

CHAPTER 3

Compassion

1

IF YOU'RE UNDER 35, you've probably never heard of Al Dunlap. Dunlap served, among other roles, as the CEO of Sunbeam, a company that made barbecues, blenders, and other home appliances in the 1990s. He was cruel, egotistical, and ill-tempered. He wrote a self-promoting book titled *Mean Business*. He earned the nicknames "Chainsaw Al" and "Rambo in Pinstripes," which he took as compliments. "You're not in business to be liked. Neither am I. We're here to succeed. If you want a friend, get a dog. I'm not taking any chances, I've got two dogs," he once said (Clikeman 2013, 205).

In the book *Chainsaw*, author John Byrne (2003) describes the first corporate meeting in the penthouse boardroom at Sunbeam headquarters in Fort Lauderdale, Florida, shortly after Dunlap had taken over as CEO in 1996.

At precisely 9 A.M., on this Monday, July 22, Albert J. Dunlap marched into the room without introduction, without issuing a single greeting to any of the anxious men around the table. He looked exactly as he appeared in many of the photographs that accompanied the various articles the men had read that weekend. He wore his pinstripes like a military uniform, meticulously pressed, without a single

wrinkle or a stray thread, and perfectly fitted to his stocky frame. A white handkerchief peeked out of the chest pocket on his dark blue suit jacket. On his left hand, he sported a chunky West Point class ring above his gold wedding band.

The silver-haired Dunlap also wore a severe look on his face. His hard blue eyes, hidden by dark glasses, canvassed the room, fixing on each one of them. Only Spencer J. Volk, the baritone-voiced international president, was missing. Just moments before Dunlap's entrance, he had gone out to the men's room. And when he returned, no more than a minute past the appointed start time, Dunlap attacked him with vigor.

"Who are you?" he shouted as the man gingerly tiptoed to his seat.

"I'm Spencer Volk, sir. I'm head of international business," he said in a voice as smooth as a network television anchor's.

"Why are you late?" barked Dunlap.

"I was in the men's room," Volk nearly whispered.

"When I say we have a meeting at 9 o'clock," bellowed Dunlap, "it starts at 9! Gentlemen, look at your watches. Your lives will never be the same from this moment onward."

Like George C. Scott in the movie *Patton*, Dunlap began by delivering a spellbinding, if sometimes disjointed, monologue on himself and the company.

"The old Sunbeam is over today!" he proclaimed. "Let's get one thing clear: By God, I'm not Schipke. And I'm not Kazarian," he said, referring to the company's two previous chief executives, Roger Schipke and Paul Kazarian.

"You guys are responsible for the demise of Sunbeam!" Dunlap roared, tossing his glasses onto the table. "You are the ones who have played this political, bullshit game with Michael Price and Michael Steinhardt. You are the guys responsible for this crap, and I'm here to tell you

that things have changed. The old Sunbeam is over today. It's over!"

Glaring fiercely, Dunlap kept repeating the phrase, again and again, saliva spattering from his lips. His chest was puffed out and his face flushed a bright red. The men stared in silence, incredulous at this outrageous performance, almost expecting Dunlap, like Patton, to slap someone out of frustration. Dunlap's bluster and mad grin, his oversized gleaming teeth too big for his face, seemed to fill the room. (Byrne 2003, 2–3)

Al Dunlap's behavior on that day set the tone for the rest of his reign at Sunbeam—he consistently used fear tactics and intimidation in dealing with his team and employees. But he was very good at what he did, which was turning failing companies into profitable enterprises. In 1994, when he took over Scott Paper (a company that makes sanitary tissue products), he tripled the company's market value in 20 months. Then he crafted a deal in which he sold it to Kimberly-Clark, earning the shareholders \$6 billion. At Sunbeam, he propelled the share price from \$12.25 to \$52.25 in under two years.

While most people generally feared his brutality, many secretly admired his seemingly effective, no-nonsense style. In a 1996 letter to the editor of the *New York Times*, David Borsani, president of an appliance service agency, wrote: "I believe Al Dunlap . . . is one tough character who sets standards and expects people to meet those standards. He does not tolerate people who fill space unless they provide value. . . . Businesses are like houses: they eventually fill up with objects that contribute little to life but seem to be part of the landscape. Al Dunlap is very good at seeing life without the fluff" (Borsani 1996). When you can transform companies and make millions for your shareholders, very few will question the way you behave or how you treat others. For Al Dunlap, compassion and caring for his employees and fellow executives was irrelevant.

2

The word *compassion* comes from the Latin word *compati*: *com* means “together” and *pati* means “to suffer.” In essence, being compassionate relates to the ability to feel with someone else, to sense his pain and suffering. The Tibetan scholar Thupten Jinpa defines compassion “as a mental state endowed with a sense of concern for the suffering of others and aspiration to see that suffering relieved.” He explains that compassion has three components: a cognitive component that says to the other “I understand you,” an affective component that says “I feel for you,” and a motivational component that says “I want to help you” (Tan 2010, 199). This formulation implies that different processes are taking place in our minds when we feel compassion. First we notice the suffering. Then we make sense of it without being overwhelmed by it, then become emotionally connected to it, then try to alleviate the suffering through our words or actions.

A deep, underlying relationship exists among compassion, happiness, and love. When we feel compassion for others, we choose to turn away from a superficial focus on our own happiness to sense the true emotion and conditions of others. “The English word compassion is used to translate the Sanskrit *Karuna*, which is etymologized as *suspending happiness*,” writes Robert Thurman, professor of Indo-Tibetan Buddhist studies at Columbia University (Thurman 2004, ix). When we are compassionate, we put our happiness on hold and focus on others’ happiness, which requires us to have a true love for those others in the first place. Given that suffering and pain aren’t obvious in the workplace, let’s explore the relevance of compassion in the relationships that leaders have with their followers. Putting aside the Al Dunlap example, a large number of books and articles have made the case that compassion and empathy do have a place in leaders’ feelings and actions.

Daniel Goleman, the emotional intelligence guru (a concept we’ll discuss in depth in chapter 8), argues for the importance of empathy in leadership. He maintains that empathy is one of five skills that

enable leaders to maximize their own potential and their followers' performance—the other four being self-awareness, self-regulation, motivation, and social skills. In the leadership context, empathy is the ability to understand the emotional makeup of other people and to treat them according to their emotional reactions. Goleman explains that “empathy doesn't mean a kind of ‘I'm OK, you're OK’ mushiness,” nor does it mean to adopt other people's emotions as our own. Rather, “empathy means thoughtfully considering employees' feelings—along with other factors—in the process of making intelligent decisions” (Goleman 2004a). Therefore, an empathetic leader is in tune with employees' emotions, and he attracts, develops, and retains talent based on his deep understanding of others and their differences.

Goleman gives the real example of two division managers working in a large brokerage company that was merging with another company. As often happens in these cases, the merger resulted in many redundant jobs in some divisions. The first manager, too worried about his own fate, gathered his employees and gave them an insensitive and gloomy speech detailing the number of people who would be fired. The second manager, more empathetic in nature, was honest about his own worries and confusion but promised to treat his employees fairly and keep them informed of any changes. In the first division, many employees were demoralized and decided to leave, thus resulting in its ultimate demise. In contrast, employees in the second division felt that their manager intuitively related to them and acknowledged their fears. The best of them stayed, the division remained productive, and the manager emerged as a strong leader (Goleman 2004a).

In his remarkable book *Leaders Eat Last*, best-selling author and visionary thinker Simon Sinek (2014) relates a conversation he had with a lieutenant general from the Marine Corps. Sinek was wondering how Marines come to trust each other with their lives. The official attributed this tight-knit environment to empathetic leaders. He asked Sinek to go to any Marine Corps mess hall and watch the

troops line up for their meal. Sinek observed that the most junior individuals ate first, and the leaders waited for everyone to finish before they served themselves. Sinek argues that empathy—the ability to recognize and share others’ feelings—is the essence of leadership. He explains that empathy basically boils down to simple words when you notice something different about an employee: “Is everything OK?” It’s also about little, everyday gestures that put the well-being of others first and that have a compounding and reciprocal effect on leader–follower relationships. While admitting that his vision of leadership is a bit idealistic, Sinek notes that “great leaders truly care about those they are privileged to lead and understand that the true cost of the leadership privilege comes at the expense of self-interest” (Sinik 2014, xiii).

Richard Boyatzis, professor at Case Western Reserve University, and Annie McKee, the cochair of the Teleos Leadership Institute, have advanced a related concept, *resonant leadership*. Resonant leaders use emotional and social intelligence skills to renew themselves, create positive relationships, and foster a healthy, vibrant environment to engage others in working toward a common goal. They do this through mindfulness, hope, and compassion. Boyatzis and McKee explain that “when experiencing compassion, a person does not assume or expect reciprocity or equal exchange. Compassion means giving selflessly” (Boyatzis and McKee 2005, 179). This understanding of compassion goes beyond the definition discussed earlier, which links compassion with caring for others who are in pain. In this sense, compassion is about reaching out and helping others regardless of whether their condition is based on suffering. Boyatzis and McKee’s approach to compassion seems to be especially well-suited to the workplace: In most organizations, there is no real pain or suffering to be alleviated. Rather, compassionate leaders can help others achieve their goals and reach their full potential.

This thinking lines up well with the work of Geoff Aigner, the director of Social Leadership Australia. Aigner and his team use the term *social leadership* to reinforce the idea that leadership is

about working for and with others (Aigner 2010). They believe that leadership is a social experience that involves other people and understanding who they are. For Aigner, part of the role of a leader is practicing compassion, transcending egos, and bringing happiness and love to employees' jobs and lives.

Google, one of the most sought-after workplaces in the United States, adheres to similar principles, with Chade-Meng Tan leading the way. Tan, or “Meng” to the people who know him, calls himself Google’s “Jolly good fellow.” He was one of the company’s earliest engineers. Among many other achievements, he helped build Google’s first mobile search service and headed the Google quality assurance team. In his recent book *Search Inside Yourself*, he argues that “the most compelling benefit of compassion in the context of work is that compassion creates highly effective leaders” (Tan 2010, 109). Similar to Jim Collins’s conclusions in *Good to Great*, Tan suggests that the most effective leaders are those who combine compassion and humility with ambition, all for the greater good—that is, humbitious leaders. The affective and cognitive components of compassion tone down the excessive self-obsession of the leader, and therefore engender humility, whereas the motivational aspect of compassion creates an ambition to foster the greater good.

3

Despite those ideas, Al Dunlap’s leadership style has been accepted in many organizations for a long time. Jerks are generally tolerated and sometimes celebrated by boards of trustees if they can get the job done. Scary leaders can push their followers to overperform via nasty stares, put-downs, and bullying. Some people would argue that Al Dunlap and other abrasive managers act the way leaders are supposed to act. They believe that lack of concern for other people’s feelings isn’t a defect, but rather something that is built into human nature, and that compassion and empathy are signs of weakness. Leaders are supposed to get results, and when they start caring

about others' feelings, they may get distracted from their goals. Also, showing employees that you care about them may encourage them to think less of you and to try to take advantage of you.

The evidence shows that many historical and modern thinkers and philosophers advanced these ideas. For example, eighteenth-century German philosopher Immanuel Kant writes, "A feeling of sympathy is beautiful and amiable, for it shows a charitable interest in the lot of other men. . . . But this good-natured passion is nevertheless weak and always blind" (Keltner 2009, 227).

Friedrich Nietzsche, another brilliant German philosopher, alleges that humans are egocentric and self-seeking by nature, and that no true altruistic deeds exist. He concedes that some people perform kind deeds for others, which may make them appear considerate, caring, and selfless. But their innate intentions are always self-absorbed (Keltner 2009). Thomas Henry Huxley, the nineteenth-century British biologist and one of Charles Darwin's greatest students, argues that evolution didn't produce a biologically based capacity to care among humans. He is convinced that compassion and empathy aren't human states but rather cultural creations that are constructed within norms and religious commandments (Keltner 2009).

The more recent ideas of Ayn Rand, the influential Russian-American philosopher and novelist, are worth examining because they remain so popular in the United States long after her death in 1982. Rand is so admired that in one poll by the Library of Congress, readers ranked her novel *Atlas Shrugged* second only to the Bible in terms of books that have influenced them the most. Her books still sell more than half a million copies a year, and many have been made into movies. Rand established a doctrine called *objectivism* in which logic was central. She believed that emotion has no place in any human endeavor. In one of her novels, she praises the protagonist: "He does not understand, because he has no organ for understanding, the necessity, meaning, or importance of other people" (Burns 2011, 25). In another book she argues that people must reject the morality of altruism for the survival of society (Rand 1982). Numerous CEOs and politicians still swear by Rand's

ideas. John Allison, the president and CEO of the Cato Institute and the previous chairman and CEO of BB&T Corporation, is a major contributor to the Ayn Rand Institute. He has made *Atlas Shrugged* required reading for all of his senior executives. When he was at BB&T, the company donated millions of dollars to colleges and universities on the condition that Rand's books and philosophy be extensively taught (Luskin and Greta 2013).

Rand's and others' ideas soon found their way into corporate America. In 1976, psychoanalyst Michael Maccoby interviewed 250 employees, ranging from chief executives to lower-level managers, in 12 well-known companies, for a study of what motivates them. In many of the interviews, managers describe how developing or employing qualities such as compassion or empathy would keep them from meeting corporate goals. "One [manager] was flabbergasted by the very idea of sensing his subordinates' feelings, of developing a heart that listens," Maccoby writes. He quotes another manager: "If I let myself feel their problems, I'd never get anything done. It would be impossible to deal with the people" (Maccoby 1976, 102). Many others believed that they needed to be emotionally detached from their employees in order to make decisions that might put these employees out of work, such as building new factories or changing technology. These philosophers, authors, and managers argue that human beings are naturally self-centered, and that those who show compassion and care for others tend to be weaker and less successful, especially in the workplace.

4

The fact that these reviews aren't universally shared may be unsurprising. But you would be shocked to know which ancient and recent thinkers and philosophers land in the camp that argues that compassion is a natural human trait. One of them is Charles Darwin—the same Darwin that came up with evolutionary theory. Eleven years before his death, Darwin published a little-known book called *The*

Descent of Man, in which he writes that concern for the welfare of others is shared among humans and animals.

One day, Darwin met a keeper at the Zoological Gardens in London. The keeper had deep wounds on his neck and relayed that a baboon had attacked him. What really caught Darwin's attention was that the keeper had a little American monkey that was very attached to him but that was very scared of the baboon. When the baboon attacked the keeper, the little monkey started screaming and biting the large animal. He managed to distract the baboon long enough for the keeper to escape. Darwin reflects on this incident: "Nevertheless, many a civilized man who never before risked his life for another, but full of courage and sympathy, has disregarded the instinct of self-preservation and plunged at once into a torrent to save a drowning man, though a stranger. In this case man is impelled by the same instinctive motive, which made the heroic little American monkey . . . save his keeper by attacking the great and dreadful baboon" (Ekman 2010). Contrary to the view of human nature as competitive and selfish that some have attributed to his theories, Darwin makes a strong case that sympathy is the strongest human instinct. Maybe what Darwin really means is that survival isn't for the fittest, but rather for the kindest.

Another example is that of Adam Smith, the father of economics. Smith is most famous for the concept of the "invisible hand of the market," which refers to the unobservable market forces that help the supply and demand of goods and services in a free market to reach equilibrium. Smith posits that an economy can work well in a free market scenario in which everyone works for her own interest. But in a less known publication, he advances the idea that the pursuit of self-interest should be tempered by "fellow feeling." He explains that "how selfish so ever man may be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it except the pleasure of seeing it" (de Waal 2009, 2). Even Smith, the most rational of economists, recognizes the importance of caring for others. It's clear that there

are opposing views on whether human beings are naturally selfish or caring. So let's go beyond the opinions and explore the insights offered by modern science.

5

In the last few years, advances in behavioral and neurological studies have revealed some fascinating facts. Frans de Waal is a Dutch-born biologist and one of the world's best-known primatologists. De Waal has studied capuchin monkeys for years. These animals are very smart and cooperate well, both with each other and with humans, which makes them ideal for behavioral experiments. In one such experiment, de Waal and his team tested whether the capuchins recognize the needs of others, a quality seen as empathetic. The monkeys were offered food and were given the choice to share some of their food with another monkey. In the first situation, the other monkey had just eaten, whereas in the second situation, the other monkey had not eaten. Repeatedly, the monkeys that were offered the food shared more with monkeys who had no food than with ones whom they had just seen eating. This experiment suggests that a monkey's willingness to share food with another monkey depends on whether it has seen it eat or not (de Waal 2009).

In another experiment, de Waal and his team tested monkeys' interest in other monkeys' welfare. Two different-colored tokens were placed in front of a pair of monkeys. If a monkey picked one type of token (the "prosocial" token) and brought it to the scientist, both monkeys received apple pieces. If the monkey picked the other color (the "selfish" token) and brought it to the scientist, only that monkey received a piece of an apple and the other monkey received nothing. Because the monkey picking the token was rewarded regardless of which token it picked, the only difference was what the other monkey received. Over and over, the monkeys picked the prosocial token over the selfish token, which implies

that monkeys, which are biologically very close to humans, have an innate capacity for empathy and compassion (de Waal 2009).

Recent scientific discoveries have even suggested that the capacity to care for others can be observed at the physiological level. In the human body, the vagus nerve originates in the top of the spinal cord and is threaded throughout the body, sending a variety of signals to the organs and transferring signals back to the brain. This nerve is responsible for the function and regulation of several bodily systems, such as the cardiovascular and digestive systems. A number of physiological psychologists have lately made the case that the vagus nerve is the compassion nerve.

University of California, Berkeley, psychology professor Dacher Keltner describes an experiment in which two sets of participants were shown different pictures. The first set was shown pictures that were meant to induce compassion: images of malnourished children, suffering during wartime, and infants in distress. The second set was shown pictures that induced pride: Because the participants were Berkeley undergraduates, the images included campus landmarks; images of sporting events; and Oski the bear, the university's beloved mascot. As the participants viewed the images, activity in their vagus nerves was measured with electrodes attached to their chests. The results showed that brief exposure to images inducing compassion triggered activation of the vagus nerve more than exposure to images inducing pride (Keltner 2009).

The second part of the experiment involved asking the same participants how "similar" they felt to 20 other diverse groups. Those groups included Democrats, Republicans, saints, small children, convicted felons, terrorists, the homeless, the elderly, farmers, and Stanford University students, among others. The participants who felt compassion reported feeling similar to a broader group of people, and to more vulnerable groups such as the homeless, the ill, and the elderly, than those who had felt pride. Keltner concludes, "The kindness . . . [that makes up] healthy communities [is] rooted in a bundle of nerves that has been producing caretaking behavior in more than 100 million years of mammalian evolution. And the lives

of individuals with highly active vagus nerves add yet another chapter to the story of how we are wired to be good” (Keltner 2009, 240). More research is needed to understand exactly how the vagus nerve is related to compassion, but this study suggests that the capacity to care for others is biological.

Another way to understand this notion is to study how humans react in a biological way to watching others experience pain. When a human being is given a painful stimulus, a part of his brain called the *pain matrix* lights up. In a set of experiments performed by German neuroscientist Tania Singer, people observed a loved one receiving a painful stimulus. The surprising finding was that the same pain matrix lit up in their brains. Therefore, in a very real way, people can experience the suffering of others even when they aren’t receiving the same sensory input themselves (Singer and Bolz 2013).

6

How do we make sense of these findings in the context of insensitive and cruel leaders? Are such leaders ignoring their hardwired, compassionate selves when they engage in nasty, intimidating behaviors? When Al Dunlap insulted other executives or laid off hundreds of employees as part of his turnarounds, he clearly chose not to employ compassion. In the book *Bad Leadership*, Harvard University researcher Barbara Kellerman qualifies Dunlap as the poster child for “callous leadership.” She describes his style as “uncaring or unkind. Ignored or discounted are the needs, wants, and wishes of most members of the group or organization, especially subordinates” (Kellerman 2004, 120). Dunlap was indifferent to the well-being and happiness of his management team and employees. He exerted brutal pressure on them, made them work long and exhausting hours, intimidated them, and forced them to pass that intimidation down the line.

During his 22-month tenure as CEO of Scott Paper, he fired 11,000 employees without skipping a beat. That’s 11,000 people with families, the majority of them having worked their entire lives

at the company. When he later arrived at Sunbeam, he wanted to maintain his reputation. He told his associates, “I don’t want people to think I’ve lost my touch. I want big numbers [of cuts]” (Kellerman 2004, 135). When he earned shareholders \$100 million during those 22 months at Scott, the last thing on his mind was sharing his happiness with others. “Dunlap created a culture of misery, an environment of moral ambiguity, indifferent to everything except the stock price. He did not lead by intellect or by vision, but by fear and intimidation. . . . The pressure was beyond tough. It was barbarous,” Kellerman reflects (Kellerman 2004, 135). I hope that by now you’re starting to conclude that Al Dunlap is the exception, not the rule. In the next section, I’ll present evidence that compassion and success in leadership are empirically related.

7

Gallup, the research and performance management consulting company, has been collecting data on leadership strengths for nearly 30 years. It has studied more than a million work teams, and it has conducted more than 20,000 interviews with leaders and more than 10,000 interviews with followers. In the noted book *Strengths Based Leadership*, author Tom Rath and leadership consultant Barry Conchie (2008) reveal some of the results of these interviews. According to the research, the most effective leaders understand their followers’ needs and are invested in their followers’ strengths. A leader with exceptional strength in this area is a developer of relationships, a good relater, and an includer of others. She is also characterized by empathy, harmony, connectedness, and positivity.

Rath and Conchie explain what it means to lead with empathy: “People strong in the empathy theme can sense the feelings of other people by imagining themselves in others’ lives or situations” (Rath and Conchie 2008, 163). Those types of leaders build trust by helping “others articulate and frame complex emotions

when they're faced with a worrisome situation" (Rath and Conchie 2008, 163). Their compassion comes from the fact that witnessing the happiness of others brings them pleasure. Therefore, they're "likely to be attuned to opportunities to highlight people's successes and positively reinforce their achievement" and sometimes "have the ability to understand what others are feeling before they've recognized it themselves" (Rath and Conchie 2008, 163). Empathy is important during hard times (as we saw in the merger example before) because it helps leaders demonstrate their concern, which can build loyalty and security. Moreover, empathetic leaders are typically chosen as confidantes or mentors by their followers. They encourage their employees by putting words to what they sense about aspirations and by coimagining dreams, which helps create hope in the organization.

The Gallup interviews with the followers aimed to answer the question, Who do people follow? The participants were asked to describe the leaders who have had the most positive influence on their lives and identified four basic follower needs: compassion, trust, stability, and hope. Rath and Conchie (2008, 85) expand on compassion: "Unfortunately, most leaders are hesitant to show genuine compassion for the people they lead, at least in the same way they would with a friend or family member. But the results of our studies suggest that it might be wise for these leaders to take a lesson from great managers, who clearly *do* care about each of their employees." So having compassionate and caring leaders is important, and followers seem to appreciate that. But compassion isn't just about warm, fuzzy feelings—years of evidence indicate that it can have a direct effect on organizational outcomes such as effectiveness, quality, and profitability.

In a separate study, more than 10 million people were asked to respond to the statement, "My supervisor, or someone at work, seems to care about me as a person." People who agreed with this statement were significantly more likely to stay with their organization, have more engaged customers, be substantially more productive, and generate more profitability for the organization (Rath and Conchie 2008).

Leadership experts Jim Kouzes and Barry Posner agree with this view. “For years, we’ve operated under the myth that leaders ought to be cool, aloof, and analytical; they ought to separate emotion from work. We’re told that real leaders don’t need love, affection, and friendship. ‘It’s not a popularity contest’ is a phrase we’ve all heard often: ‘I don’t care if people like me. I just want them to respect me.’ Nonsense,” they write (Kouzes and Posner 2017). They argue that the best leaders care about how others feel and think, and that they want to be liked.

Research from the Center for Creative Leadership (2010), in which high-performing and low-performing managers were compared, also supports this view. Three interpersonal relationship factors were considered: inclusion, control, and affection. The results show that the only difference between the two groups was that top managers scored higher on affection than bottom ones. The highest-performing managers were more likely to show warmth and fondness toward others, got closer to their employees, and were more open to sharing their thoughts and feelings. Even in a no-nonsense environment such as the military, caring for others translates to higher performance. In one study, executive coach and organizational development consultant Wallace Bachman found that the most effective US Navy commanders are “more positive and outgoing, more emotionally expressive and dramatic, warmer and more sociable (including smiling more), friendlier and more democratic, more cooperative, more likable and ‘fun to be with,’ more appreciative and trustful, and even gentler than those that were merely average” (Goleman 2004b, 188). Therefore, clear evidence exists that compassionate leaders can be highly effective and can help produce positive outcomes in their organizations.

8

So far, I’ve discussed compassion and leadership in nonhealthcare sectors of the economy. Now we turn to healthcare. Healthcare is a natural place to discuss compassion—after all, hospitals and

healthcare providers are in the business of compassion. Leadership competencies have been a focus in healthcare in the last decade. In that area, the work of management and search consultant Carson Dye and Rush University professor Andrew Garman is noteworthy. Based on inputs from board members, executives, search consultants, and executive coaches, Dye and Garman identify 16 leadership competencies that can be categorized into four traits: *well-cultivated self-awareness, compelling vision, masterful style of execution, and a real way with people*. They explain that having a “real way with people is listening like you mean it, giving feedback, mentoring others, developing teams, and energizing staff” (Dye and Garman 2006, xxiii). When leaders listen, provide feedback, and are involved in their employees’ development and well-being, they’re obviously exercising compassion.

Other work in healthcare shows that leadership dimensions can be divided into tangible and intangible factors. Healthcare consultant and leadership expert Tom Atchison argues that clinical and business processes (the “tangibles”) account for only 35 percent of organizational performance, whereas deeper dimensions of leadership (the “intangibles”) account for the other 65 percent (Atchison 2006). Based on his 22 years of experience, Atchison proposes that the intangible dimensions are trust, respect, pride, and joy. Trust takes time and is cultivated through meaningful interactions and listening. Respect is built on trust—it thrives in an environment in which performers are acknowledged for their good work. Pride is the result of meeting meaningful challenges. Trust, respect, and pride are needed to have joy, and Atchison argues that feeling joy at work is the highest level of performance that a leader can create in the organization.

The work of healthcare author and consultant Michael Frisina has touched on similar issues. He presents the concept of *influential leadership* and identifies three fundamental principles: self-awareness, collaboration, and connection (Frisina 2014). Frisina explains that connection is a strategy used by leaders to show that they care for and understand the needs of their employees. One of the true

measures of a successful leader is whether her employees are willing to follow her in good times and bad. Frisina suggests that the factors that drive employees to follow their leaders are trust, compassion, stability, and hope. Influential leaders understand that people need to emotionally bond with them in order to connect with their work and perform, and therefore they intentionally form meaningful relations with those around them.

Along the same lines, employees in highly participative work climates demonstrate better customer service, commit fewer medication errors, are less burned out, and are less likely to leave the organization than employees in more authoritarian work climates. This result is outlined in a study conducted at the Spartanburg Regional Healthcare System in South Carolina, which examined the relationship between participative management and organizational outcomes. These findings tell us that open communication and shared decision making between managers and followers, which are related to compassion, can have a strong influence on employees' performance, emotions, and loyalty (Angermeiner et al. 2009). To gain an even deeper understanding of compassion in healthcare organizations, I set out to talk to some proven leaders.

9

In 1869, the Catholic bishop of Texas sent a call asking for help in caring for the sick, infirm, and orphaned on the Texas frontier. The Sisters of Charity of the Incarnate Word responded to the call and founded CHRISTUS Santa Rosa Hospital. Santa Rosa currently has five hospitals in its health system, with more than 1,000 beds and a number of specialty centers. Don Beeler was the president and CEO of CHRISTUS Santa Rosa Health System in San Antonio from 2003 to 2010. His career spanned 35 years of high-level leadership positions across several healthcare organizations.

When I called Don to ask him to talk about leadership issues, I suggested that we meet at a coffee shop. Instead, Don kindly invited

me to his house. He joked, “It’s more comfortable, and the coffee is free.” When I arrived at his house in an old San Antonio, Texas, neighborhood on a rainy fall day, he was waiting for me in the driveway with his unmistakable wide smile. He explained that he had bought the house 40 years ago, when he was starting his career as an administrative resident at CHRISTUS Santa Rosa. He had returned to live there when he became its CEO. Coffee was already brewing in the pot. Don poured two cups and we made our way to a cozy living room decorated with horned frogs, in homage to his beloved Texas Christian University football team.

As we started talking, I brought up the topic of compassion in leadership. He immediately remarked that the topic resonates with him.

It is probably a personality thing, but it is also a healthcare thing, which is more relational than any other industry. When I started my career as an administrative resident at Santa Rosa, my first mentor was a nun. She was the administrator and the chairman of the board. During board meetings, she made it a habit to serve coffee to everyone. I asked her, “Why do you do that? There are people from the dietary department who can do that.” She said, “Those members of the board sitting around the table are giving from themselves and from their time to this organization; I want them to understand that we also serve them.” For her, it was reciprocal, it was a small gesture, but it was the natural thing to do. I made observations about that, about how she was a servant leader. She wasn’t wrapped up in her title. Of course, she did all the other things such as the rules and expectations to get things done. This has shaped how I look at the world. (Beeler 2014)

This leadership lesson has stayed with Don throughout his career. While his colleagues working in other places were focused on rules and policies, his emphasis was on the relational issues. He explains

further, “In themselves, the relational issues won’t produce any results, but with clear rules and expectations, they will” (Beeler 2014). As Don started climbing the executive ladder, he kept that in mind and practiced compassion and respect in the treatment of his people.

If you want respect, you should respect the people and their careers. You demonstrate compassion to your employees as individuals. When I was working, I rarely socialized with people I worked with outside of work because I thought it might compromise the relationship with them. But there is a difference between being a buddy and a compassionate, sincere leader. I spent time with them not just in groups, but individually too, on a regular basis. I told them, “I am interested in your career.” And I told them that if a good opportunity comes up for them to work somewhere else, I would help them. Of course I didn’t want to lose my people, but I needed them to know that I cared about their careers. (Beeler 2014)

Don explains that compassion isn’t about being “Mr. Nice Guy”—it’s also important in getting results. He notes, “You have to clarify expectations and be honest: ‘Hey, this is not going as well as I hoped, this is where we need to be, in terms of budget, satisfaction scores, costs, etc.’ You have to be honest, but not mean or nasty. You have to respect the person, even if you are not happy with the behavior or the outcome” (Beeler 2014). Don clearly believes that showing compassion is an important aspect of being a leader, and he has produced outstanding results practicing this brand of leadership. During his tenure, CHRISTUS Santa Rosa was recognized as one of the top 5 percent of hospitals in the country for clinical excellence for seven straight years. Among other achievements, he helped build and open a new 150-bed hospital, successfully acquired another hospital, and formed four ambulatory surgery center joint ventures with physicians. Clearly, leaders in healthcare can be compassionate and effective at the same time.

10

Are Don Beeler's views shared by other people working in healthcare? In my survey, I asked employees, supervisors, directors, and executives to think about the one leader they have observed to be the most successful in terms of improving outcomes in the organization (e.g., quality, financial) and getting things done. Then I asked them to describe that leader by choosing five traits from a list. Being accountable topped the other traits, with 64 percent of the respondents choosing it to describe their successful leader. This characteristic was followed by being collaborative (54 percent), holding others accountable (48 percent), and being calm (40 percent). Compassion came in at fifth place, with 39 percent of the respondents picking it to describe a successful leader. The picture painted is that strong leadership, characterized by being accountable and holding others accountable, collaboration, calmness, and compassion, can lead to real success in healthcare organizations.

I also asked the same group to think about the leader who has had the most positive influence on their careers. Using the same list, the top two traits were being accountable (59 percent) and compassionate (52 percent), followed by being collaborative (50 percent) and calm (48 percent). When healthcare employees, managers, and executives of all levels think of a leader who has helped them along in their careers, they think of a leader who feels with them, who works well with them in a calm and assured way, and who is accountable for his actions. (See the appendix at the end of the book for the complete survey results.)

11

Back to Al Dunlap. As it turns out, the results that he produced for Sunbeam were short-lived. A few months after declaring victory, things took a turn for the worse. Between March and May of 1998, Sunbeam's stock dropped by 50 percent. The company was \$2 billion in debt. It was discovered that Dunlap had used accounting tricks, such as moving up sales dates for consumer goods ahead of

delivery, in an effort to advance quarterly sales numbers. He also lied to investors. At his last investors' meeting, he was challenged by 200 fuming shareholders over these practices. Dunlap confronted them angrily, placing his hand over one employee's mouth and yelling into the employee's ear, "You son of a bitch. If you want to come after me, I'll come after you twice as hard" (Fastenberg 2010). Shortly after, Dunlap was fired over the phone. Former employees "nearly danced" in the streets. In its June 18, 1998, edition, under the title "Al Dunlap: Exit Bad Guy," the *Economist* wrote, "To many Americans, June 15th was a day for rejoicing. After all, it isn't every day that a true villain is vanquished—especially one as irredeemable as Al Dunlap" (*Economist* 1998). A couple of years later, Sunbeam filed for bankruptcy. In 2010, *Time* named Dunlap one of the ten worst bosses in history (Fastenberg 2010).

What do we learn from the story of Al Dunlap? Sometimes, uncaring and abrasive leaders can get results by sheer intimidation and lack of consideration for others. But that seems to work only in the short term. Leaders who want to get long-term results and to leave a positive legacy are more successful when they include others while insisting on strict standards of accountability.

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