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[joseph.hood@capgemini.com](mailto:joseph.hood@capgemini.com)**Employees call for new leadership styles to meet the changing needs of the future workplace**

*New research highlights that organizations must scale leadership development programs and reskill leaders as well as transform processes in preparation for the next era of working*

**Paris, December 15, 2021 – While 69% of leaders believe that their organizations have managed the transition to remote and hybrid working smoothly, only half (49%) of employees agree, according to a new report from the Capgemini Research Institute: "[Relearning Leadership: Creating the Hybrid Workplace Leader](#)". The hybrid workplace is bringing unique challenges for organizations and requires a renewed emphasis on leadership attributes such as authenticity, emotional intelligence (EI), openness to change, and the ability to create cultures of trust where employees feel empowered. However, organizations are not doing enough to enable leaders to lead effectively in a hybrid work environment.**

**Leading hybrid working with empathy**

Leaders are expected to guide and inspire their workforce, showing attributes such as authenticity and emotional intelligence (EI) and giving employees the autonomy they require. However, only 37% of employees in a non-supervisory capacity say that their organizations are actively empowering teams to make their own decisions and less than half (47%) felt included and heard by their organization through the course of the pandemic.

In fact, the pandemic has put an even greater focus on the need to take employees' physical and mental wellbeing seriously. But there's also a perception gap between employees and leadership on how effectively health and wellbeing were managed throughout the crisis. While 72% of leaders believe their organizations were able to take care of employees' physical and mental wellbeing, only 49% of employees felt the same. In addition, only 34% of employees say that their organizations are actively working on initiatives to reduce employee burnout.

**Key attributes for leaders in a hybrid world**

The research also indicates that new styles of empathetic and people-centric leadership are required for the new world of hybrid work. Trust is central to this change: an overwhelming majority (84%) of employees view the ability to create cultures of trust where employees feel empowered as a key capability that leaders need to develop. However, adequate measures to foster a culture of trust and empower teams are lacking in most organizations. For example, only 34% of organizations are scaling programs to train leaders in the skills needed to build cultures of trust.

This is true of other attributes. In fact, employees see a mismatch between the top skills they want their leaders to display and their current proficiency level. From the employees' point of view, 75% view emotional intelligence as a key attribute, yet only 47% believe leaders are proficient in this area. Despite the perceived lack of proficiency of leaders for various skills and attributes, our research shows that organizations are not doing enough to scale training programs aimed at building these capabilities. For instance, only 27% of organizations are actively scaling EI-related leadership-development programs.



## **Organizations are not adapting their practices and processes to prepare for a hybrid workplace**

While training leaders in new skills is a key element of equipping them to lead in a hybrid environment, this is only part of what is required. Organizations will also need to ensure that they establish the right enabling conditions for leaders to deliver effectively. These include redesigning processes and frameworks around hiring and performance evaluations of leaders, to ensure that skills and attributes necessary for hybrid work are adequately considered and rewarded. Fundamental changes in such processes are necessary complements to training leaders. However, the research shows that organizations are not focusing adequately on making these fundamental changes. For instance, only 33% of HR executives say that their organizations have overhauled hiring practices to attract leaders who have the attributes and behaviors required to lead organizations towards a hybrid future. And only 36% say they have adapted processes related to compensation and benefits, to reward leaders who demonstrate these attributes.

## **Applying a systems thinking approach to build the cultural foundations for people-centric leadership**

The Capgemini Research Institute identified a small cohort of leading organizations (also called “Pioneers” in the research) that were actively deploying leadership development programs at scale, organization-wide, and were in the process of radically overhauling their leadership framework and processes. Employees belonging to these organizations enjoy a superior employee experience that is unavailable to employees of other organizations. For example, 80% of employees of Pioneers agree that their organizations have adapted well in empowering them to own their work, build greater autonomy and honesty (compared to 52% of employees in other organizations on average).

Organizations that actively scale leadership programs may benefit employees more widely, but they will need to establish a cultural foundation to enable change. This will require radically overhauling processes and practices to attract and reward leaders who demonstrate the behaviors needed to lead organizations towards a hybrid future.

Claudia Crummenerl, Global Practice Lead and Managing Director, Workforce and Organization at Capgemini Invent explains, *“Our report shows a clear disconnect between the views of upper management and employees across many organizations. While technology has facilitated the rapid adoption of hybrid working, management and leadership practices have in many cases not kept pace. It’s clear that there is a need to rejuvenate the concept of leadership for the hybrid workplace of the future. Organizations need to empower leaders to be empathetic, authentic, and credible in their approach, and invest in building the necessary leadership development infrastructure, as well as the necessary enabling conditions such as steering processes, management practices and policies to support required leadership behaviors, to achieve this.”*

### **Methodology**

Capgemini’s findings are based on a two-fold global research study covering large organizations across twelve countries in key industries such as consumer products and retail, automotive, manufacturing, energy and utilities, financial services, public sector, and healthcare.

A survey of 1,380 respondents from 548 organizations was conducted, as well as interviews with industry executives, academics, and leadership development experts.

To read the full report, click [here](#).



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