

Introduction

"We live in extremely interesting times", as we wrote 12 months ago. At the beginning of 2022, this statement is still true.

The reality keeps bringing more and more questions. This applies to every aspect of our lives as well as work, business, human resource management and development in organizations. These are some most urgent and topical questions in the areas of work and development:

- What is the future of office work?
- > Is our estimation of the influence of remote work on our lives not exaggerated after all, it concerns only 25%-30% of the work-force?
- > How to prevent the total dissolution of social relationships and bonds among those working from home?
- What about our mental wellbeing?
- How to find meaning in work (and perhaps also in life)?
- What do we expect from leaders and what from first-line managers?

There seem to be more questions and challenges today than answers.

The trends we pointed to a year ago and the changing paradigms in the attitude to work and businesses are materializing. The Western world is discussing the so-called Great Resignation, i.e. a phenomenon where people leave their jobs on a considerably greater scale than they did before as a result of a thorough reevaluation of their lives (life rather than work). Many professionals who can work remotely are turning into digital nomads.

In addition to the pandemic, the risks include inflation, uneven development of industries, political and economic instability, talent shortage, accelerating digitization. The uncertainty of tomorrow is still here. Where, if at all, is the human being in all this?

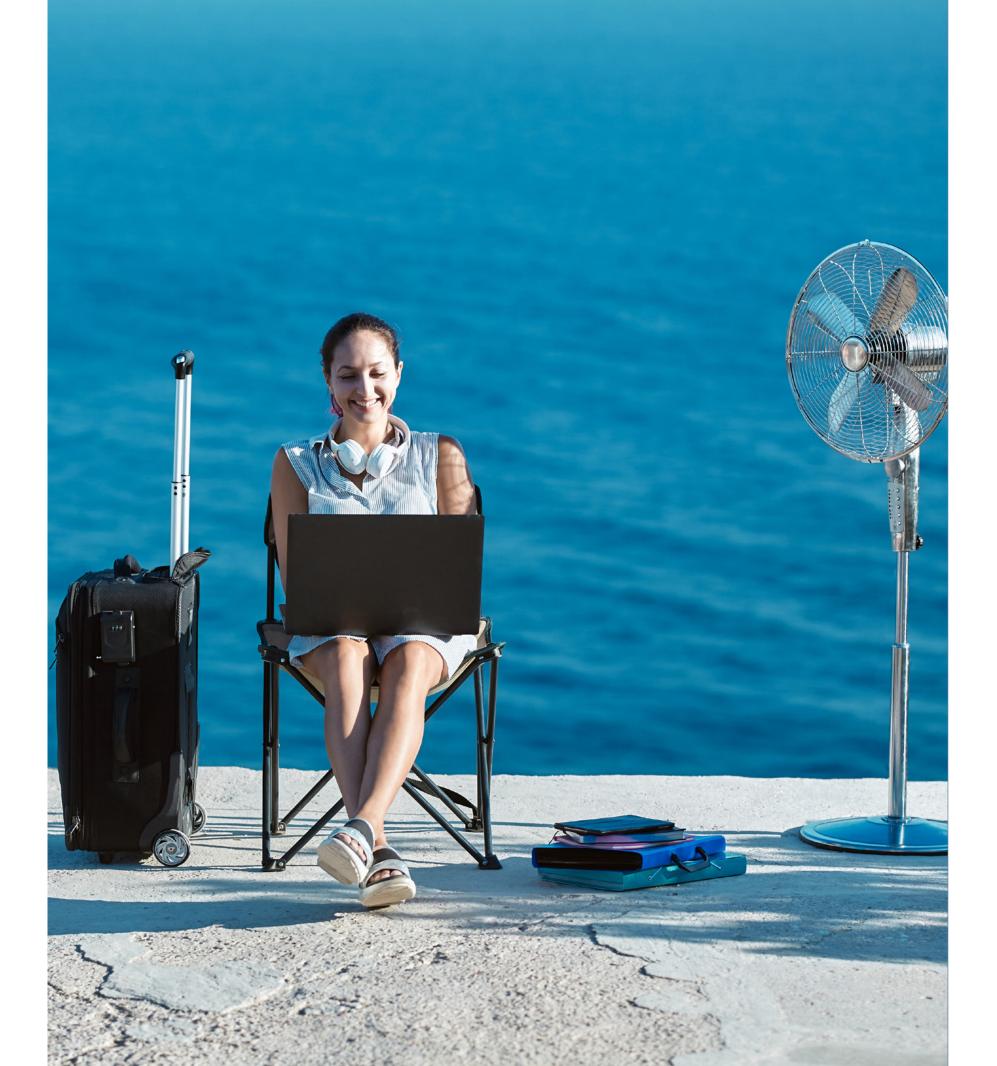
Like we do every year, we are carefully watching the changing landscape of the development industry, which reflects the needs of and challenges faced by organizations in Poland. We have analyzed the studies, reports, conferences, and – in the first place – hundreds of customer projects executed by our House of Skills brands and e-learning.pl in order to extract the substance and provide you with the essence of the emerging changes from our perspective. Enjoy our presentation of trends in employee development for 2022.

The future of hybrid work

The pandemic will leave a long-lasting mark on our way of functioning at work – this is because the age of hybrid work has begun. Although the topic of remote work has been approached from all possible angles for two years now, it actually concerns only a small group of the so-called white collars, that is those in creative and intellectual professions (e.g. consultants, analysts, accountants, journalists, IT specialists, architects, teachers, trainers). There are plenty of people employed in service or manufacturing sectors who have probably never worked from home, since they have not been given such an opportunity¹. The model of hybrid work in Poland is estimated to cover approx. 25%–30% of employees.

While 2020 popularized the phenomenon of work from home, 2021 permitted a return to the office due to the availability of COVID-19 vaccines. The hybrid model, where employees perform their duties partly at home and partly in the office, sounds tempting in theory, but can be difficult to implement in practice. Organizations are seeking solutions that are best for them: some give their em-

1. According to the data obtained from Statistics Poland (GUS), 16.9% of all employees worked remotely in Q2 2021, with the reason being the pandemic situation in the case of a half of them (https://stat.gov.pl/obszary-tematyczne/rynek-pracy/pracujacy-bezrobotni-bierni-zawodowo-wg-bael/kwartalna-informacja-o-rynku-pracy-w-ii-kwartale-2021-r-,12,47.html).



ployees full freedom (e.g. "come to the office whenever you like for as long as you want"), while others prefer a directive, centralized approach, where the employer sets out the rules applicable to everyone (e.g. "we come to the office on specific days"). It is challenging to manage a hybrid team such that people working in one or the other model are not excluded. This can be noticed on the example of hybrid meetings attended by employees working both in the office and remotely. There is an increasing risk of divisions, of leaving out people staying at home, who will be unable to participate in a spontaneous exchange of opinions with those seeing each other face to face in the room after the video conference ends.

A considerable discrepancy in perceiving hybrid work is also noticeable. The senior management staff are happy about this partial return to offices – it facilitates strengthening bonds with the organization and building the culture as well as supports cooperation and creativity. Employees, in turn, appreciate remote work, since it ensures flexibility, comfort, and sense of autonomy. Work from home, if the conditions are appropriate, facilitates concentration and reduces commuting time – it is a significant extra benefit that increasingly frequently turns out to be a decisive factor in the choice of an employer. If employees are to come to the office, they need to see a point in it ("Why are we supposed to do that?", "What benefits does it bring?"). The group of employees that do not want to come back to offices is large: in the McKinsey survey, the wish to return is declared by only 37% of the respondents².

According to the Gartner report, almost a half of HR leaders (49%) have not developed a clear strategy with respect to hybrid work in the future yet³. There are no reliable measurements of the efficiency of the new type of work. Only 20% of the respondents of the survey carried out by EY on remote work

efficiency based their assessments on real measures while monitoring them on an ongoing basis and comparing to pre-pandemic data⁴.

Regardless of whether the group of people working in the hybrid model will become larger in the near future or not, managers must define the vision and direction. It is crucial to come to an agreement with employees with this respect, listen carefully to the needs they voice, and show an unprecedented degree of flexibility. We experienced that ourselves when introducing changes to the operation of the House of Skills office and e-learning.pl. The situation required a revolution of the working style. Having examined the needs, we adapted the office space to new business conditions. This meant above all going away from our own desks in favor of the so-called hot desks, having fewer workplaces in the open space, and more rooms for creative teamwork. We also installed the equipment that enabled us to connect with each other comfortably and work interactively online, and determined the days on which we would see each other in person within our teams.

One needs to pay attention constantly – what worked well in September 2021 may not work a year later. Many enterprises are undecided about what to do with hybrid work. It is a problem which, when ignored – resulting e.g. in discrepancies between leaders' and employees' perspectives – might lead to negative consequences when the pandemic eases off. In the circumstances of high changeability and enormous challenges arising from the new situation, employees are seeking support and stability. When there are numerous uncertainties, it is worth going forward step by step while monitoring the course of events and observing people's reactions. Recognition of their needs, a clear action strategy, transparent communication of ideas and changes, as well as a good substantiation and clarification will become the key to success.

^{2.} A. De Smet et al., "It's time for leaders to get real about hybrid", McKinsey Quarterly, July 2021.

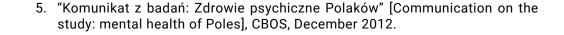
^{3. &}quot;The Top 5 Priorities for HR Leaders in 2022", Gartner 2021 (https://www.gartner.com/en/webinars/4005321/the-top-5-priorities-for-hr-leaders-in-2022).

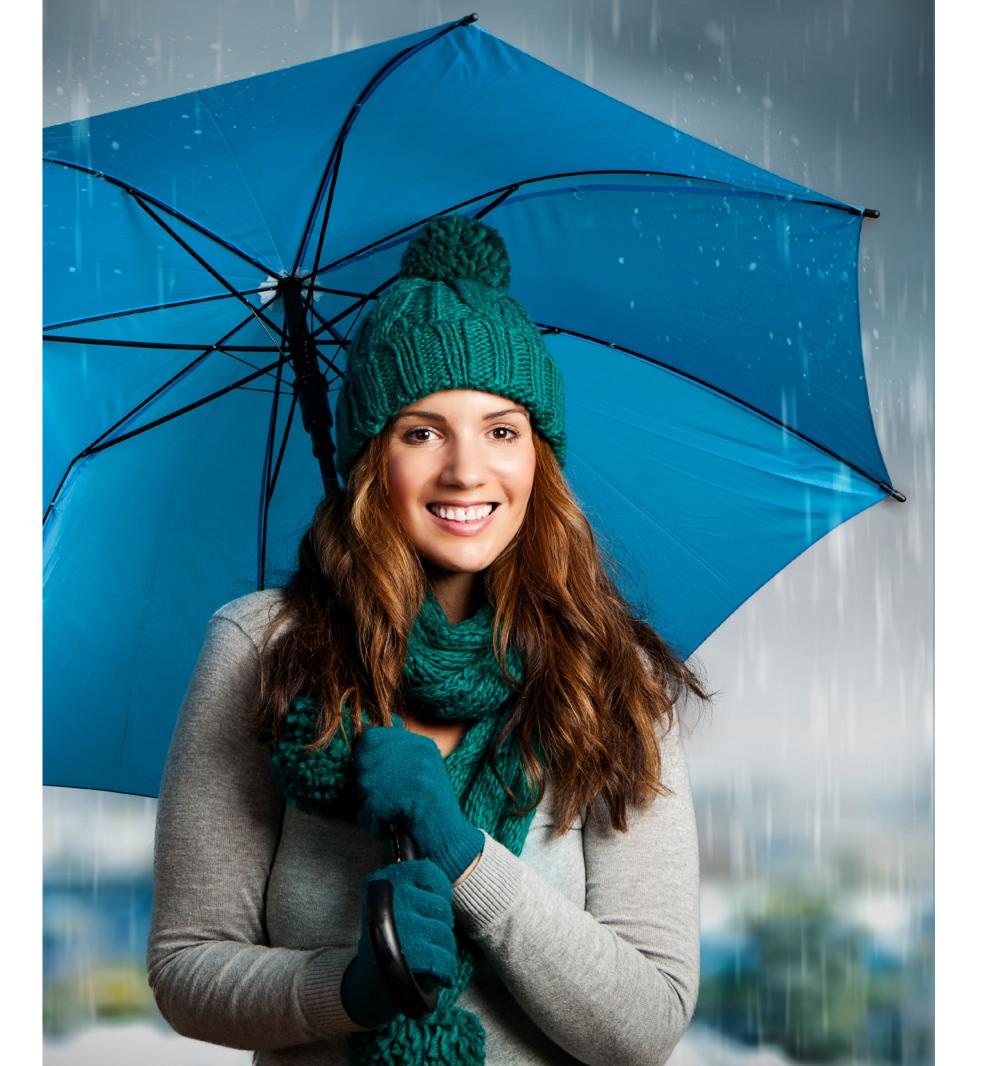
^{4.} EY Polska press release, 18 January 2021 (https://www.ey.com/pl_pl/news/2021/01/spo-srod-firm-ktore-stosuja-rozwiazania-pracy-zdalnej).

Mental health

Employees' mental wellbeing has suffered a lot this past year. Living on the run, the work culture that often makes us work longer and longer and find it more and more difficult to withdraw from the company life after hours or at weekends, hybrid work or work from home, combination of professional and family duties, and the months-long pandemic, social isolation, obstacles in building bonds and relationships, or concerns about stability of employment – all these are factors enhancing the tension we are experiencing.

We are living in the age of uncertainty, when the continuous development is accompanied by an increasing number of stressors. The rather unoptimistic sociopolitical landscape we are functioning in, time pressure, excess of tasks, growing level of stress are factors that facilitate the development or reinforcement of mental disorders, i.e. one of the gravest threats in the modern world. According to the WHO, depression will be the most commonly diagnosed illness in 2030⁵, but it is already now ranked among the top three diseases of civilization that pose the greatest challenges.





The effects of long-term pressure and the accompanying physical and mental exhaustion are increasingly more noticeable by employers. The number of sick leaves due to mental disorders is growing. The growth recorded over one year reached 25% and the number of sickness absences went up by over 36% (data of 2020 relative to 2019)⁶. Occupational burnout has been a ground for leave since 1 January 2022.

The statement that employees' mental wellbeing translates directly into the operation of the organization seems to be self-evident. When it is weak, it deteriorates motivation and efficiency, hampers concentration and decision making, and leads to difficulties in interpersonal relationships, isolation from the team, or conflicts. However, it is unclear how organizations could deal with this problem. In the age of mental health crisis, they cannot remain passive. The concern about employee welfare is not an ephemeral fad; it is an issue discussed increasingly more frequently by management boards of corporations.

Conscious organizations take responsibility not only for business results but also, and foremost, for the people working there. They know that prevention is better than cure. Businesses can operate in this area on several planes. Firstly, by raising awareness and teaching the acceptance for the issue. Systemic solutions are needed in order to create

a safe work environment, which supports the welfare of all employees and is friendly to those struggling with mental problems. Psychoeducation in this field, popularization of knowledge, promotion of the right health attitudes can all serve as examples of proper actions to be taken. It is also important to implement programs for the development of relaxation and stress management skills, to match duties with employees' abilities, and to avoid excessive workload. Many enterprises provide access to specialists who are not associated directly with the profile of their activity (e.g. a psychologist, psychotherapist, psychiatrist), organize space enabling employees to relax and calm down within the office, ensure team integration and safe atmosphere.

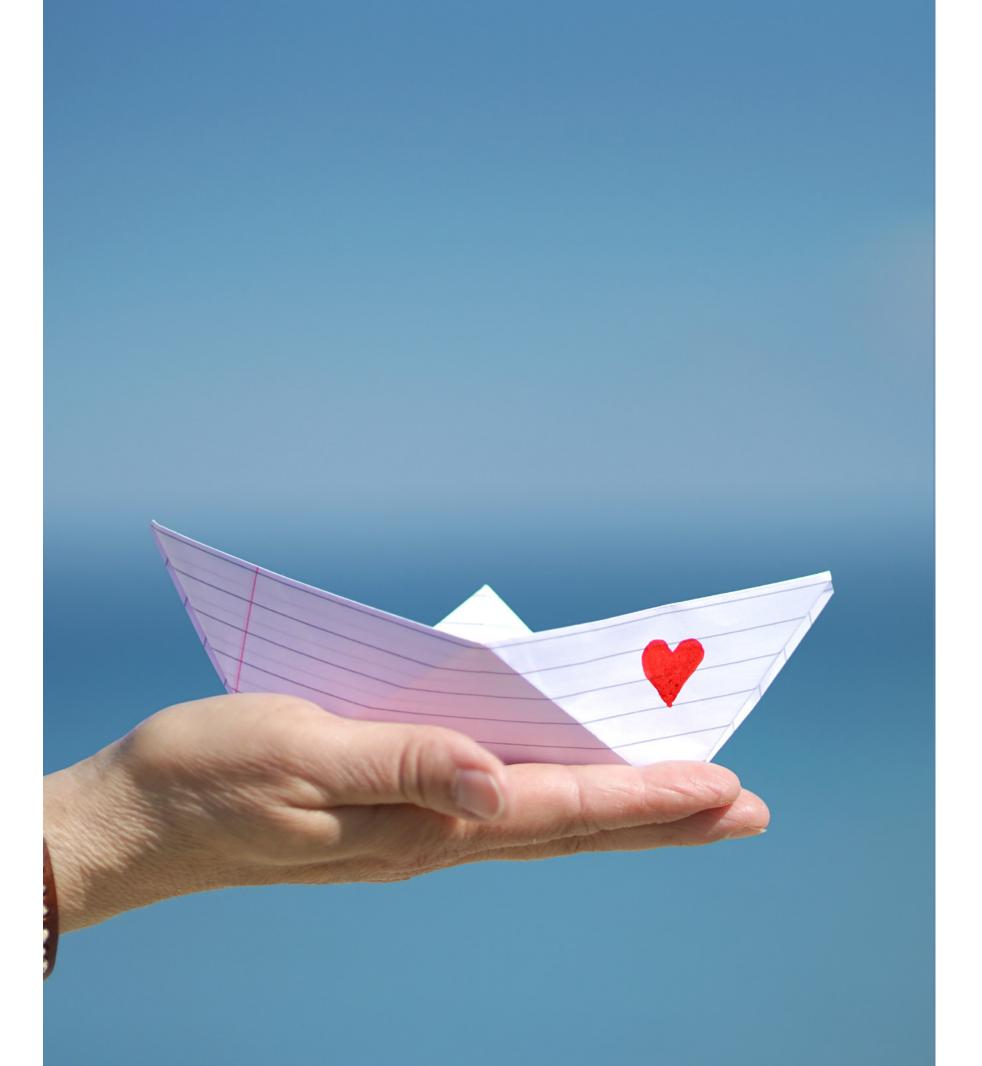
Sensitivity, ability to take up a topic without feeling ashamed or afraid, readiness to have an honest, open conversation will be the new skills of managers, whose role is changing as the reality is changing (see the trend "The leader close to people"). We are evolving as a society and, consequently, the perception of people experiencing mental crises is changing and the readiness to show them support is increasing. Understanding, self-awareness, and – first of all – care about the occupational hygiene are small steps towards improvement: concern about one-self and one's colleagues. Health is our common business.

The sense of meaning and purpose

The speed at which the pandemic spread astounded all of us. At times, it was also astonishing how fast organizations responded by introducing significant, often drastic, changes to face the crisis and generate satisfactory performance. Certainly, the fear about the survival of a business played a major role here in many industries, but according to many customers of ours, identification with the company and the wish to offer value to customers and each other were a stronger motivation, since this is meaningful and important not only for the organization but also for us.

The faith in the meaning of what we do is the driving force behind motivation and engagement not only in the short but also in the long term. Employees expect that work will bring the sense of meaning and purpose to their lives⁷. This need is much stronger than it was before the pandemic: the experience of crisis has encouraged us to reflect deeply on the purpose and meaning in our private and professional lives, to ponder on their compatibility and consistency.

7. According to the Gallup survey, the property employees desire most of work is the possibility to satisfy their need for it to have a meaning ("State of the global workplace: Gallup report, 2017").



As the McKinsey survey shows⁸, 70% of the interviewed employees stated that their sense of purpose and meaning was to a large extent defined by work. This is a chance for employers and leaders: an open door to effectively encourage employees to develop and to support their self-fulfillment. On the other hand, the survey question whether people had the sense of meaning and purpose in their everyday work revealed a huge difference between the management staff and other employees. It was answered affirmatively by 85% of representatives of senior management staff and by merely 15% of first-line managers and employees. What is more, nearly a half of the respondents from the latter group replied negatively.

The survey demonstrates both the great opportunities and the challenges faced by leaders when it comes to ensuring the sense of meaning and purpose of work. This requires a conscious effort, planning, communication of the reasons behind and significance of a decision as well as promotion of the underlying values. Do CEOs and senior management staff even have time for all that these days? The answer might sadly be "no": the fight for their businesses in the exceptionally challenging times can be an effective hindrance to going beyond the priorities connected directly with earning money. Nevertheless, the pandemic has taught us that people and organizations are interrelated and responsible to each other in a manner rising above short-term profits.

In order to reinforce employee identification with the company's goals and build the sense of meaning of work, employers must adopt a more empathetic approach by speaking of the value of the enterprise's products and services and their significance for consumers. It is essential to determine

8. N. Dhingra et al., "Help your employees find purpose – or watch them leave" (https://www.mckinsey.com/business-functions/people-and-organizational-performance/our-insights/help-your-employees-find-purpose-or-watch-them-leave).

and communicate the influence of engagement and individual effort of each and every employee on building value for the customer. Storytelling serves the purpose of capturing the human aspect of work and the related dialog encourages the discovery of the relationship on one's own.

Credibility is the key to success. Leadership is a relationship where leaders build trust in themselves and their actions. The consistency between declarations and communications of leaders and the actual actions taken by them is reflected in the specific "moments of truth" in employee experience. Authentic and honest conversations with managers enable employees to build their motivation for and engagement in pursuing individual goals, shape them and attach significance to them, find the meaning, and strengthen their personal ties with the organization's goals and values. The role of leaders is to expand employees' autonomy and create the conditions enabling them to take care of their needs on their own and actively give meaning to their work.

An analysis conducted by SWPS University⁹ psychologists shows that the meaning of work is perceived two-dimensionally: in both the personal perspective (personal development, achievement of an important goal) and the global one (meaning and benefit for others). It is important for us to develop our agency (having the sense of influence, using strengths, achieving goals) and communion (serving others, doing good to the community).

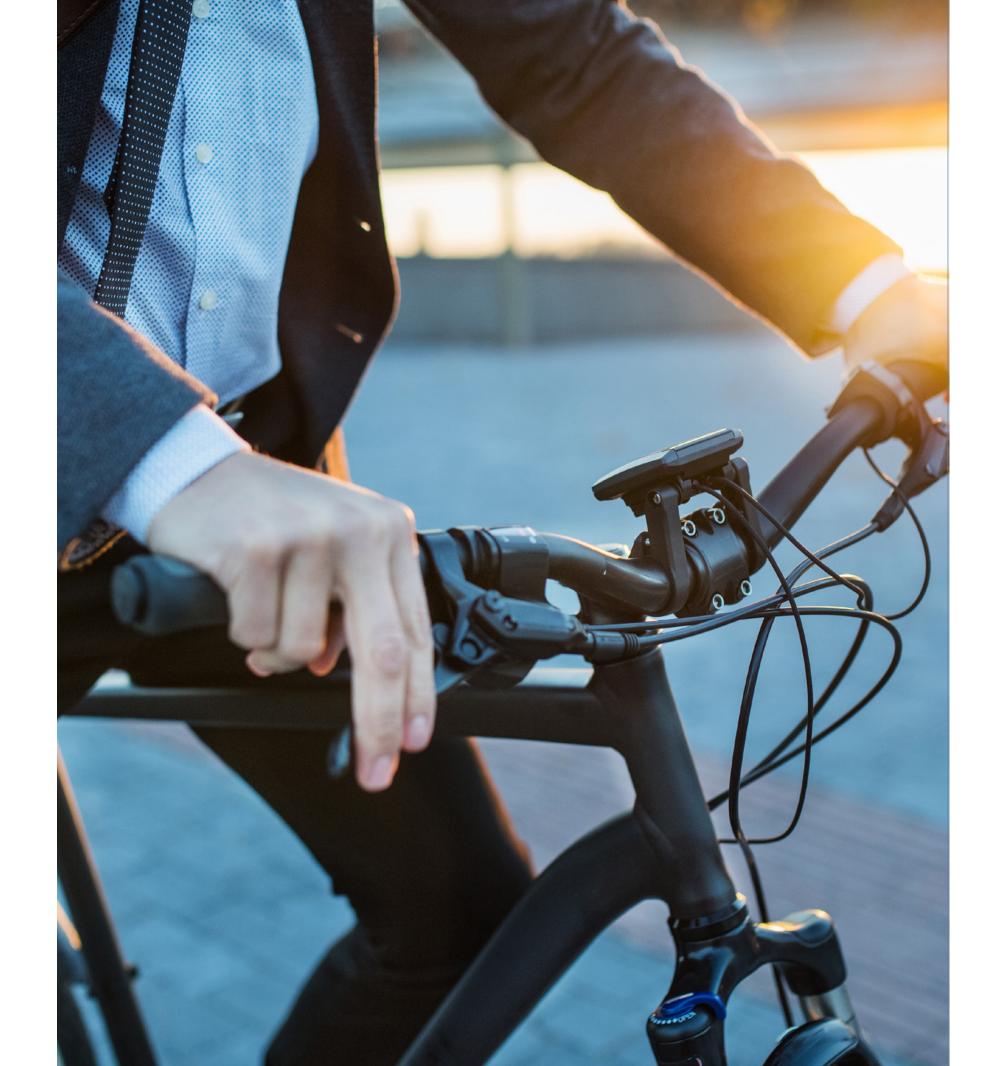
^{9.} A. Czerw, Psychologiczny model dobrostanu w pracy: wartość i sens pracy [Psychological model of welfare at work: value and meaning of work], Wydawnictwo Naukowe PWN, Warsaw 2017.

Mass departure and fight for employee retention

The crisis involved in the outbreak of the pandemic and the common anxieties about the stability of sources of income has made us ask ourselves the crucial questions: Why am I here? What is my professional goal? What is important to me, in both private and professional life? Are my values at work and private life consistent? What is my real market value? This is how we are trying to estimate our own value as an employee, recognize our needs, and plan our professional future.

The extraordinary employee turnover and departure of employees are phenomena characteristic of the present reality¹⁰. More and more often, employees change their jobs in search of higher pay, attractive non-wage benefits, better work–life balance, but also

10. According to the recent Korn Ferry survey, 55% of specialists believe that employee turnover will rise in 2022, whereas 31% of them declare that they would leave their jobs even if they did not have another one lined up ("No end in sight: Majority professionals believe employee turnover increase in 2022", https://www.kornferry.com/about-us/press/no-end-in-sight). According to the Work Trend Index 2021 survey carried out by Microsoft, a stunning 41% of employees are considering quitting their jobs within the next year. This trend is commonly known in the West as the Great Resignation or Big Quit. The term was coined probably by Anthony Klotz, professor at Texas A&M University, who forecast a mass exodus of workforce in 2021, primarily in the United States.



employers who find social issues and environmental protection important. Additionally, popularization of remote and hybrid work has created more opportunities for flexible employment. We look for a job within a specific, preferred, distance from home to reconcile private and professional roles less frequently than we used to.

There are also other important causes of talent shortage in organizations: rapid economic growth, delay of projects caused by COVID-19, mismatch between skills and roles & functions, unsuitability of jobs. As the development of digital innovations accelerates, the record-breaking talent gap is likely to deepen.

In the face of talent shortage, companies increase remunerations, offer more incentives in the form of bonuses and non-wage benefits, also for the newly employed and those holding junior positions, thus enhancing competitiveness in the labor market and aggravating the risk of unwanted departures. On the other hand, they focus on internal mobility, retraining, and improvement of qualifications of the present employees to meet the HR needs and fill vacancies. And what can they do to retain employees in the long run? In our opinion, this is the right time to reanalyze the value proposition for employees and make sure that it stands out and the organization keeps its promises.

The brand and image that appeal to employees have a great force of attraction. Job candidates are prone to accept a considerably lower remuneration if the offers are made by enterprises with a strong brand and focus on sustainable development. A positive image is becoming more and more tightly associated with ESG values, with which many employees identify themselves. The option of flexible work is getting fundamental: organiza-

tions offering the choice and increasing the flexibility (e.g. by virtualization of roles) will gain a clear advantage.

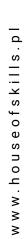
What is critical for the retention effect is the positive employee experience at each stage of their career and professional development, beginning with the recruitment process¹¹. According to Kincentric data, following a substantial increase in employee engagement in 2020, the turning point is noticeable now and a decrease with respect¹² to the pre-pandemic level has been recorded. This makes us ask ourselves if we can really feel comfortable when making no progress as regards positive employee experience. The question requires a well-thought answer from each organization.

The concept of corporate social responsibility (CSR), which was intended to improve brand image, has proved insufficient over time. Currently, the notion of CSR is increasingly more commonly replaced with a broader concept of environmental, social and corporate governance (ESG), which allows for the environmental impact, care about the society, and corporate governance.

With respect to the environment, the ESG concept concerns, among others, energy consumption, waste management, emissions of pollution, including carbon dioxide, and animal testing. The social criteria comprise matters such as respect for human rights, promotion of diversity, investment in human development, concern about relationships with the local community. Corporate governance is primarily the issues related to the structure of an enterprise's management board, rights of shareholders, transparency of information flow, decision-making independence, and managerial skills.

^{11.} According to Korn Ferry, 75% of candidates claim that they are highly unlikely to accept a job if they were treated poorly during the interview.

^{12.} C. Adair, "A turning point: Current trends in engagement", Kincentric, September 2021 (https://www.kincentric.com/insights/turning-point-current-trends-in-engagement).





The topic of diversity and culture of inclusion gives rise to controversies in business at times. It might bring the association with promoting ideology or supporting small groups, for instance minority or marginalized ones. In the age of the growing social polarization, our traits, preferences, choices stop being neutral characteristics. Differences might bring about inequalities and therefore it becomes a necessity to accommodate the issues related to diversity. Diversity is becoming a fundamental value in the modern developing society and concerns a broad range of characteristics, such as gender, age, health, disability, race, ethnic origin, religious denomination or its lack, political views, psychosexual orientation, gender identity, family status, education, and many other. It has a real business dimension for the organization. Teams built by people from diverse environments are more innovative, creative, and effective. Diversity is the strength that enables us to learn from each other, broaden our horizons, and show different perspectives, which is necessary for the development of business and creation of innovations. When each employee can speak and question the status quo, put forward their ideas, share their fears and doubts unafraid, a chance arises for a new quality, quicker problem solving, better understanding of customers. Moreover, when we feel included and accepted the way we are in the work environment, we are more loyal to the company, we have the sense of belonging there. The knowledge that everyone can be fully themselves at work increases employee engagement, retention, and loyalty. In the situation of talent shortage in the labor market and the constantly growing employee turnover, this is justified in economic terms. The culture of acceptance, equal treatment, and inclusion is a

response to the challenges involved in employee acquisition and retention, which is presently the top priority of HR leaders and management boards in conscious organizations.

Numerous surveys show that employees are seeking inclusive jobs¹³. Each and every element of the employee experience in the organization life cycle is important, including recruitment, brand communication language in the market, leaders' practices, organization's policy on availability of training, promotions, and remuneration, as well as external activities. If every employee is welcome, noticed, and appreciated for bringing their exceptionality, a supportive work environment is created. The sense of safety and trust rise. In times of continuous changes and insecurity, this might be one of the best company investments.

At the same time, merely 20% of organizations across the world feel fully responsible for integration, inclusion, promotion of diversity. 40% of enterprises still perceive the problem in the categories of political correctness and avoidance of legal problems and the risk of damage to their reputation¹⁴. What will be a challenge for organizations is not only making bold decisions but also, and foremost, acting consistency: showing that the steps taken make sense and that not only selected, marginalized groups will benefit from them, but everyone will. The point is to ensure that the actions apply to all employees, regardless of the group to which they belong. Building an organizational culture where the employer listens and hears as well as communicates with all employees' needs in mind has a chance to stimulate innovation and a new way of thinking.

^{13.} See report "Trendy HR 2018: czas odpowiedzialnych firm" [HR trends 2018: time of responsible companies], Delloite 2018. Studies show that 80% of employees find inclusion-related activities a significant factor when choosing an employer. 39% of the respondents declared that they would resign from their present job for a company with a more inclusive culture.

The Diversity IN Check¹⁵ survey conducted by the Responsible Business Forum (FOB) in March and April 2021 with the participation of 46 enterprises operating in Poland was intended to diagnose the level of employer maturity as regards diversity management and inclusive organization building. The results were calculated based on the following formula:

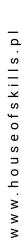
total points obtained in the questionnaire survey

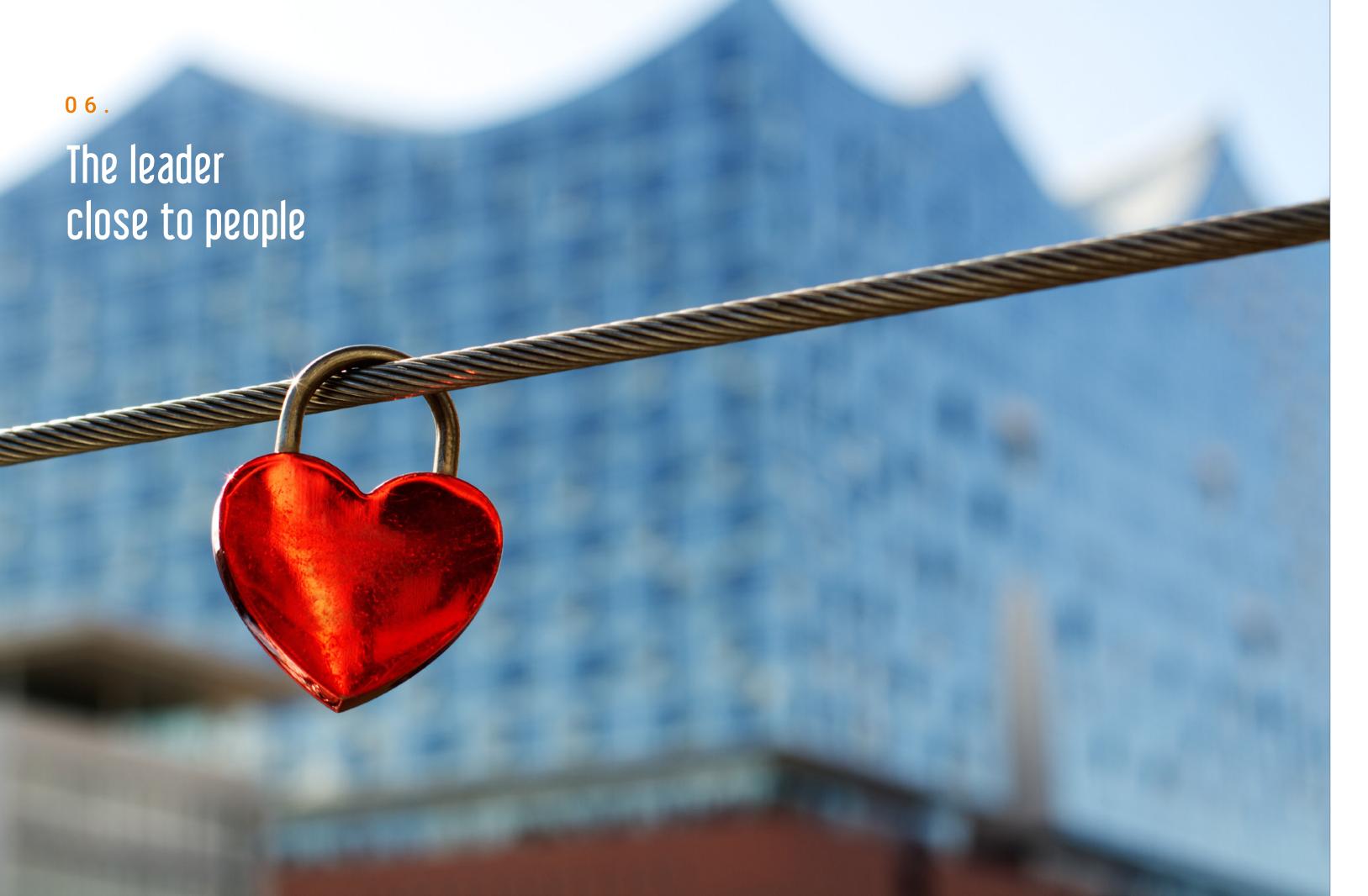
maximum number of points to be obtained

In the area "Engagement building" (management board engagement in supporting diversity, communication tools in an organization, company engagement in external initiatives), the examined organizations obtained the average result of 62%. In the area "Management bases" (mission, vision, values, ethics, policy or strategy on diversity and their implementation), the average result was 63%.

The poorest average result, i.e. 56%, concerned the area "Programs and activities" (equal opportunities in the remuneration scheme, education in equal treatment in the workplace, initiatives supporting selected groups of employees, e.g. young mothers, fathers, people with disabilities). Differences between these areas might indicate a certain phenomenon in organizations. Namely, where solid foundations already exist, which means that the values by which an organization is guided have been determined as well as strategies and procedures concerning diversity management have been developed, it could be challenging to translate them into specific initiatives or programs noticed by employees at each organizational level. It is fairly easy to take up the issue of diversity on the plane of intentions and declarations, but it is difficult to select particular actions. The situation requires a conscious effort, responsibility, and consistency from employers and leaders.

^{15. &}quot;Dojrzałość w zarządzaniu różnorodnością i inkluzją w miejscu pracy w Polsce: raport z badania" [Maturity in workplace diversity and inclusion management in Poland: a survey report], Diversity IN Check, Warsaw 2021 (https://odpowiedzialnybiznes.pl/wp-content/uploads/2021/12/Diversity-IN-Check_raport_Dojrzalosc-w-zarzadzaniu.pdf).





A clear tendency for transforming effective leadership patterns was observable even before 2020. Control was being replaced by trust. Charisma and certainty of judgment – by cooperation, attentiveness, and listening. The infallible ego of leaders was giving way to greater self-awareness and orientation towards inclusion of others. Tor two years now, we have been dealing with a clear promotion of a leadership type termed compassionate leadership. Its essence is to treat all colleagues as partners.

It is not only about seeing a human being in an employee – such a statement is too superficial. We believe that what plays the crucial role in compassionate leadership is support of people, concern about their welfare, orientation towards seeking constructive solutions, and provision of aid when it is needed. The assumptions can be implemented e.g. through inclusive practices and systems (see the trend "Diversity and inclusion"), provision of support and tools for development. What also counts is humanistic values, emotional sensitivity, close relationships with colleagues, reinforcement of talents and strengths, and a coaching approach to management. A "reverse pyramid" is noticeable: I, as the organization leader standing high in the organizational structure, am here to serve you. In order to this right, I must understand your perspective. This trend can be seen also in the evolution of modern leadership development programs we deliver to our customers. More and more enterprises develop their leaders in this respect and the leaders communicate the new approach across the organization.

Following the initial months and the first year of the pandemic, we can find it naturally difficult to maintain high trust in leaders. We are living in times of severe crisis of trust in institutions. Governments, churches, media, various social organizations record spectacular drops in the level of trust, which results, among others, from the progressing polarization of views and the fact that we live in the bubbles of our convictions and established paradigms¹⁶. In a broad perspective, business organizations are perceived relatively most positively. The level of trust in companies is higher than that for governments, media, and NGOs. The case is similar for trust in leaders: business is ranked

top also here, and "CEOs of my company" are overtaken only by scientists in terms of trust. Therefore, an enterprise can be a support and a positive point of reference – there is nothing strange in it, as it is an extremely important element of the social landscape. This creates a big chance for leaders, but also growing expectations from them. If there is no leadership suited to the times, the top position in the trust ranking will be only temporary. The rush of adrenaline in the face of a threat when we naturally turn to leaders cannot last forever.

The starting point for a compassionate leader is self-awareness and work on themselves. Without that, it will be difficult for them to understand what is going on around them, show their own sensitivity, and confront with challenges. Let us prioritize understanding emotions and context of events, strengthening relationships, building the sense of psychological safety. There should also be space for regular moments of reflection and breaks to enable a look at the rapidly changing landscape of events from a distance; this facilitates better decision making.

The path towards building networks of relationships and effective teams which perform the assigned tasks efficiently is leading today through this type of leadership. Obviously, one may take another path, but then there is the question of lost benefits. In the face of the piling up challenges and natural tendencies for decline in empathy, such a method of acting seems more difficult, in particular for leaders with a long employment history and extensive experience¹⁷. However, it simply pays off – individual relationships are characterized by trust, more efficient cooperation, employee loyalty, and better business performance for the organization¹⁸.

Therefore, the message for the leader today is: BE CLOSE TO PEOPLE.

^{16. &}quot;Edelman Trust Barometer 2021: Global report" (https://www.edelman.com/sites/g/files/aatuss191/files/2021-03/2021%20Edelman%20Trust%20Barometer.pdf).

^{17.} Research shows that empathy among leaders diminishes over time. This phenomenon is also called the hubris syndrome. It is contributed to by individual predispositions, continuous confrontation with financial results and strategic issues, the pace and load of work, and the growing immunity to difficult situations. The response to this challenge is conscious compassion and empathy. See more in: R. Hougaard, J. Carter, L. Chester, "Power can corrupt leaders: Compassion can save them" (https://hbr.org/2018/02/power-can-corrupt-leaders-compassion-can-save-them).

^{18.} See S. Melvani, J.S. Mueller, J.R. Overbeck, "Looking down: The influence of contempt and compassion on emergent leadership categorizations" (https://klm68f.media.zestyio.com/lookin-g-down--the-influence-of-contempt-and-compassion-on-emergent-leadership-categorizations_3. pdf); A.M. Grant, J.E. Dutton, B.D. Rosso, "Giving commitment: Employee support programs and the prosocial sensemaking process" (https://repository.upenn.edu/mgmt_papers/323/).

Sympathy, empathy, and compassion seem to be very close in meaning, but they should not be used as synonyms. Let us look then at the semantic nuances between them by referring to the authority of Łada Drozda, an expert in emotions, the author of the podcast titled "Emocjonalny ład" [Emotional order].

> Sympathy means sensitivity to someone else's situation and harm. Yet, it has its limits: first of all, there is no real bond with the other person. It is possible to enter into a relationship from the position "I am higher" – I am the person who listens because I am not the one who is harmed. It is also often the case that attention is redirected towards the listener, who begins their reply by saying: "I know how you're feeling...". Sympathy is automatic and requires no effort, it is based on being emotionally touched by another person's state.

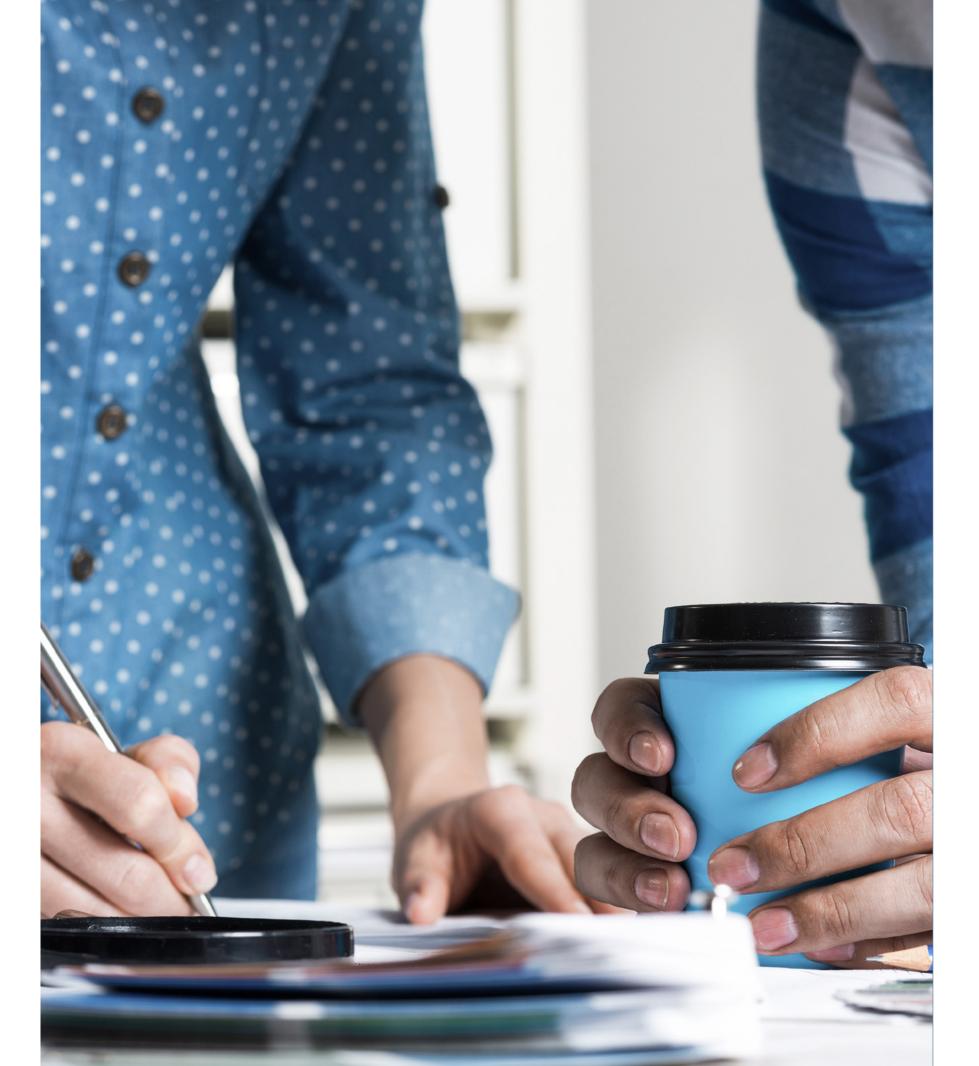
- > Empathy is the ability to understand what other people are feeling and thinking. It is frequently accompanied by paying attention and assuming the interlocutor's point of view. The essential difference from sympathy is understanding someone else's emotions, feeling them, yet without identifying with them.
- > In the case of compassion, the center of the relationship is the understanding and willingness to help if this is needed and acceptable. If the person in need does not take on the role of victim, both parties can end the contact with positive feelings, which is not always the case with sympathy and empathy. In the leader-employee relationship, such an attitude will manifest itself in becoming wholeheartedly interested in the employee's situation, asking them how they are doing, what they are going to do, and possibly helping them if they need help.

Higher expectations of middle-level managers

07.

Along with the introduction of hybrid and remote work a large number of tools simply disappeared from the manager's arsenal. What is meant here is, among others, the possibility to shape relationships in the office, training in the workplace, optimization of actions through ongoing contact, direct monitoring of the progress of work. Bosses no longer maintain a constant contact with their employees, it is more difficult for them to provide feedback, respond to current situations and employees' actions. Such functions cannot be performed when working remotely, even if only partly.

Middle-level managers have always had a mountain to climb. Nearly all studies indicated that they were caught between a rock and a hard place. A manager from this group should understand, approve, and introduce top-down company-wide and strategic solutions while supporting and driving the team. Reconciliation of these perspectives was often difficult resulting in being at a loss and feeling frustrated. Now the phenomenon



is intensifying. The level of stress is increasing, the manager can see frustration coming from both the upper and lower levels of hierarchy and their sense of loyalty and job satisfaction is decreasing¹⁹.

Middle-level managers often act without being given clear guidance about the directions, requirements, expectations, which makes it difficult to effectively respond to employee anxieties. The attempts at maintaining strict control meet resistance in spite of the fact that some enterprises introduce advanced forms of monitoring²⁰. We are convinced, given all premises, that the philosophy of "tightening the screws" will not work in the long run, especially that such a conduct puts immediate managers in a very difficult position. Exerting an additional pressure today will be counterproductive.

On the one hand, the manager's role and goals have not changed. On the other hand, the pandemic has brought new elements to the work of an effective boss, making it more complicated. Line managers must reinforce their competences permitting an appropriate allocation of tasks and progress in implementing projects, such as decision making and

communication, project management in a distributed structure, critical thinking. Additionally, it becomes necessary to develop and apply soft skills, in particular communication and coaching ones. Remote employees need time, attention, support, clarity of goals, and discussions about what is going on in the company. Numerous industries are experiencing earthquakes resulting in the necessity to change attitudes and competences. Immediate managers are companions in these changes and the development path²¹. Development of human resources is becoming the most appropriate answer to the progressing changes – for many enterprises, this is also simply a necessity in order not to go out of business. We note line managers due to their role in the organization and a large size of this group in each enterprise²². Senior-level managers normally have better access to information, often co-create the currently applicable strategies, enjoy their autonomy, and make key decisions. This translates into the sense of control and influence, even in times of uncertainty. Line managers, in turn, are a critical group of major significance to the success of initiatives - it is often the case that most matters depend on them, the success or failure in implementing changes. practices, and strategies is decided at this hierarchical level.

^{19.} Based on the findings of the study "Remote Employee Experience Index data" available in: B. Elliott, "Hybrid rules: The emerging playbook for flexible work" (https://futureforum.com/2021/01/28/hybrid-rules-the-emerging-playbook-for-flexible-work/).

^{20.} Our favorite one is the sensors monitoring temperature in a laptop to show if an employee is actually working on the computer or only feigning work.

^{21.} In the report on the McKinsey survey, an informed and methodical adaptation of the skills of the current employees to the new challenges and reality was pointed to as the essential response to the challenges involved in the pandemic (see "Building workforce skills at scale to thrive during – and after – the COVID-19 crisis", https://www.mckinsey.com/business-functions/organization/our-insights/building-workforce-skills-at-scale-to-thrive-during-and-after-the-covid-19-crisis#).

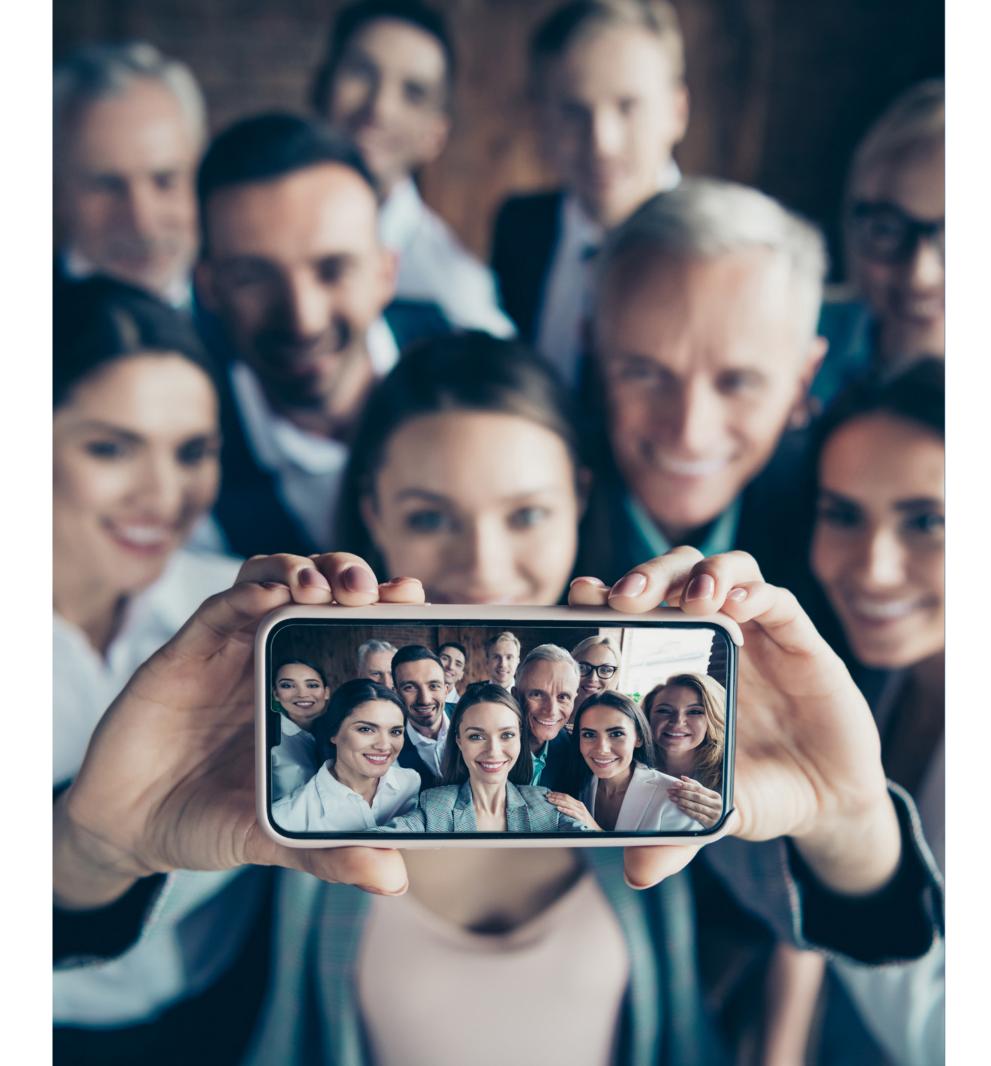
^{22.} This is certainly conditioned on the size of the company, but the number of line managers should normally be higher than that of senior-level managers and management team members.

Building responsibility

"All hands on deck" – this is the message we usually hear from managers in the situation of crisis, threat, need of a quick change. What does it mean in practice? The necessity to make an extra effort to finally return to stabilization and normality? Mustering some extra energy when in the state of chronic fatigue with never-ending changes initiated by leaders?

We know it today that a temporary crisis is the need of a quick transformation that is inherent in reality. Looking into the future has never been more difficult and the New Normal 2.0 can be defined as generalized uncertainty and unending adaptation to the changing conditions. The trends to which the pandemic has contributed are accelerating: pressure on increasing enterprise competitiveness, need of innovation, flattening of organizational structures usually resulting in a greater size of teams, work in distributed, virtual, and hybrid structures, higher employee turnover, and evolution of the management style the essence of which is the rejection of the approach based mainly on giving orders and controlling.

Businesses more and more often realize that in order to meet challenges they must rely on the employees who proactively take matters into their own hands, have the autonomy and expand it,



initiate changes, take over the responsibility for performance, their own professional career, and development. Organizations need to build the capital of personal leadership: empower self-leaders, who are aware of their needs, competences, and influence.

We are speaking of a shift in the management paradigm: from the cascading approach to goals and decision making about all initiatives in the organization at the top management level to the indication of strategic directions and encouragement to decide about the necessary actions and performance method on one's own, reinforcement of entrepreneurship, creativity, and assumption of responsibility by first-line employees.

According to the survey conducted by The Ken Blanchard Companies²³ on a sample of 1,350 employees from various countries, the individuals perceiving themselves as self-leaders and making use of the skill of seeking feedback, influencing, "selling" ideas in the organization, spotting problems at an early stage, and suggesting appropriate solutions, talking about the ways of pursuing goals and performing tasks, feel comfortable at work, experience autonomy, have the sense of relatability and competence more often than others. They are less inclined to leave the organization and have long-term plans associated with it.

Personal leadership is a resultant of two factors: skills and the right attitude. When leaders give up the approach based on giving orders and controlling, those being led also need to change their attitudes: stop waiting for the boss's instructions and start giving them to themselves. It is not a simple task. One must overcome their own convictions that limit them,

find their personal sources of influence, boldly name and communicate their needs to managers and colleagues, negotiate the necessary extent of autonomy. In the first place, however, one must subdue the internal fear: "What if the leader disagrees?". The fear that, as declared by participants of our workshops, often turns out to be groundless when confronted with reality. If, however, employees show an initiative to get what they need to succeed and the organization's leaders meet the needs, the force driving the organization's development will be properly balanced. When the originators of changes are at the same time their ambassadors, implementation of the new solutions will not require such a big effort.

The most effective thing managers and organizations can do is to provide the opportunities and resources enabling employees to expand the scope of their independent activities. This regards the skill of both having discussions and creating the work environment where employees can experience optimal motivation. Managers and HR professionals have the task to build an organizational culture that is ready for self-leaders. Such a readiness means being convinced that employees are the best leaders for themselves and, in many instances, know more about the work they perform than their managers. It entails communicating expectations from the very beginning (e.g. an onboarding program that will guide people to the right path: asking new employees how they could do their work most efficiently and how they could streamline it). It is a culture that fosters asking questions, questioning and notifying doubts in a constructive manner, that encourages putting forward ideas, increasing autonomy, and introducing changes on one's own. The slogan "all hands on deck" is consistent with the idea of the bottom-up energy to act.

^{23. &}quot;Developing self leaders: A competitive advantage for organizations", The Ken Blanchard Companies 2020 (https://resources.kenblanchard.com/self-leadership/developing-self-leaders).

Virtual reality in the workplace

The metaverse is a digital space, also called the internet of the future, where we can go by connecting to the Wi-Fi, putting on a virtual reality headset, and grabbing two joysticks. We are witnessing a breakthrough in the area of virtual reality (VR). Although the technology has existed for years, it has gained enormous momentum this past year. Initially associated with the world of computer games, it is stealing into more and more areas of life, making it possible to take virtual walks, socialize, and do sports. In the field of psychology, it permits the treatment of phobias and post-traumatic stress. Using VR simulators, surgeons master their skills outside the operating theater. VR will also begin to play a major part in our functioning in organizations. There are plenty harbingers.

The new technological solutions move virtual meetings to a higher level. The Microsoft Mesh platform can serve as an illustration here. It provides an engaging 3D environment, where people can sit at one table, display holograms of ideas, quickly share detailed information at an online meeting. VR is an immersive technology: it gives users an intense experience of being in a digital reality. The online world it offers is no longer flat, unlike the one we know from Zoom meetings. VR also supports educational activities. More and more enterprises use VR to train their employees in both hard skills (e.g. operation of machinery) and soft ones (customer



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service, leadership). A huge investment in this technology was made e.g. by Accenture, which purchased 60,000 headsets for training new employees as part of the onboarding process²⁴.

In order to properly apply VR solutions in the service of learning and development, it is worth asking oneself: "Why are we doing that?". An added value of using VR, apart from the engaging, visually attractive form, is the possibility to create the conditions that pose challenges to the participants of the development activities and allow them to experience the learning cycle in comfortable conditions: from the discomfort caused by time pressure, to cognitive stress, to the changing conditions and challenges of teamwork, to acquisition of new skills.

In the situation of full immersion in the new reality, natural behavior tendencies reveal themselves. The presence in VR permits the participants to safely experience difficult situations, confront with their reactions, test strategies of conduct, learn, and change. The mix of audiovisual stimuli creates an absorbing experience and gives rise to true emotions, and when emotions arise, we learn and memorize better.

We are looking at VR from the angle of the added value it could bring to the industry of human development in modern organizations with interest. The immersive experience that is full of emotions and sensations does not excuse us from adopting a methodological approach to designing development processes. VR simulations in themselves, without taking care of other, crucial, components of the learning process, such as setting the development goal and effect, exchanging feedback (supplemented e.g. with psychometrics), providing support by managers and colleagues in the implementation, might perform the function of a mere gadget. We believe that, when used in a purposeful and well-thought-out manner, the VR technology will become a new, alternative, method of competence development.

- > completed it four times faster than in the classroom and one and a half times faster than during e-learning;
- > felt almost four times more emotionally connected to the content than classroom learners and over twice more connected than e-learners;
- > were four times more focused during the training than their e-learning peers;
- > were nearly 275% more confident to make use of the skills they acquired after the training.

Although the findings of the research clearly indicate the advantages of using VR in training, we believe that the innovative technology itself, without the relevant contents and other elements of the learning process, will not replace other, traditional and digital, methods completely. We can see a value in applying it in a well-planned manner. Only in combination with other components of the learning process can it be a breakthrough in the area of skills development.

The report published by PwC²⁵ presents the findings of the research comparing the efficiency of soft skills training delivered in the classroom, in the e-learning form, and using virtual reality. The study was conducted in a group of new managers in the United States, who took the same training in one of the three learning modalities. After comparing the results, it turned out that the participants of the training using VR:

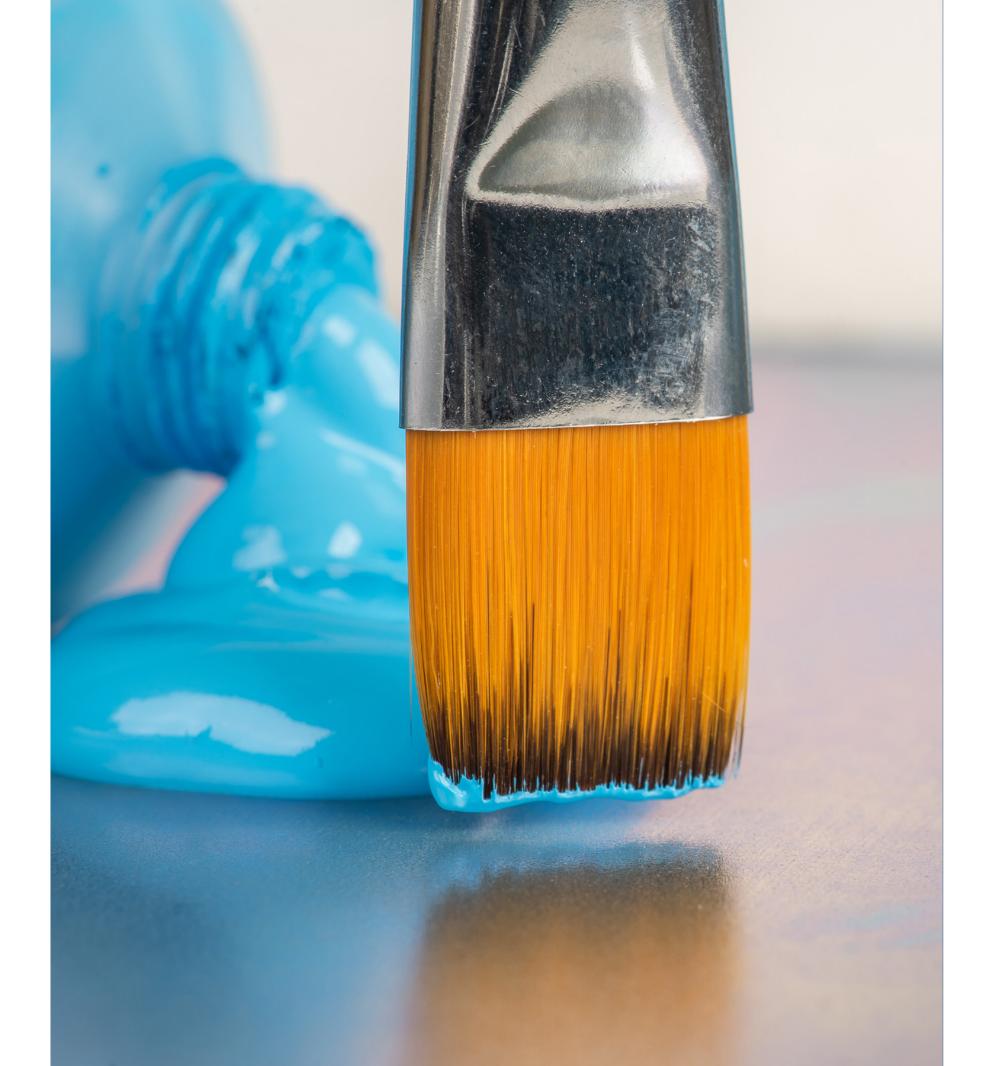
^{24. &}quot;Accenture acquires 60,000 Oculus Quest 2 headsets for training", Virtual Reality World Tech, 15 October 2021 (https://vrworldtech.com/2021/10/15/accenture-acquires-60000-oculus-quest-2-headsets-for-training/).

^{25. &}quot;The effectiveness of virtual reality soft skills training in the enterprise: A study", PwC, 25 June 2020 (https://www.5discovery.com/wp-content/uploads/2020/09/pwc-understanding-the-effectiveness-of-soft-skills-training-in-the-enterprise-a-study.pdf).

Constant change, or how we are supposed to live

Specialists point to four factors that have an adverse effect on our long-term welfare and cause aggravation of chronic stress, which is extremely harmful to health²⁶. They include: uncertainty, lack of influence, lack of information, sense of loss of control. When analyzing the influence of the pandemic on our lives, we can see the long-term impact of all four phenomena. What adds to the lack of control and the strong uncertainty of tomorrow is the information noise that surrounds us. In many organizations, one change is immediately followed by another, and so we more and more frequently function in the environment where we become immune, in the negative sense, to subsequent changes: both the ones inevitably enforced by the environment and the ones we arrange for ourselves on our own.

Although the necessity to introduce a quick, effective, and urgent change was regularly discussed at conferences and recommended in publications, it had not been until COVID-19 that



most industries saw what VUCA really meant. At the same time, conversations with our customers clearly show that we are being faced with the necessity to redefine our approach to changes, methods of preparing and implementing them, and ensuring their permanence. What is becoming the central challenge is how not to get indifferent to the today's "new" in the face of what we had only yesterday and the certainty that tomorrow will bring more portions of the "new". At the moment, it is a number one challenge, which drastically reduces the effectiveness of implementations, since indifference to the countless changes is growing. We are tired of constant changes.

What needs to be changed in our approach to change then? It seems that, compared to the past, the significance of building a thorough and extensive understanding for the need of change is diminishing. In numerous cases, the necessity is noticed by the majority of the interested parties. Crisis naturally reinforces the role of change sponsor, who acts multidimensionally by applying an intensive communication strategy and supporting the leader and project teams²⁷.

What is becoming a higher and higher barrier to the introduction of changes is time pressure. Another problem is the multitude and frequency of changes, conflicts between them, and even mutually exclusive priorities. We are also observing intensification of a phenomenon that is not so new, i.e. the excessive focus on the beginning and initial phases of a change and the gradual decline in its implementation over time. There is

a multitude of causes and reasons of that, including... yet more changes. Times of crisis are times of leaders, but also times of using employee potential. The agile approach seems more suitable than ever, yet we will not keep up with the pace of changes or fully use the organization's potential without employee engagement. For managers, this means communicating, encouraging others to speak, listening in order to know what is going on at the individual levels of the organization, be able to make use of the energy and good ideas, identify barriers, or in short – facilitate change (see the trend "Building responsibility").

There are no clear answers to the questions about the new models and approaches yet. Time will bring them. We are convinced, however, that the traditional and conservative solutions that require a significant workload have become inadequate, and have stopped working. At the same time, the effectiveness of the implemented changes has become more important to organizations than before: in many cases, it determines the very existence of plans, goals, whole companies. It is also extremely important to us, people. We need support, predictability, stability, since the pandemic has not changed our souls. Every change involves also expenditure of energy, the resources of which are limited.

Breakthroughs in many fields occur when what is possible coincides with what suddenly turns out to be highly needed. We are in such a place now, but what is possible has not been determined yet. Therefore, we are expecting a change in the area of change.

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The spectrum of the services we offer ranges from performance of programs that develop specific skills of specific groups of employees to suggestion of solutions for organizations on the strategic level.

Our specialization is manager development because it is managers that exert the greatest direct influence on people

19

know-how partners and licensors

27 years

on the market

40

consultants, trainers and experts in a core team

200

projects for business clients annually

350

hours of online workshops monthly

20 000

managers trained annually

1/3 z 500

the largest companies in Poland are among our clients

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