, anticipating and delivering what is needed to cultivate a culture of excellence, attracting and developing top talent, and protecting employee well-being at a time of unprecedented stress is not an easy feat. Yet here we are.

With the pandemic fresh in our minds, now is the time to understand its impacts on our work lives, the way we organize work, and the way we lead others. In *The Empathy Advantage: Leading the Empowered Workforce*, authors Heather E. McGowan and Chris Shipley have teamed up to document these seismic shifts and connect the dots about the new workforce that is evolved, empowered, and exhausted, creating a playbook for "leading in this new work era."

IN THIS SUMMARY, YOU WILL LEARN:

- What the new normal of work looks like
- How to rethink your workforce
- Why you need to rethink your organization
- What it means to rethink your leadership

The New Normal of Work

Workers adapted superbly to the challenge of maintaining business continuity amid the chaos that was the uncertainty of Covid-19. Our once separate personal and professional lives have merged. But the pandemic was merely a fast-acting catalyst for changes that have been afoot for a decade or longer. Shifting demographics, social norms, and generational experiences have permanently reshaped the workforce in ways larger than any one seismic event.

Our new workforce is now an amalgam of age, experience, and attitudes. Gen Z's entrance into the workforce permanently fixes this new composition. They are the most diverse, well educated, authentic, and socially engaged generation, and they would rather not work than work in jobs that don't reflect and respect their values and interests.

And there you are, smack dab in the middle of these converging trends, trying to figure out what this means for the people you lead and the organization you support. It starts with knowing and understanding the people you hope to lead, so let's start there.

Part 1: Rethink Your Workforce

Meet Your New Workforce

The diverse workforce is not coming; it is here. It was never safe to assume that workers who looked like you shared your motivations and experiences. Now, those assumptions are an occupational liability.

Our workforce is a melange of life experiences and rich perspectives that can make our work more enriching and more valuable. Our workforce, and now its leadership, is starting to look like the markets we serve. To tap that value, you're going to have to see—*really see*—the new workforce.

There is no racial majority in the 18 and younger cohort, the very people who are filling jobs today and will continue to fill jobs in the future. Within 10 years, in fact, Gen Z workers will fill 30% of the workforce. Racial reordering has given rise to the “People of the Global Majority,” a reference to the global market that now comprises more Black, Indigenous, and people of color (BIPOC) than whites.

The workforce is also pan-generational from Boomers to Gen Z and everything in between. In a world that requires continuous learning and adaptation, an age-diverse workforce now has a distinct advantage over a singularly young or singularly

older workforce because our brains develop different capacities at different ages. An age-diverse workforce enables all employees to benefit from these developmental peaks.

With gender we see some of the most profound changes in the composition of the workforce with more women than men achieving a university education and entering the workforce for the first time in history.

Adding well-educated women to the workforce has significant and universal benefits, especially now as we tackle thorny issues. This challenging future requires a style of working that is less about individuals executing tasks in isolation and more about collaborative exploration.

Finally, perhaps the most rapidly transforming demographic marker in the workforce is gender and sexual identity. Once firmly defined as fixed and binary, gender and sexual orientation are increasingly understood to be fluid and exist on a continuum. And increasingly, acceptance is being codified in law.

Awareness, openness, transparency, and acceptance go a long way to create a workplace and team dynamic that engages workers of every background. As we dive deeper into the digital economy, humans will continue to be the greatest source of value creation. Little optimizes the investment in humans more than diversity in the workforce.

Understand Your Worker's New Habits

Prior to the pandemic, business and society had experienced a 15-year period of exponential technology-driven growth. The pandemic only accelerated that change. As the world changed, we evolved, and so did the way we work.

We Embraced Existing Technology: We started using the tools that were already all around us—many of them a decade old or older—including Zoom, Microsoft Teams, Google Meet, Skype, and more. Medical offices embraced telemedicine and consumers adopted every manner of app to stay connected professionally and personally. Small businesses and individuals adopted non-cash payment systems. QR codes finally had a reason to exist at scale. And we learned how to use all of it.

Given that very few of these technologies were new, this rapid digital transformation was due to *human transformation*. Technologies relegated to specific use cases became near universal. *We* transformed *ourselves* to enjoy the benefits of those technologies.

Purpose forms the heart of the new age of human-centric, or humanized, work.

We Learned to Trust: None of the virtual tools—indeed, remote work itself—would have been effective at all if we had not made the collective decision to trust one another, at a fundamental level. The trust we found in ourselves and one another helped us make it through three years of remote work. Only because we finally trusted our people and each other to work autonomously were we able to maintain performance and productivity.

We Learned to Adapt: The pandemic required everyone to confront unprecedented change. To keep pace, we needed a process of learning new skills and unlearning the habits and systems that prevented progress. Workers embraced agency to act and work in ways that make them more creative, more productive, and more fully human.

Understand the Empowered Mindset

While the pandemic was experienced differently in one way or another by virtually everyone, one through line stands out. The relationship between individuals and organizations for which they work has forever changed. We have reaffirmed our values. We have reordered our priorities. We have reassessed our work. While the Great Resignation grabbed the headlines, the Great Reset is the real game changer.

Before the pandemic, life was what you had time for when your work was done. In the pandemic, the line between work and life blurred and work didn't always come first. In time, we settled into routines and many of us found that we liked tucking work into life much more than before, when we stressed about having a life outside of work. This reordering of life over work has empowered workers.

Our relationship to what we do and why we do it has also shifted. Workers now desire, or rather demand, meaningful work. Work is now filtered through one basic question: Is it worth it? Workers in every kind of role are seeking work that satisfies both economic and emotional requirements in a careful calculus that measures purpose alongside pay and flexibility alongside status.

We are at our best when we integrate our work with our inherent values. We are our best when we are both living and

working our purpose. Purpose forms the heart of the new age of human-centric, or humanized, work. And it is the new organizing principle for companies and teams. When organizations make their purpose clear they attract workers who are dedicated to those values.

Perhaps most important to our new attitudes toward work in an era of remote and hybrid teams, relationships matter more than ever. It is our job as leaders to use our most human capability, empathy, to build the relationships that create the stickiness—the sense of belonging—that engenders engagement and builds organizational capacity.

Making the effort to really understand how your workers are thinking now, to dive into what truly motivates people to engage deeply in their work and with their colleagues, is so worth it, not simply because it creates a more positive workplace, but because it is the single most important thing you can do to unlock value in your business.

Part II: Rethink Your Organization

Upgrade Your Operating Models

Business leaders today have had a way of working, organizing, and leading that worked well enough when everything was familiar. These models and maps are comfortable; after all, they got us where we are today. But they bring an increasingly worrisome false confidence.

If the pandemic taught us anything, it has shown that they no longer work and layering them on top of a newly empowered workforce might just be dangerous. It's time, then, to throw them away.

In 2019, the Business Roundtable, an organization composed of the CEOs of the largest and most influential American companies, took a bold step and rejected the 50-year-old shareholder capital doctrine that valued a corporation almost solely on its stock price.

Instead, companies needed to embrace their *stakeholders*—the employees, customers, communities, and investors that in aggregate supported and benefited from the company. This

ushered in the Human Value Era, that puts the workforce at the center of organizational thinking and structure.

Instead of organizing around flat jobs that require more or less the same work every day, the better structure is to organize around projects. This enables people to come in and out of projects as needed, tapping skills when the demand requires them.

This shift from flat, jobs-based work to complex, project-based organizations is not just a nice idea; it's essential. In the modern knowledge economy, work has shifted from linear and predictable to complex and variable. It's time, then, to organize differently to tap the full potential of your team.

The best way to move forward is to abandon command and control structures that were built for scalable efficiency and embrace experimentation and review systems that are designed for scalable learning. Think of work as a set of activities that require individual and collective effort in order to reach an outcome.

In this definition, tasks aren't defined, outcomes are. The people doing the work have the latitude to do the work—the activities—required to reach the objective. That flexibility permits workers to be responsive to changing conditions, while staying fixed on the goal, rather than stuck in a job.

The organization itself naturally has expectations, aspirations, and preferences. A misalignment of these expectations between the organization and the people creates stress, and unchecked, that stress can lead to burnout. Today, we are confronting a decidedly more fragile relationship between the people and the organizations in which they work and we need to double down on our focus on people.

Benefits should not be seen as supplemental compensation. In the Human Value Era, benefits like healthcare, tuition reimbursement, and childcare combine to help your people perform better at work.

Time off matters, but flexibility is just as important. Workers want more flexibility and many more may be willing to rejoin the workforce if they were offered less “traditional” schedules. By turning benefits on their head and thinking of them not as supplemental compensation but as an investment in your company's most precious asset, benefits become an investment in the business.

The focus on value creation through scaled production of product and services was myopic, and blurred the importance of our most valuable asset: our people. To be successful

in continuous change, we must focus on the development, engagement, well-being, and happiness of our people.

Enable Your Empowered Workforce

Culture is a contract, sometimes written and often not, that directs how people within an organization choose to work together. Every organization has a culture. The best are intentional and well-articulated. Organizational values are clear and these clear values underpin decision making. People know what is in—and out—of bounds. They know what is expected of them, usually without being told. Culture is just what you do.

Change happens on top of a strong culture, not to one. The consistency matters. Culture is the operating system. It's how everyone in the organization understands and has context for actions and decisions. Culture enables distributed decision making—because people understand the context and parameters for actions. You work and decide and act within the cultural framework. Well-defined culture allows a business to grow and scale because everyone knows what they are working for and how to work together.

How can you tell if you're working in, or contributing to, a toxic culture? The signs are everywhere. Stress levels are high. Decision making is slow. People tend to feel underappreciated or believe they are being treated unfairly. These organizations tend to experience high rates of employee turnover. Work doesn't have to be that way.

Vibrant cultures are built on a foundation of shared values and trust, and nurtured with mindful intention. This mindfulness toward culture is a leading indicator of a healthy, learning, and engaging workplace. Culture is actuated by people who work in concert with shared values, mutual respect, and—most necessarily—implicit trust. Without trust, the potential of your culture cannot be realized.

Trust—or the lack of it—is expressed in every interaction, every mandate, every conversation. How you lead demonstrates your trust in your team and whether your team can trust you.

Trust runs up and down the org chart. The simplest, and sometimes hardest, way to achieve that bi-directionality is to operate with transparency. You will make mistakes. Own them. Correct them. Those are signs that you have listened, heard, and empathized with the concerns of your employees and customers.

People are more motivated and engaged when they feel a sense of shared purpose. That shared purpose makes people

Loosen your hold and enable your workers to contribute as uniquely and best as they are able.

feel valued and appreciated. It makes them feel seen, respected, validated, and empowered. Culture and purpose are the foundation for the trust and autonomy that empower workers to engage as a team working in league to a greater end.

Use purpose to fuel your organization. It is your best recruiting, retention, sales, and brand tool. Purpose is the *ultimate reason* for the work and is your unique competitive advantage. Clear-sighted purpose is the foundation of effective culture and the key to successful business adaptation. It is the expression of why your company exists and sets you apart. In fact, it can set you above.

Make your purpose evident in everything you do, everything you say, everything you sell, everyone you hire. Make your purpose a beacon so that your tribe can find you. Other companies can build similar things. They can provide better pay and perks. They can buy more advertising. But they can't outpurpose you once you have established your one, true, immutable purpose. That advantage will always fall to you.

Part III: Rethinking Your Leadership

Pilot Your Expedition Team

Leaders embracing the new challenges of the Human Value Era may not always have a clear line of sight to the objectives, but you can still move forward, taking your team on an expedition of learning, collaboration, discovery, and value creation in this new world of work.

An expedition is a journey into the unknown. In your work, it may be the exploration of a new product, service, or business model. It might be a collaboration to secure a new customer or launch a unique marketing campaign. It could be the daily journey of serving and supporting customers.

To run a successful expedition, it is essential that you put the right people in the right roles at the right times. Some people excel at problem finding, some at problem solving, others at scaling the novel idea while reducing risk. Knowing how to field your people properly is the most critical part of your job as expedition leader.

As you head out to lead your newly empowered workforce, relinquishing ideas, self perceptions, and behaviors that no longer serve you will lead to a more successful expedition.

Relinquish the Primacy of Your Expertise: Let go of ideas about yourself as an all-knowing leader. You are leading people now who have skills, knowledge, experience, and perspective that you likely don't have. Your job isn't to outshine your people. It's to guide them to bring back answers and approaches you might not have discovered on your own.

Give Up Command and Control: For too long, the boss gave an order and enticed performance by rewarding good work or punishing those who fell short. You need to move beyond that. Your job is to bring out the best in each of your people, freeing them to apply their unique talents to the task. Loosen your hold and enable your workers to contribute as uniquely and best as they are able.

Abandon the "No News is Good News" Mantra: Workers in fear of reprisal fail to share important information or sugarcoat bad news, lest they raise the ire of the boss. Strong leaders, however, know that their challengers are their secret weapon. Your people should be free and *encouraged* to dissent. This drives superior teams toward learning and innovation.

Leave Meetings Behind: Calendars are so full of meetings that we don't have time to actually do our work. And many of the people in those meetings don't need to be there.

Imagine that rather than scheduling meetings, you hold a "briefing" to start a project or a "review" to assess the progress of a project. You might even schedule a "post mortem" to evaluate the challenges and successes of a project once it is completed.

When we speak of purpose, it should be clear that there is not one singular purpose. When our individual purpose connects to purpose in our work and aligns with organizational purpose, incredible potential for value creation is unlocked.

When you fill the role as expedition leader who coaches your team, you are helping them align their purpose with

the organizational purpose—and that makes magic happen.

Embrace Your Superpowers

“I. Don’t. Know.” Say it. Again. Get comfortable with those words. Because there is so much that you don’t know. So much that others know that you do not. And that’s just fine. Even if it’s uncomfortable.

In the face of unprecedented uncertainty, ambiguity, change, and rapid formulation of new skills and knowledge, no leader can know it all. To acknowledge that you do not know, to be vulnerable to that truth, is a profound act of courage.

The ability to show up, to acknowledge that you don’t know, to be brave in the face of uncertainty, these are the cornerstones of empathetic leadership in the Human Value Era.

When you open yourself to reveal your full, imperfect, authentic self you invite people to be their true selves with you. Your vulnerability creates a true connection and builds the foundation for psychological safety and belonging.

Acknowledging that you do not know also lifts a tremendous burden from your psyche and allows you to focus on what you and your team collectively know, identify gaps, and learn together. It is the path to innovation and creative collaboration.

It takes courage to recognize you don’t know, and it is well worth the risk. Doing so imparts agency to your team, freeing them to contribute more fully and giving them a greater stake in the outcome of decisions. That, as an empathetic leader, is your highest objective. And it is the key to unlock all the other superpowers of your leadership.

The Power of Awareness: Your work as a leader is essentially to make decisions and manage both your emotions and help others manage theirs. Doing that requires a high degree of self-awareness, social awareness, and emotional intelligence.

The Power of Candor: Nothing cuts to the core like direct, honest communication, carefully and clearly delivered. Candor is easy when the going is good but it is tougher when the honest truth is less than pleasant. But that is when it matters most.

The Power of Listening: Deep listening is an act of vulnerability. You need to be open to really hear the ideas and concerns of the people who work with you. More importantly, you need to commit to following up on what you hear. You don’t have to adopt every idea or placate every

grievance but a “Thanks for sharing” response isn’t enough.

The Power of Being Human: For too long, we validated ruthless, anti-worker behavior for the sake of the bottom line. In the new social contract between worker and employee, we are free to be more human as leaders and develop relational rather than transactional relationships with our workforce.

This means you can drop the charade of the tough-minded boss and embrace your empathetic self. You can be fully human, and that may just be the greatest superpower of all.

Emergence of the Empathetic Leader

Change is inevitable. The pandemic-induced lockdowns put that in sharp relief. Change in the circumstances around you requires change in understanding, change in methods, change in process, change of mind, and change in self-perception. Change is hard and the magnitude of change brought on by Covid-19 seems nearly impossible.

The impulse to return to the before-times mode of operation and leadership is understandable. But here’s the thing: you can’t. You won’t be going back, *ever*. Because everything *has* changed.

Everything about the who and how and where of work is different. There is no respite from change and you are already doing a great job navigating it.

This pandemic is surely not the last disruption. Climate change, geopolitical conflicts, technology disruptions, labor shortages, and inflation are just a few of the forces that will challenge organizations each and every day from now.

How do you lead through these challenges? With empathy. With trust. With compassion. Engaging your superpowers to become the best possible leader for these times. Let’s go.



Chris Shipley has documented, influenced, and predicted the impact of technology on business and society for more than 30 years. Today, Chris focuses her work on the human and organizational challenges in the face of technology- and economically-driven disruption. Future-of-work strategist

Heather E. McGowan helps leaders prepare their people and organizations for the Fourth Industrial Revolution. Heather gives lucidity to this topic through her illuminating graphic frameworks and powerful metaphors, all backed by deep research. Pulitzer Prize-winning NYT columnist Thomas Friedman frequently quotes Heather in his books and columns and describes her as “the oasis” when it comes to insights into the future of work.

From *The Empathy Advantage: Leading the Empowered Workforce* by Heather E. McGowan and Chris Shipley. Copyright © 2023 by Heather E. McGowan and Chris Shipley. Summarized by permission of the Publisher, John Wiley & Sons, Inc. ISBN 978-1394155514. Published by Soundview Executive Book Summaries®. Copyright © 2023 by Soundview, Inc. All rights reserved. Reproduction in whole or in part is prohibited. #4515
