

Human**kind**index

Introducing Signature's groundbreaking research on the **value of kind leadership.**

THE VALUE OF
KIND LEADERSHIP

OCTOBER
2021

Signature's Humankindex finds **LEADING WITH KINDNESS** is most effective leadership style to drive innovation and competitive advantage.

In mid-2021, Signature Consultants worked with national research and data firm Dynata, to study the value of kind leadership and develop a Humankindex (HKI) to measure and track companies' adoption and practice of kind leadership.

The research uncovered a clear connection between the practice of kind leadership and a company's ability to create an environment where innovation can flourish. In fact, according to the research, leading with kindness is the most effective leadership style to drive innovation and competitive advantage.

The HKI is based on **two components**:

KINDNESS QUOTIENT

The degree a company practices a culture and leadership of kindness and the extent it is felt by individual employees.

INNOVATION CAPABILITY

How well the organization's culture and leadership support and promote an innovative environment and the extent it is felt by individual employees.

Humankindex

In the first annual publishing of the research, the Humankindex for all companies is 58 (based on a total index value of 100 points) and comprised of a Kindness Quotient of 31.5 and Innovation Capability of 26.5. Interestingly, the data shows the higher an organization scores in elements of the Kindness Quotient, the higher likelihood they are to be considered innovative and foster an environment supportive of innovation, including:

78%

more likely if kindness considered core value of the organization

350%

more likely if employees feel shared sense of purpose

28%

more likely if company leadership style is “lead with kindness”

In short, an organization is **5X MORE LIKELY** to be considered innovative if a company is kind.

Kindness vs Niceness

People often consider being “kind” as equivalent to being “nice,” but they are not one and the same. For the HKI, a leadership of kindness is:

- Taking concrete action to help others (vs. being nice to please others)
- Addressing a person’s need
- Giving permission for real success and failure

The groundbreaking research also uncovered critical findings that validate the value of kind leadership in driving competitive advantage through a workforce who share a common purpose with the organization, find meaning in their job, and feel empowered to innovate.

In the study, workers were asked to identify the leadership style that best leads to a more innovative work environment. Respondents ranked “Leads with Kindness” first among other leadership styles, including leading with authority, empathy, courageousness, and risk-taking.

Further, respondents who said their current company’s leadership style was one of “puts kindness before anything else,” were most likely to agree that this leadership style has led to more of a competitive advantage in the marketplace.

After a year of pandemic, **kind leadership matters.**

Studies have illustrated a move towards more kindness as a society and have documented a positive impact on people's overall mental health from doing so. But, have company's leaders embraced a move towards more kind leadership since the pandemic?

According to the study findings, nearly one-third (30%) of workers say their company's leadership has embraced kindness as a value less so since the COVID-19 pandemic. More concerning is that 76% of workers say their company's leadership has embraced the value of "profits before people" the same or more since the COVID-19 pandemic.

Meanwhile, the research demonstrates that those companies who have adopted a leadership of kindness to a greater degree since the pandemic has paved the way toward more innovation. In fact, of the 53% of workers who agree their company's leadership has embraced the value of kindness more since the pandemic, 67% say it has led to greater innovation among employees.

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Meaning over money.

In a year where many workers faced greater financial challenges due to the pandemic, the importance of finding meaning in their work remains more valuable than money among most employees, particularly among IT professionals and younger workers.

Six-in-10 workers say they would rather have a management team that helped them find meaning in their work than receive a 5% pay increase. That sentiment increases among IT professionals, with 81% in agreement.

Research from Gallup and others have found that for Millennials, work must have meaning. Their compensation is important and must be fair, but they are motivated more by mission and purpose than a paycheck. Signature's research finds this to be true. Gen Z and Millennial workers are most likely to agree strongly that they prefer to have a management team help them find meaning in their work than receive a 5% pay increase.

As the Gen Z and Millennial population now comprises nearly half (46%) of the workforce, the ability of companies and their leadership team to help these workers find meaning in their job will be critical to their ability to recruit and retain this important cohort.



Kindness drives MEANINGFUL PROFITABILITY.

Clearly, profits matter in business. Without it, organizations wouldn't survive. But, without purpose, business can seem empty and employees can feel disconnected, unmotivated, and disillusioned. Today, more than ever before, business leaders need to think beyond numbers alone and focus on people and purpose—a reason for being beyond profits, grounded in humanity.

Signature's research has found several tangible, positive outcomes to putting kindness first and before profits. Companies who put kindness before anything else vs. profits before anything else have employees who are:

84%

more likely to feel a shared sense of purpose between their job & company's leadership/goals

120%

more likely to feel a sense of meaning and purpose in their current job

58%

more likely to be highly aware of how their role contributes to the company's ability to innovate

89%

more likely to have a strong desire to think of innovative, new ideas

62%

more likely to feel their organization encourages all employees to drive innovation

Kindness enables more freedom to innovate among employees.

Employers must have the right cultural enablers in place that support practices to explore innovation. A fundamental part of that culture is a strong relationship between employees and their leaders, with the freedom to speak their minds without fear and an environment of open debate and candid feedback.

When it comes to innovation, the candid organization—a fundamental aspect of kindness—will outperform the nice one every time. The latter confuses politeness and niceness with respect. There is nothing inconsistent about being frank and respectful.

For example, many leaders focused on innovation set out to build and celebrate a culture of risk-taking as an enabler for innovation. However, creating a tolerance or desire for risk-taking among employees won't succeed if workers don't feel they have the freedom to innovate in an environment of trust, candor and respect.

The Signature Humankindex research bears this out. On average, a leadership team who puts kindness before anything else have employees who are **5X MORE LIKELY** to:

CONTRIBUTE

Be highly aware of how role contributes to company's ability to innovate.

DESIRE

Have strong desire to think of innovative, new ideas.

ENCOURAGE

Believe company encourages all employees to drive innovation.

INCENTIVIZE

Report company offers incentives to introduce innovative ideas.

Our research also demonstrates the importance of connection between employees, leadership, and the organization's goals to create an environment supportive of innovation. For example, among workers who do not feel a shared sense of purpose between their job and the company's leadership and goals, nearly half (49%) also do not consider their company to be innovative. Furthermore, among workers who do not feel a sense of meaning and purpose in their job, only 7% believe their company is innovative.



There's a reason humans are collectively called [humankind](#).

If there was ever a time for businesses and their leaders to embrace or return to powerful core values as their guide in decision-making, strategy development, resilience-building, and innovation—it is now.

There is an arguable business case to the power of kind leadership, with a noticeable pattern of success among those companies who embrace it.

While kindness may appear the antithesis of business-focused, there is evidence that kind leadership and values can not only co-exist with success, it can even drive it. A desire for kindness exists right now. Will you offer it?

To learn more about the power of kind leadership and strategies to implement a culture of kindness within your organization, view our other resources based on Signature's Humankindex research:

[MICROSITE](#)