

## The Importance of Empathic Leadership for Healthcare Employee Wellbeing

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Before the shock of COVID-19, the healthcare industry was already overwhelmed by its pursuit of widespread preventive care, population health, digital access to care, building payer leverage, and trying to control costs. Additional industry challenges include a diminishing labor pool, entrenched virtual workers, shakeups in the health insurance and products markets, and a mandate to reinvent the workplace. Compound all of that with the “Great Resignation” and you have a recipe for severe workforce turnover.

Many factors contribute to the large turnover healthcare faces including lingering fears of the virus impacting personal health, juggling childcare and/or elderly care responsibilities, and the enticement of jobs with higher pay. Since the pandemic began, care providers’ attitudes towards their chosen vocation have changed in fundamental and irreversible ways. The loss, grief, pain, and exhaustion they’ve experienced has led a great many to walk away from their careers and some, even to suicide.

It’s difficult to imagine a “return to normal” within healthcare while there continues to be significant waves of COVID patients seeking care from a workforce that is physically, mentally, and emotionally spent.

These unprecedented circumstances require a different kind of leadership skill—one that aims to comfort and support medical staff who are dealing with their own sense of well-being: empathic leadership.

## How to Support Empathic Leadership

More than ever, healthcare boards are asked to step up and lead in new and different ways and still maintain the traditional aspects of corporate governance. Boards that find consensus and alignment on emerging critical leadership skills can position empathy as a cultural touchstone. Talent management has become a permanent part of the oversight responsibility of most compensation committees, and prioritizing the physical and mental health of the workforce is a natural progression.

Boards can encourage management, but successful leadership development or succession programs require that the CEO and management team own the process. Particularly in this tight labor market, retaining employees and creating solid succession plans that focus on empathic leadership can be the difference between organizational success or failure.

Boards can reinforce the importance of empathy through ongoing dialog with management. It is also incumbent on directors to initiate conversations with management about culture and employee engagement. Board members should request metrics and results from deep within the organization, and stress that these discussions are of strategic importance.

If your board wants to consider initiatives related to culture and engagement, and wants to engage in empathic leadership, here are some important questions to help guide you:

**Does your board value empathic leadership?** Spend time as a group discussing the importance of empathy as a core value. Is there agreement that empathy is an important condition for improving individual and organizational health and wellbeing? Does the board visibly demonstrate and model that behavior with executives and others?

**Is empathy a valued competency?** Is there a clear set of forward-looking leadership competencies—including empathy—for which the board, CEO, and executive team are held accountable? To what extent has empathy been considered as a quality in past executive hires? Did it matter? Concrete and behavioral expectations for leaders increase the likelihood of success.

**Is empathy evaluated in leaders?** Is empathic leadership part of the evaluation process for the board, CEO, and c-suite? Do these evaluations assess leaders' impact on organizational performance, employee health, and wellbeing? Leadership 360 assessment tools and employee engagement surveys are extremely useful tracking measures to gauge progress in empathic leadership, employee wellbeing, and performance over time.

**Is the board encouraging the CEO to invest in leadership development?** The road to increased empathy requires self-awareness and a desire to change. To what degree is the organization making investments in leadership assessment, coaching, and development to increase leaders' empathy quotient?

Healthcare boards and executive teams have an opportunity to turn this workforce challenge into industry transformation. Implemented correctly, empathic leadership can have a far-reaching impact from both a financial and mission perspective.

## How Your Board Can Create an Environment that Fosters Caring Leadership

These 10 daily practices of empathic leadership can change the course of an organization from crisis to renewal.

1. **Be fully present.** Be approachable to those who share their issues or concerns. Provide undivided attention by scheduling time for open discussion and omit distractions.
2. **Listen actively.** It can be very difficult to actively listen to what others are saying, particularly when their views differ from your own. Seek out a range of perspectives.
3. **Prioritize safety.** Show concern for people's safety and wellbeing. Make the workplace as safe as possible. Especially in times of upheaval and heightened personal risk, active communication and adherence to workplace protocols are critical.
4. **Take action.** See something, do something. Take immediate action to support others when they report feelings of unfair treatment. Difficult moments provide opportunities to demonstrate ethical leadership in action, giving workers deeper confidence and hope.
5. **Show vulnerability.** Admit mistakes and create an environment that encourages others to do so as well. Humility and humanity allow people to engage in learning and positive change.
6. **Be authentic.** Act with courage and offer full transparency. Authenticity builds trust.
7. **Remain calm.** People need stability in times of change. Demonstrating emotional stability in adversity provides the security people need to carry on and stay focused on work.
8. **Be adaptive.** To create a good work/life balance, look for novel ways to incorporate flexibility so your workforce can be more productive at work and happier outside of work.
9. **Be curious.** Actively seek new information and try to continuously learn new things. Seek education on top issues, attend professional conferences, and bring those new insights back to your workplace.
10. **Exhibit social responsibility.** Make decisions that are socially responsible rather than politically expedient. Consider serving the greater good instead of operating with self-interest. Make decisions that have a positive impact on global environmental and social issues.

## About the Authors

**Steve Sullivan**, a managing director in Pearl Meyer's Chicago office, has more than 20 years of consulting and industry experience assisting clients in executing their strategic human resources and compensation initiatives. His focus has been in the areas of executive compensation program benchmarking, design, and oversight in the healthcare industry and for tax-exempt businesses.

**Dr. Celeste Coruzzi** is a managing director and practice leader of Veritas Partners, a Pearl Meyer consulting practice focused on leadership and organization effectiveness. Veritas Partners was acquired by Pearl Meyer in 2020 to expand the firm's ability to provide human capital management consulting expertise to boards and management teams.

## About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management on the alignment of executive compensation with business and leadership strategy, making pay programs a powerful catalyst for value creation and competitive advantage. Pearl Meyer's global clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private companies to the Fortune 500 and FTSE 350. The firm has offices in Atlanta, Boston, Charlotte, Chicago, Houston, London, Los Angeles, New York, Rochester, and San Jose.



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