

EDITORIAL

## Humanistic, ethical, and compassionate management: Employee experience and professional development

Vanessa Ratten

Editor in Chief, *Journal of Management & Organization*  
Email: [v.ratten@latrobe.edu.au](mailto:v.ratten@latrobe.edu.au)

There is no shared definition of what management means so it is based on perceptions. Most view management as a way to coordinate and plan activities in a business setting. Thus, management has traditional meanings but also adapts based on new trends. It is important that the academic leaders of the management field are clear with their explanations and definitions. This will help others interpret and understand the importance of management practice and theory. Managers need to favour innovative and creative approaches to problem solving, which means emphasising collaboration and the value of stakeholders. Moreover, managers are agents of stakeholders so need to have a complete understanding of multiple and concurrent needs. Therefore, they are dedicated to being organizers of tasks by preparing for change. The goal of this editorial is to focus on how humanistic, ethical, and compassionate management occurs in society. This will enable a better understanding of the employee experience and professional development activities.

Currently there is an emphasis on external environmental factors such as wars, crises, and geopolitical conditions that are influencing how people work and live. This is making it crucial for managers to adopt an ethical and compassionate approach. At the same time, increased economic pressures such as the rising cost of living is making it difficult to adjust. Much of the significant shift is a result of increased interest rates and global mobility making things more expensive but also increased global competitiveness. Thus, now is the time to emphasise humanistic management principles in society.

At the moment there are global challenges the world is grappling with including global warming, the advent of industry 5.0, poverty, and geopolitical uncertainty. This makes us question how organisations are helping humans deal with these pressures? Existing management practices may not be useful in analysing these pressing issues and require a new management perspective. The dominant intellectual paradigm regarding how to solve problems may be inequipped to deal with new and novel issues. This means managers need to be creative and imaginative in considering how to make life easier for people.

Existing management practices focus on economic factors such as profitability and efficiency. This has been supplemented in recent years with social and sustainability principles made relevant because of the United Nations sustainable development goals. As a result, organisations now need to show they are caring and respectful of people. This means emphasising dignity, safety, and innovativeness through humanistic management. Managers need to have both functional and broad knowledge related to business and society issues. This is due to management occurring in a variety of contexts that constantly change in response to environmental conditions. Managers need to think in an integrative way in order to embrace cultural and societal trends. There are many pressing management challenges centred around what is good management? How can management practices be improved? And what are effective emerging management trends?

Humanistic management tries to consider social wealth orientation in addition to traditional business practices required by managers such as leading, organising, and controlling. Stakeholders

including partners, citizens, government, and the community need to be considered as part of having a responsible management approach. This enlightened perspective acknowledges the role of ecosystems in business. In every different kind of ecosystem whether it be business, innovation, entrepreneurial, digital, or sustainable there are power plays. This means there are weak and strong entities that facilitate how the ecosystem works. At the heart of most ecosystems are anchor organisations such as a large firm or government entity that influences the business activities of others.

Through analysing humanistic management approaches, we can consider what is working and what needs to be improved. In the post COVID-19 pandemic environment, this offers an opportunity to provide more useful management techniques and shape management thinking. This enables new and transformative thinking to emerge. Humanistic management reminds us that humans are the most important in the work environment and should be prioritised.

There is often a false perception that no new management theory is needed and we have finished thinking about new approaches. This is wrong as management is constantly altered based on changing cultural, economic, and political norms. Concerns about inequality and wealth are indicators of societal interest. The concept of humanistic management is considered a good thing as it reawakens an emphasis on humans. Humanistic management affords an opportunity to refocus discussions on people. This is why it is a valuable management technique and offers a way to improve ourselves and others. Managers are facing increased workloads and as a result are suffering mental and physical health issues. This is often not discussed and hidden as it is considered a side effect of being a manager.

Compassionate management needs to be incorporated into the aims and goals of an organisation (Peticca-Harris, 2019). By doing so strategies around fostering compassion can be integrated. Conditions for compassionate management are difficult to demonstrate. This is because compassion is an ambiguous term that is made complex due to personal interpretations (Sibunruang & Kawai, 2023). Cross cultural considerations need to be considered when developing compassionate management techniques (Simpson & Berti, 2020).

Compassion is defined as 'a complex, four-part, social process that involves noticing suffering, interpreting suffering in particular ways, feeling empathetic concern in response to suffering, and acting to address or alleviate it' (Worline & Dutton, 2022:34). There is increased emphasis on compassion by managers as a central part of their work. Emotions and well-being are central to doing work and an important part of teamwork (Dodson & Heng, 2022). Being compassionate enables managers to be adaptable and respond to change. Another explanation of compassion is offered by Tsui (2013:168) who define it as an 'active orientation towards the well-being of others who are in pain.' This means that the process of compassion is dynamic and changes over time. Often people may not explicitly communicate their stress, so it needs to be interpreted by others. Being compassionate means seeking out information to help others thereby understanding a person's situation is based on the context (Lilius et al., 2008).

There are rising employee stress levels caused by a perceived lack of compassion by managers (Madden, Duchon, Madden, & Plowman, 2012). This can destabilise the workplace and create difficult circumstances. More effective managerial leadership styles are required to deal with this change in order to mitigate stress levels (Smollan, Morrison, & Cooper-Thomas, 2023). Stress can come from a range of reasons that can be reduced with coping mechanisms. Proactive measures including compassion and concern can reduce stress. Responsible management styles that provide workers with clear support is important (Naseer, Bouckenoghe, Syed, & Haider, 2023). Stress is a complex emotional state that is from environmental pressures. The inability of people to respond to stress levels can result in depression and tension. A major stress factor for many is their work environment in terms of an imbalance in work/life patterns and work overload. The absence of compassionate managers can cause further stress. Each person's stress levels are different and depend on their age, experience and skills.

Work related stress can be based on poor engagement from managers and a lack of care. The concept of management is a complex phenomenon. Effective managers are able to understand the role

stress plays in employees and offer authentic management practices. Managers are expected to direct employees in order to follow organisational goals. They need to influence others to be cooperative in their efforts. Managers have set goals they need to achieve.

Managers comply with organisational directives that are important in surviving in the challenging business environment. Managerial leaders are those that seek to build new relationships. By doing so they focus on the future and inspire others. Compassionate managerial leaders try to reduce others suffering. They show understanding for others and are empathetic. This means encouraging employees to voice their emotions in order to improve the work environment. By doing so they support an organisational culture that focuses on selflessness. The COVID-19 pandemic was a life changing event that required many to work from home or in a hybrid mode. Afterwards the effects on workplace design are still felt with many choosing to work some days from home. The integrity of a person's work experience will be based on how comfortable they feel. Work experiences are riddled with potential negative as well as positive events. Therefore, managers need to acknowledge the emotional fluctuations workers go through as part of their job. Silenced emotions occur but increased emphasis is on expressing these emotions.

There is a heightened sense of powerlessness in some workplaces due to a range of reasons. This can cause anxiety due to increased workloads, mistrust, and unknown work outcomes. The gig economy where people work multiple jobs has meant increased workloads and for many no continual known work. Interestingly Curtis (2014:210) states that 'in many countries around the world, compassion is an explicitly stated component of professional preparation programmes and codes of conduct.' There are more media reports about the need for managers to be compassionate.

Some form of stress is inevitable in the workplace and is part of life. How people deal with stress matters in terms of it being a human condition. Stress is defined as 'any form of unpleasant emotional reaction that human beings may develop in, or outside of, the work environment, arising when they feel that they are facing a threat, of any nature, to which they have no adequate response leading to anxiety and frustration' (Oruh, Mordi, Dibia, & Ajonbadi, 2021:1363). Stress can be triggered by many things occurring in and outside the workplace. Within the workplace a lack of job security, interpersonal relationships and challenging conditions affect stress. Office politics such as downsizing and job repositioning can cause stress. Outside the workplace disruptive events such as personal and health issues can cause stress.

Management innovation is a specific type of innovation that deals with issues at the management level. This means its aim is to increase the efficiency of firm practices by introducing positive change. There is increasing emphasis on managerial innovation due to needs to compete globally. This means competitiveness concerns drive managerial innovation through productivity gains. Different types of change agents influence managerial innovation with internal agent resources such as managers being involved in the practice. External agents such as suppliers and contractors also help with the practice of innovation.

A well-established definition of managerial innovation is 'any program, product or technique which represents a significant departure from the state of the art of management at the time it first appears and which affects the nature, location, quality, or quantity of information that is available in the decision-making process' (Kimberly, 1981:86). This means a major alteration in the way things are done is needed in order to be considered as a managerial innovation. The desire of managers implementing innovation is that a beneficial outcome results from the change. Thereby enhancing firm performance through the introduction of different forms of management practices (Mol & Birkinshaw, 2009). Management innovation is influenced by leadership styles including the desire to be transformational. This means leaders who are more receptive to new ideas are likely to be more interested in innovation.

Social innovation is a type of managerial innovation practice that emphasises social goals. It has increased in popularity due to criticism of business practices that neglect social issues and over emphasise financial outcomes. As a consequence, there has been a need to develop

management innovation that solves social problems by criticising existing practices. Social innovation provides a way to include citizen and firm interest in topics such as diversity and social responsibility.

There is uncertainty about how to define social innovation due to the field being fragmented. Broadly defined it refers to how innovation takes place regarding social consequences. To be considered social innovation it should satisfy three main goals: human needs not currently being met, produce social relationship changes, and provide a source of empowerment (Pol and Ville, 2009). Van der Have and Rubalcaba (2016:1924) refer to social innovation as 'a large revitalization of the social aspects involved in any kind of innovation'. Most forms of social innovation typically involve new configurations of existing social practices to produce a positive result. This means the change occurs in a deliberate way to solve social problems.

The goal of social innovation is to prompt social change by considering new practices. This is done in a collective way in order to change social structures. Pol and Ville (2009) suggest that social innovation is different to other types of innovation due to its focus on improving the quality of life. This means it implies that societal transformation will occur through the use of innovative ideas.

A focus on an integrated management perspective offers a better way to deal with problems of the real world. Thereby moving to understand how managers can deal with actual and emerging issues. This requires critical thinking to solve difficult situations. Sometimes managers are unsure how to respond to situations and they fail to recognise potential helpful sources. This can lead to problems not being solved and followed up. A strong focus on personal skills such as social interaction and communication is needed by managers. This can enable managers to succeed in their daily tasks. By being reflective about action taken managers can remain knowledgeable.

## References

- Curtis, K. (2014). Learning the requirements for compassionate practice: Student vulnerability and courage. *Nursing Ethics*, 21(2), 210–223.
- Dodson, S. J., & Heng, Y. T. (2022). Self-compassion in organizations: A review and future research agenda. *Journal of Organizational Behavior*, 43(2), 168–196.
- Kimberly, J. R. (1981). Managerial innovation. In P. C. Nystrom & W. H. Starbuck (Eds.), *Handbook of organizational design* (pp. 84–104). New York: Oxford University Press.
- Lilius, J. M., Worline, M. C., Maitlis, S., Kanov, J., Dutton, J. E., & Frost, P. (2008). The contours and consequences of compassion at work. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, 29(2), 193–218.
- Madden, L. T., Duchon, D., Madden, T. M., & Plowman, D. A. (2012). Emergent organizational capacity for compassion. *Academy of Management Review*, 37(4), 689–708.
- Mol, M. J., & Birkinshaw, J. (2009). The sources of management innovation: When firms introduce new management practices. *Journal of Business Research*, 62(12), 1269–1280.
- Naseer, S., Bouckennooghe, D., Syed, F., & Haider, A. (2023). Power of inclusive leadership: Exploring the mediating role of identity-related processes and conditional effects of synergy diversity climate in nurturing positive employee behaviors. *Journal of Management & Organization*, 1–22.
- Oruh, E., Mordi, C., Dibia, C., & Ajonbadi, H. (2021). Exploring compassionate managerial leadership style in reducing employee stress level during COVID-19 crisis: The case of Nigeria. *Employee Relations: The International Journal*, 43(6), 1362–1381.
- Peticca-Harris, A. (2019). Managing compassionately? Managerial narratives about grief and compassion. *Human Relations*, 72(3), 588–612.
- Pol, E., & Ville, S. (2009). Social innovation: Buzz word or enduring term? *The Journal of Socio-economics*, 38(6), 878–885.
- Sibunruang, H., & Kawai, N. (2023). The proactive nature of employee voice: The facilitating role of supervisor developmental feedback. *Journal of Management & Organization*, 1–19.
- Simpson, A. V., & Berti, M. (2020). Transcending organizational compassion paradoxes by enacting wise compassion courageously. *Journal of Management Inquiry*, 29(4), 433–449.
- Smollan, R. K., Morrison, R. L., & Cooper-Thomas, H. D. (2023). Working from home during lockdown: The impact on performance and wellbeing. *Journal of Management & Organization*, 1–22.

- Tsui, A. (2013). 2012 Presidential address—On compassion in scholarship: Why should we care? *Academy of Management Review*, 38(2), 167–180.
- Van der Have, R. P., & Rubalcaba, L. (2016). Social innovation research: An emerging area of innovation studies? *Research Policy*, 45(9), 1923–1935.
- Worline, M., & Dutton, J. (2022). The courage to teach with compassion: Enriching classroom designs and practices to foster responsiveness to suffering. *Management Learning*, 53(1), 33–54.