
EXECUTIVE VITALITY™: A CASE FOR COMPASSION – PART 2

Research shows there are benefits to one's happiness and health as a result of practicing compassion. In addition, there is evidence of a link between compassion and the bottom line.

One study that illustrates this link was done at a call center, AppleTree Answering service, where senior management instituted compassionate practices to elevate morale and decrease employee attrition. John Ratliff, the CEO, had a burning platform: a very high frontline employee turnover rate. He invested in a program to deliver compassionate solutions to employees involving financial help, family vacations, and employee visits with family who were deployed service members. Immediate results were reduction in turnover from 97% to 33% over six months, the best quarterly results in the history of the business, a happier, more engaged workforce (improved vitality), and a 20-fold return on investment.

AppleTree could be termed an example of "conscious capitalism." Conscious Capitalism work has shown that companies that are more compassionate outperform other companies. See *Forbes* article, [Only Conscious Capitalists Will Survive](#).

More and more executives are taking compassion seriously as a business, not to mention human, imperative.

- John Ratliff of AppleTree is obviously one of them. He says of his compassion program, [Dream On](#): "The overall sense of belonging—of being bigger than themselves or their individual sites—of being part of a community has been the biggest change I've seen among the employees. And for me, I feel more connected now, to our entire group, and the company has become much more human to people."
- Jeff Weiner, CEO of LinkedIn, calls compassion the "first principle of management."
- John Mackey, CEO of Whole Foods, says: "It's absolutely essential that business rediscover what its purpose is, why it exists. What is the value it creates for other people? What is its contribution to the larger society?" John Mackey and Raj Sisodia are the co-authors of the book, *Conscious Capitalism—Liberating the Heroic Spirits of Business*.

We know there is a causal connection between compassion and executive vitality for both the person behaving compassionately and for the person on the receiving end. Further, executive vitality itself directly affects financial results in at least two ways: turnover from burnout (an extreme lack of vitality) is expensive; and loss of productivity due to poor physical or mental health is costly. On the positive side, healthy and engaged employees contribute significantly to an organization.

Here are some tips to evaluate the compassion level in your organization and its impact on the bottom line.

- Look at the turnover rate in the various parts of your business. Look at why people are leaving.
- Perform a "compassion-check" with your senior team. Share the *Forbes* article, [Only Conscious Capitalists Will Survive](#), to get the conversation started: Discuss with them how a more compassionate culture could affect the reputation and finances of your organization.

- Model the behavior. Think about what you could have done differently (more compassionately) within the last week. How would outcomes have been affected? Think about what you can do differently this week. Begin to monitor.

How do you think compassionate practices in your organization could impact the bottom line? What can you do to test the hypothesis?