

HumanKindex:

2024

INTRODUCTION.

Consistent with previous years, the 2024 Humankindex Study findings point to a clear connection between kind leadership and a range of greater business and talent outcomes. However, the data also indicates that many business leaders are failing to embrace it more at a time when it is arguably needed most.

Is the business world struggling to adapt?

If Sun Tzu, in his book *The Art of War*—a text still highly relevant to both military and business leaders today—indicates that kindness and compassion are essential qualities of leadership, shouldn't it be considered more seriously?



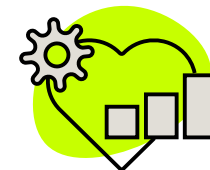
It makes sense that many organizations face the ongoing challenge of balancing kindness and compassion with the demands of revenue growth and profitability, and ample data confirms that these qualities are essential to building a sustainable and resilient business – a belief we at Dexian share as we work to keep kindness as integral to our mission as financial success.



...companies and their leaders are embracing kind leadership less today than they were two years ago..."

Yet, Dexian's 2024 research shows that companies and their leaders are embracing kind leadership less today than they were two years ago—an alarming trend given the increasing need to emphasize empathy and compassion.

When describing their current employers' leadership style, workers stated that their executive team prioritized goal attainment more than any other style, including kindness.



In an era characterized by rapid technological advancement, increasing global interconnectivity, and complex socio-political dynamics, we believe this is the time to double down on kind leadership. Particularly when, beyond the fact that leading with kindness is simply the right thing to do, our research has demonstrated clear connections between kind leadership and competitive advantage, greater innovation, improved productivity, and a range of other talent outcomes.

At the very least, given the fact that organizations see better business outcomes from a kind management style, we should be asking ourselves why there are leaders who fail to apply empathy and compassion as equally as goal attainment and profitability.



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There is a potentially significant risk of devastating impacts of leaders who promote profits without taking humanity into consideration. Workers today, particularly younger generations, flee organizations with this kind of leadership because they don't feel heard or respected which ultimately impacts profitability and long-term company success

The proof of the power of kind leadership could not be more clear.



TRACKING KINDNESS.



Tracking Kindness Across U.S. Businesses.

A key element of the Humankindex research are two indices created to measure and track companies' adoption and practice of kindness. Using a range from 1 to 100, the Humankindex: U.S. Workforce and the Humankindex: U.S. Employers calculate the degree to which employers and leaders are adopting kindness as a core value and leadership style, according to today's employees and C-level executives respectively.

Both indices are based on two components:

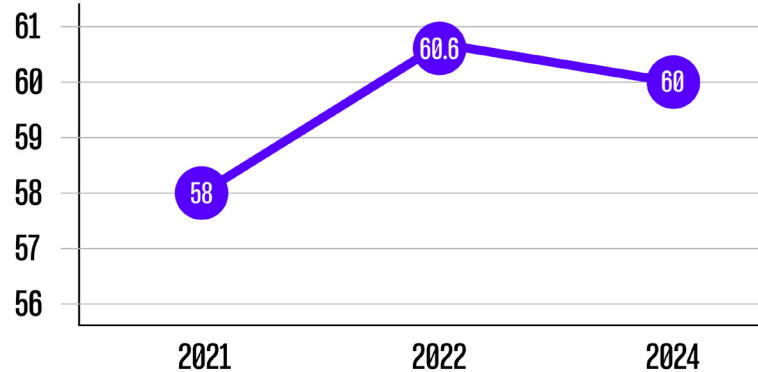
→ **Kindness Quotient:**
The degree a company practices a culture and leadership of kindness and the extent it is felt by individual employees.

→ **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.



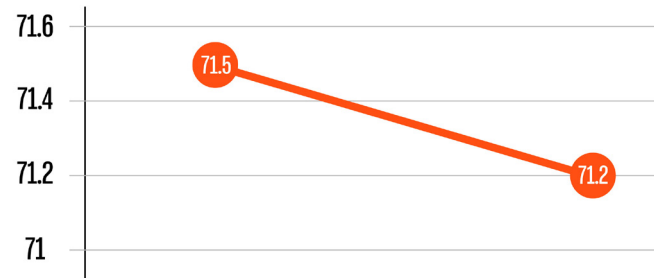
HUMANKINDEX (HKI): U.S. WORKFORCE

This year, the HKI: U.S. Workforce declined slightly from 60.6 to 60. The Kindness Quotient for this index also declined from 34.1 in 2022 to 33 in 2024, while the Innovation Capability rose slightly from 26.5 in 2022 to 27 in 2024. The rise in 2022 may be attributed to employees' belief that their employers have embraced the values of kindness (52%) and empathy (54%) more since the COVID-19 pandemic—more than any other values.



HUMANKINDEX (HKI): U.S. EMPLOYERS

In 2024, the HKI: U.S. Employers declined from 71.5 in 2022 to 71.2, although remains over 11 points higher than the HKI U.S. Workforce, pointing to a disconnect between leaders' beliefs and those of their employees. The Kindness Quotient for this index was 39.7, slightly lower than the 39.8 in 2022, while the Innovation Capability was 31.5, a 0.3 percentage point drop from 31.8 in 2022. The disparity is likely due to a more optimistic view of both kindness and innovation adoption among the C-suite compared to the views of U.S. employees—seen across nearly every element of the research.



CALL FOR KINDNESS.

Workers Call for Kindness.

In recent years, awareness has grown regarding the impact of emotional intelligence on leadership effectiveness. Kind leadership aligns with this by focusing on people rather than just processes, maximizing human potential and driving innovation – all important reasons to embrace it. However, perhaps the most important reason is that employees are calling for it.

Nearly 6 in 10 workers believe today's current environment has created a greater need for kind leadership/kind cultures and that companies will need to be much more committed to building a culture of kindness to achieve success – a sentiment that increased 7 percentage points from 2022.

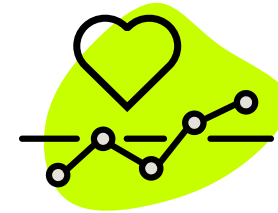
Meanwhile, this year, fewer organizations are more committed to building a culture of kindness to achieve success in today's landscape than they were two years ago.



A GAME CHANGER.

Kind Leadership is a Game Changer.

As business and hiring leaders seek to harness new ways of securing, retaining, and optimizing talent, the 2024 Humankindex research finds job seekers credit kind leadership and cultures for a range of aspects critical to organizational success – and will increasingly take leadership and culture into account when making future job decisions.



A culture or leadership of kindness has had a positive impact on....

83% My overall work performance

82% My productivity

80% My engagement level

79% My ability to collaborate

76% My ability to innovate

Employers believe a kind culture or leadership has had a positive impact on...

83% Recruitment of workers

83% Retention of workers

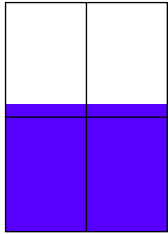
87% Productivity of workers

89% Collaboration of workers

88% Engagement of workers

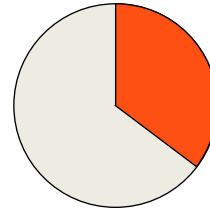


53%



of employees agree that “kind leadership is more important to me than ever when choosing an employer/job” – up from 49% in 2022.

39%



of employees say that when weighing future job decisions, a “leads with kindness” leadership style will be the most influential factor in choosing their next job.

81%



of employees agree that leadership style and culture will impact their future job decision, with 47% saying it will have a significant impact.

7 out of 10



Despite 7 out of 10 companies agreeing that a culture of kindness is more vital than ever to recruiting new talent, 5% fewer have increased their focus on kind leadership/culture over the past year to help drive more talent acquisition in 2024.

But if you ask today’s workers, they feel even more strongly this year (**59% vs. 53% in 2022**) that to build a high-performance workforce, organizations will need to promote a culture of kindness to attract more talent.



DRIVING INNOVATION.

Kindness Drives Innovation & Business Performance.

Innovation thrives in environments where people feel safe to express themselves without fear of judgment or reprisal. Kind leadership cultivates this atmosphere, encouraging creativity and progressive thinking. By fostering open communication and valuing diverse perspectives, kind leaders facilitate an innovative culture. In fact, an organization is 3x more likely to be considered innovative if a company is kind. And 89% of companies agree that their company's kind leadership style has led to more of a competitive advantage in the marketplace.

Companies named a range of other benefits resulting from a culture of kindness...

50% said "we are a more innovative company."

36% said "we have increased our financial performance."

38% said "we are able to hire a wider range of specialized talent and skills to drive innovation and success."

45% said "we have increased our ability to retain talented workers."

Although only 50% of workers agree that their company's leadership has embraced the value of kindness more in the last year, those workers point to further evidence of a link between kind leadership and innovation. In fact, 59% agree that their company's greater adoption of a leadership of kindness over the past year has led to greater innovation among employees.

Workers who agree their company's leadership has embraced the value of kindness more in the last year are also...

24% more likely to agree it has led to a competitive advantage in the marketplace.

15% more likely to consider their employer to be innovative.



ROSE-COLORED GLASSES.

Many Companies Still Have On Rose-Colored Glasses.

The 2024 Humankindex research also uncovered a disconnect among employees and their C-suite leaders when it comes to changes in company culture and values over the last year. When respondents were asked how strongly they agreed their company had embraced a range of values more—including kindness, doing the right thing, and empathy—employees were less optimistic than their C-level executives.

Embraced Values More Over the Last Year.

Embraced Values More Over the Last Year (Somewhat/Significantly More)	Employee 2024	Employer 2024
Kindness	50%	69%
Innovation	55%	69%
Shared Purpose	50%	69%
Doing the Right Thing	51%	70%
Profits before People	39%	49%
Empathy	46%	67%



The disconnect between C-level executives and workers can have profound negative implications for organizations, undermining productivity, morale, and strategic alignment.

When workers perceive a lack of empathy or understanding from executives, it diminishes their sense of belonging and loyalty to the organization, which can increase turnover rates and hinder the company's ability to attract and retain top talent.

Moreover, these disconnects might result in missed opportunities for innovation and efficiency improvements, as those directly involved in operations often have critical insights into processes and customer interactions. In the long term, organizations that suffer from this disconnect may struggle to remain competitive and may fail to adapt to changing market dynamics.

In our 2024 Humankindex research, we asked employees and C-level executives to weigh in on how strongly they feel about a range of key aspects of engagement, satisfaction, and innovation.

I Strongly Agree I...

29% Feel a sense of meaning and purpose in my current job.

23% Feel a shared sense of purpose between my job and my companies' leadership and goals.

28% Am highly aware of how my role contributes to the company's ability to innovate.

23% Have a strong desire to think of innovative, new ideas because of our culture.

25% Am encouraged to drive innovation.

20% Am offered incentives to introduce innovative ideas.

I Strongly Agree Our Employees...

42% Feel a sense of meaning and purpose in their current job.

41% Feel a shared sense of purpose between their job and companies' leadership and goals.

41% Are highly aware of how their role contributes to the company's ability to innovate.

42% Have a strong desire to think of innovative, new ideas because of our culture.

42% Are encouraged to drive innovation.

36% Are offered incentives to introduce innovative ideas.



Perhaps the most alarming among these disconnects is less than 3 in 10 employees feel a sense of meaning and purpose in their current job. Particularly when you consider that 6 in 10 employees say they would rather have a management team that helped them find meaning in their work than receive a 5% pay increase.

THE TIME TO EMBRACE KIND LEADERSHIP IS NOW.

As the world continues to evolve, the demands placed on leaders will grow increasingly complex. Traditional leadership models, focused primarily on authority and control, are insufficient to address the multifaceted issues of today. Kind leadership, emphasizing empathy, inclusion, ethical integrity, and innovation, offers a pathway to navigate these challenges effectively. By adopting this approach, leaders can inspire trust and cooperation, harness collective human potential, and drive meaningful change. The call for kind leadership is not just a reflection of changing times but a clarion call for progress toward greater business performance and innovation.



About the Report



In its 2024 Humankindex research, Dexian continues to examine the impact of kind leadership and cultural values on key business and talent outcomes amid a chaotic and complex landscape.

In September, Dexian conducted a survey of 1,500 full-time (30+ hours per week) employees aged 18 and older, in partnership with the national research and data firm Attest, as well as 500 C-level executives with representation across age, gender, geographies, and industries.

dexian.com/humankindex/