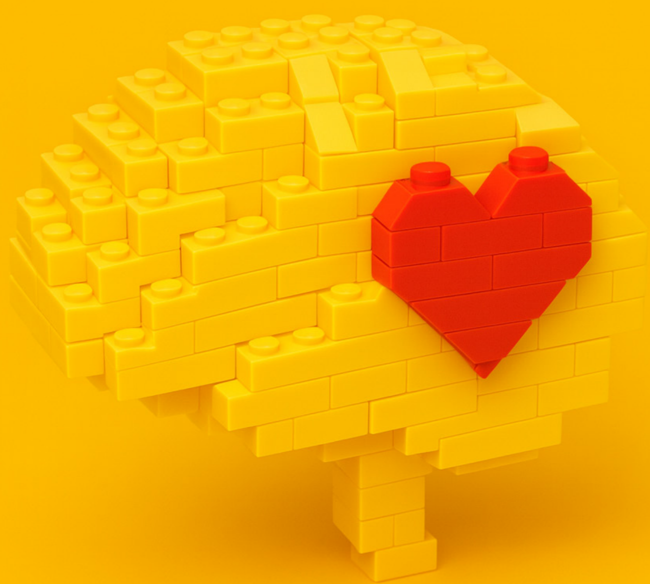
Mindtools Kineo

The empathy problem: Balancing emotion in decision making



Part of the Building Better Managers series

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Foreword

Last year, our Building Better Managers report revealed the 12 key skills that are foundational to success as a manager. We grouped those skills under "Emotional Intelligence", "Setting Expectations", "Motivating Others" and "Developing Others".

But, to many readers, there was one key omission: decision making.

In many ways, the job of a manager is to make decisions. Who should be assigned a particular task? Who should we hire? Who should we promote? And who should we let go?

Answering these questions is the day-to-day experience of a manager, and 4 out of 5 managers in this year's survey claim that they make these decisions without being influenced by other people's emotions.

Then, we spoke to them.

In almost every case, the managers we interviewed shared personal stories that highlighted the crucial role emotion plays in decision making. Not just their own emotions, but those of the people their decisions affect.

In our research we found managers who delegate to help others grow, and managers who delegate to shift the blame. We found managers who make difficult decisions early, and managers who leave decisions too late for fear of upsetting others.

For some commentators, the recent boom in Artificial Intelligence (AI) solves these issues. A machine can crunch the data and return a solution.

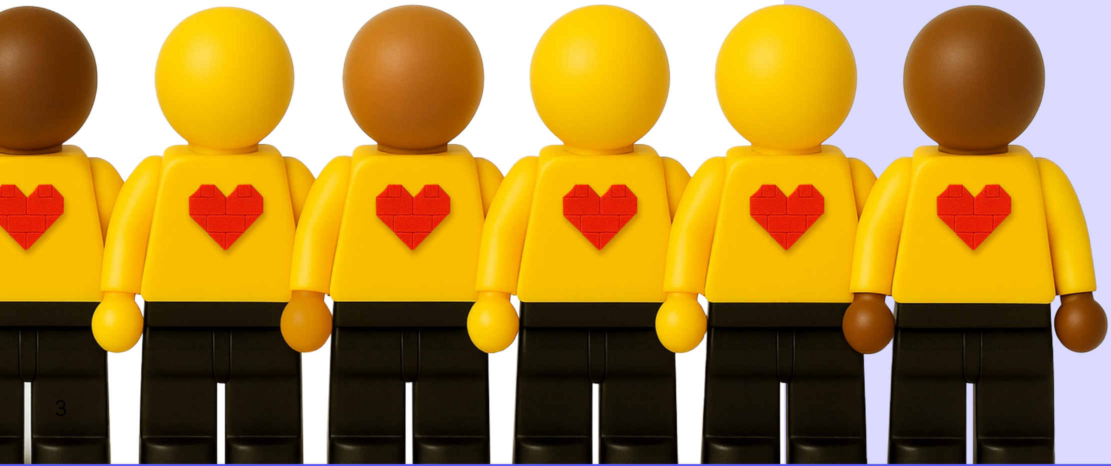
But management isn't just about optimizing workloads or pairing people with tasks. Management is relational.

We get the best results when managers coach, build trust and include disparate voices. The best managers use skills like empathy, social sensitivity and self-awareness to navigate decisions and arrive at a positive outcome. Even when that outcome is difficult.

So in this report, we wanted to explore what we've termed "the empathy problem". How do managers balance emotion in decision making?

And how do we, as learning and development professionals, build better managers who leverage their emotional understanding to deliver for their organizations?

Ross Garner
Chief Learning Officer



Decisions, decisions, decisions – and feeling your way through them

When we launched our Manager Skills Framework in 2024, the absence of decision making raised some eyebrows. Manager decisions are constant and cascading, so why wouldn't we recognize them in a framework that outlines the skills of great managers?

Decision making isn't omitted from our framework, it's embedded. It's not a foundational, core manager skill like the other 12 are, but a higher-order cognitive function that draws on skills, experiences, judgments, and instincts. It also requires emotional regulation, social sensitivity and empathy – all hallmarks of emotional intelligence, itself a high-level competency.

The Managers Skills Framework

In a review of scientific studies, in 2024 we identified 12 manager skills essential for modern managers. [1]

Emotional intelligence

- Self-awareness and self-regulation
- Social sensitivity
- Empathy

Develop people

- Active listening
- Guidance
- Coaching

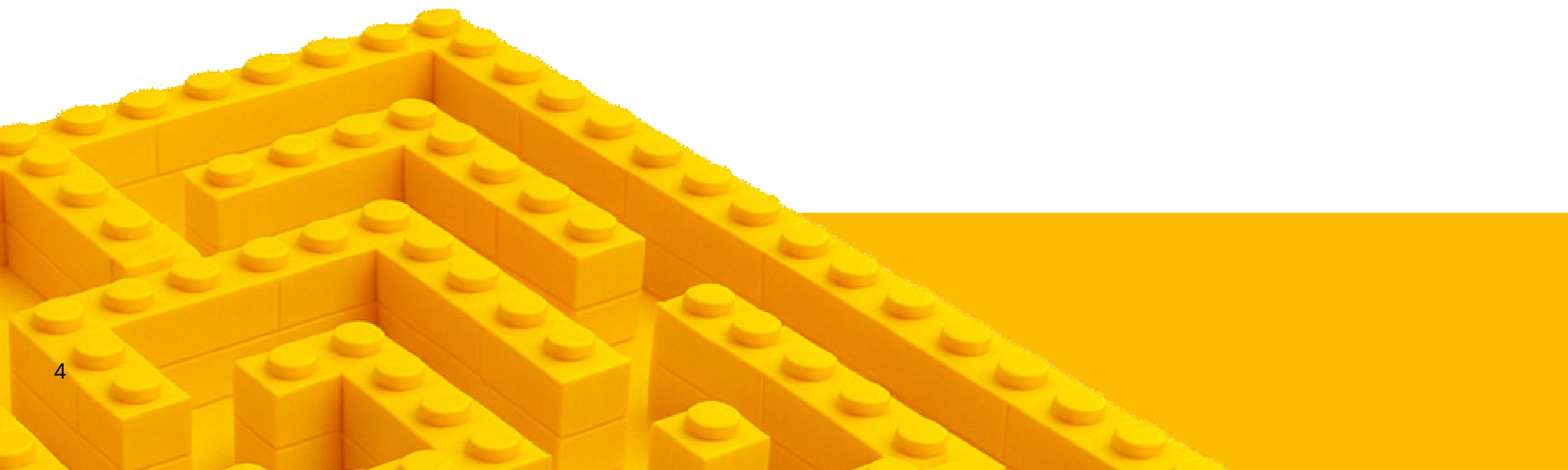
Motivate people

- Inclusive leadership
- Recognition
- Trust

Setting expectations

- Transparent communication
- Goal setting
- Delegation

[1] To read about the research and learn more about our Manager Skills Framework, see Mindtools (2024) *Building Better Managers*. Available at: www.mindtools.com/thought-leadership/reports/building-better-managers (Accessed 2 September 2025)



One of the most common examples of managerial decision making is delegation. And it's fascinating to study how managers make these kinds of decisions.

Maas and Shi (2023) argue that delegation decisions can be strategic and self-serving. They assessed the behavioral intentions of managers and found that some were motivated to avoid blame for potential failures – so they delegated more when performance targets were difficult. They also found that some managers were motivated to secure credit for potential successes – so they delegated less when performance targets were easy.

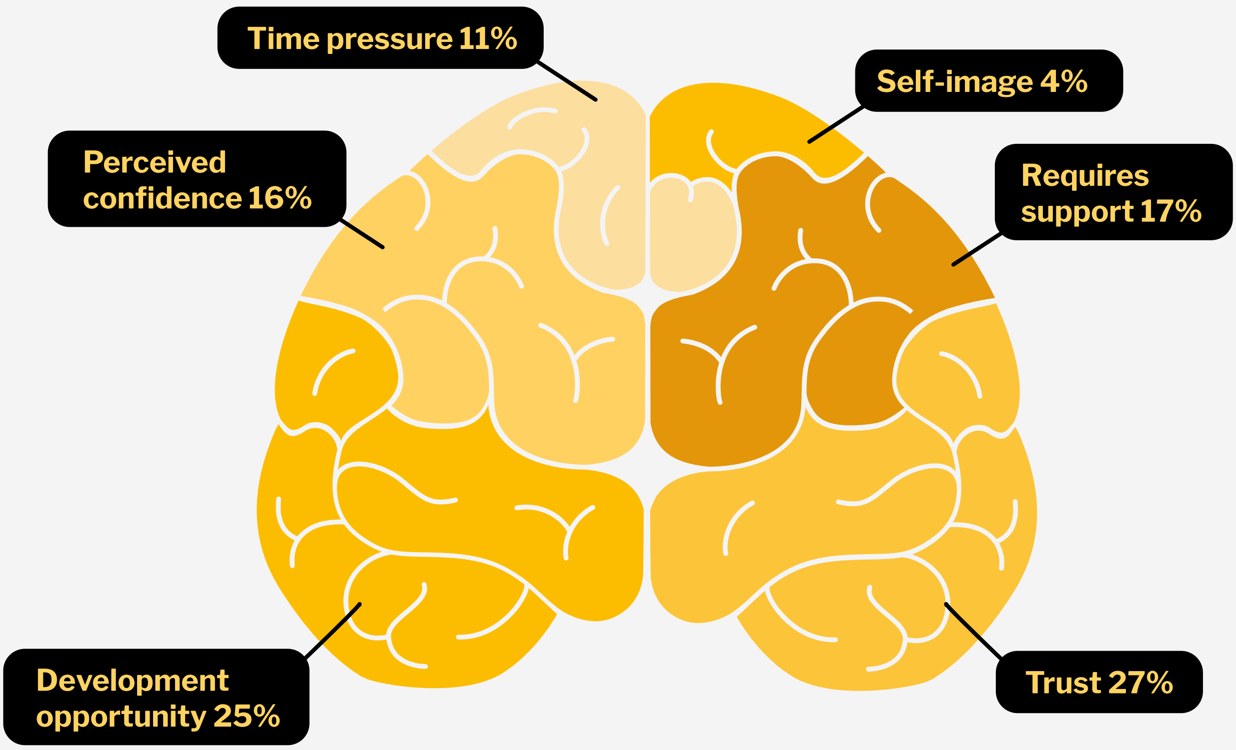
Although alarming, we found that managers delegate to promote their own self-image only around 4% of the time (see Figure 1). It's much more common for managers to delegate when they trust someone, or when responsibilities or tasks provide opportunities for people to develop.

Figure 1. Who gets what and why? How managers make delegation decisions

52% of delegation decisions are based on how much managers trust their people or by how much a responsibility will develop their skills. Managers also delegate when they need support (17%), when they perceive that someone is confident to complete a task (16%), when they're running out of time (11%), and when they want to promote their own self-image by avoiding blame if and when things go wrong (4%).

Trust and development-led delegation decisions also appear to be closely linked. Managers who demonstrated higher levels of trust in their team members delegated opportunities to develop them 11% more frequently than those with lower levels of trust. We predict that this relationship is bidirectional.

While greater trust encourages managers to delegate, delegation itself – particularly when aimed at supporting development – builds trust.



Trust delegates tasks, but emotion transfers trust

Relationships between skills and outcomes are typically linear – the more skilled we are, the more we achieve – and for the most part, manager skills are no exception.

We know, for example, that when managers delegate well, their teams are more psychologically empowered and engage in more self-directed learning behaviors. [2]

But sometimes relationships between skills and outcomes are less straightforward. Some relationships are what we call curvilinear, meaning the effects of them change direction as skill levels increase (see Figure 2).

We see patterns like this for skills such as empathy.

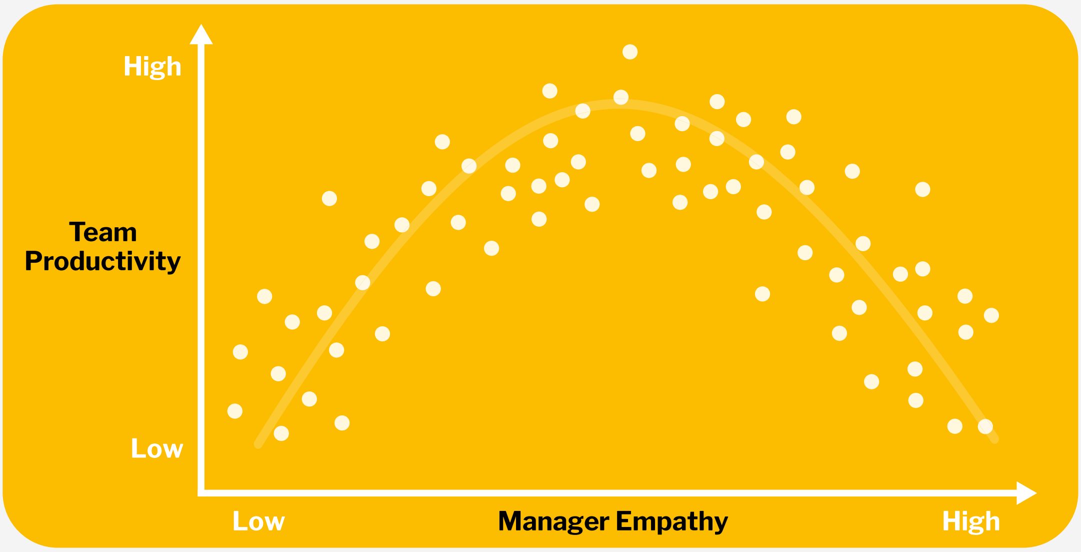
In recent years, empathy has emerged as a top management and leadership skill. In a study of more than 5,000 managers and leaders across the U.S., researchers examined how empathy – as a skill – has shifted in importance since 2019 by measuring its impact on employee engagement and team productivity before and after the pandemic. [3]

While empathy was more predictive of these outcomes in 2022 than in 2019, its relationship with engagement and productivity remained curvilinear. That means both too little and too much empathy negatively impacted teams.

In fact, highly empathetic managers and leaders were more likely to undermine productivity than those who lacked empathy altogether.

Figure 2. Too much of a good thing? Curvilinear relationships between skills and outcomes

In 2024, research showed how managers with too little and too much empathy negatively impacted the productivity of their teams.



[2] Zhang, X., Qian, J., Wang, B., Jon, Z., Wang, J. & Wang, Y. (2017). Leaders' behaviors matter: the role of delegation in promoting employees' feedback-seeking behavior. *Frontiers in Psychology*, *8*, 920.

[3] Kaiser, R. B. (2024). Has empathy really become more important to leadership since the Covid-19 pandemic? *Consulting Psychology Journal, 76*(2), 113-136.

“If I trust them and they fail, they’ll feel awful, and so will I.”

Empathy also interacts with other skills, and in curvilinear ways. We found that managers with very high levels of emotional empathy were less skilled at building trusting relationships with people in their teams and less skilled at delegating to them.

In interviews, we discovered that highly empathetic managers were more likely to over-identify with their team’s personal challenges and struggles. In some cases, this led them to unintentionally project those issues into workplace expectations – including delegation decisions – particularly when they assumed that others would feel or respond as they would themselves.

Managers have a responsibility for their team’s wellbeing and performance. But for those with excessive empathy, this responsibility can feel emotionally burdensome, making them more risk-averse and reducing the likelihood they’ll trust their people with important responsibilities.

To protect their teams from the stress of failure, some managers might avoid placing people in high-trust situations, such as giving them full autonomy or allowing them to make strategic decisions. We found that highly empathetic managers tended to shoulder more work themselves rather than delegate, out of concern for their team’s wellbeing – a behavior that reflects lower trust in practice, even if it’s not conscious distrust.

“In my first management role, I managed someone whose mother had cancer. She was looking after her, so I didn’t give her any projects. I genuinely thought I was doing the right thing. But then she came to me upset. That was never my intention. I thought I was being really lovely and the best manager ever. But she was like, ‘Why didn’t you just ask me? You made going to work a whole lot worse because I thought I was dreadful at my job.’ I learned a lot from that experience, to always have an open dialogue and let people communicate what they need or what they want, rather than just assuming, because you’re not always right.”

People manager for 6 years working in IT

“Part of why I do what I do is to try to make [my people’s] job as easy as possible. And in conversations I’ve had with other managers, there are times when I’ve gone too far to that extreme. I’ve put a burden on myself or made my job more difficult because I’ve tried to make their job easier in some way. I think there’s definitely a balance there. For example, I give [my people] potentially too much flexibility and it can make my job more difficult when I’m writing schedules to make sure I have the staff coverage where I need it. When I don’t have that coverage, I’m stepping in to fill gaps because they wouldn’t necessarily be available to do so.”

People manager for 10 years working in Hospitality

When managers struggle to trust the people in their teams, the consequences are noteworthy. For example, direct reports are 23% less likely to be promoted when managers don't trust them to make decisions (see Figure 3).

Earlier, we showed that trust – the most common driver of delegation decisions – predicts development-led delegation. Here, we see the effects of that dynamic in action: when trust is lacking, managers delegate fewer development opportunities, limiting employees' chances to grow and progress.

But trust is built, and deliberate acts that develop it can be just as impactful. We found that managers who supported their people to make decisions independently reported significantly lower employee turnover than managers who didn't (see Figure 4).

This isn't surprising, given that trust and autonomy rank among employees' top priorities in 2025, 4 but our data makes one thing clear: without trust and autonomy, employees will leave. For managers and their organizations, this means that building trust is now a critical talent retention strategy.

Figure 3. Managers who trust people to make their own decisions are more likely to promote them

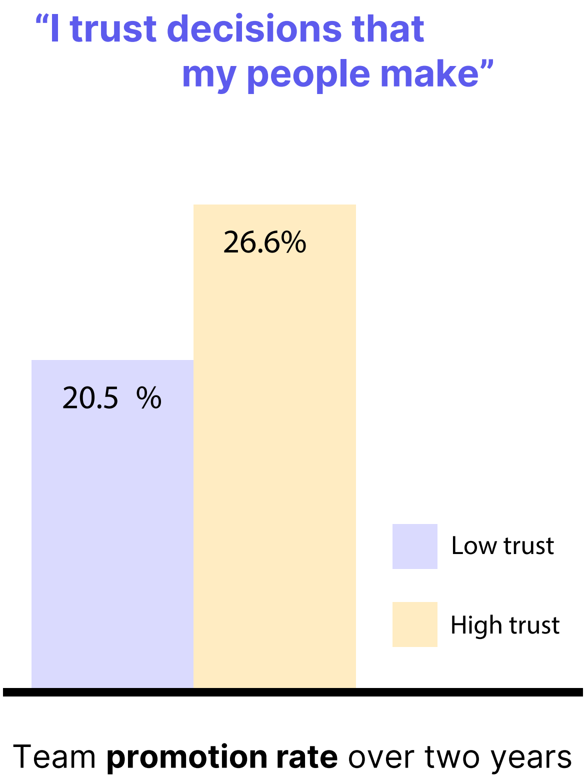
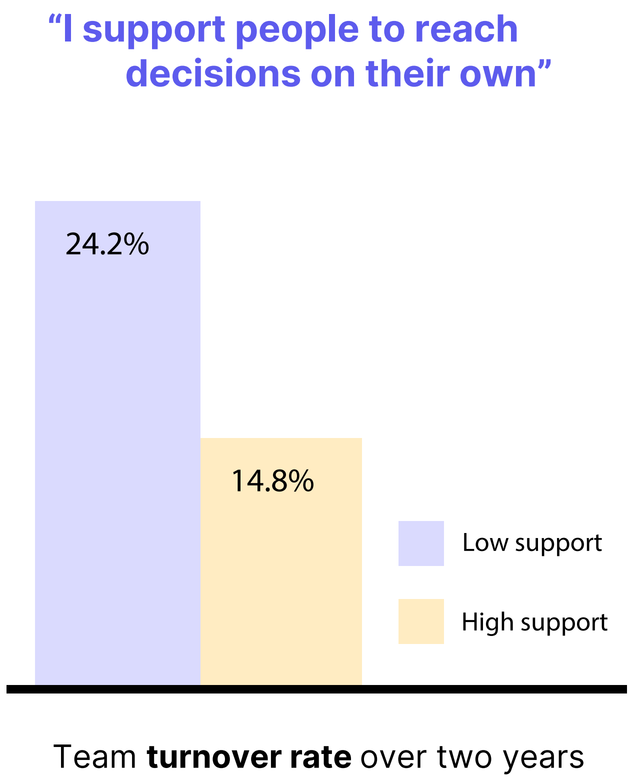


Figure 4. Managers who support people to make their own decisions are more likely to keep them



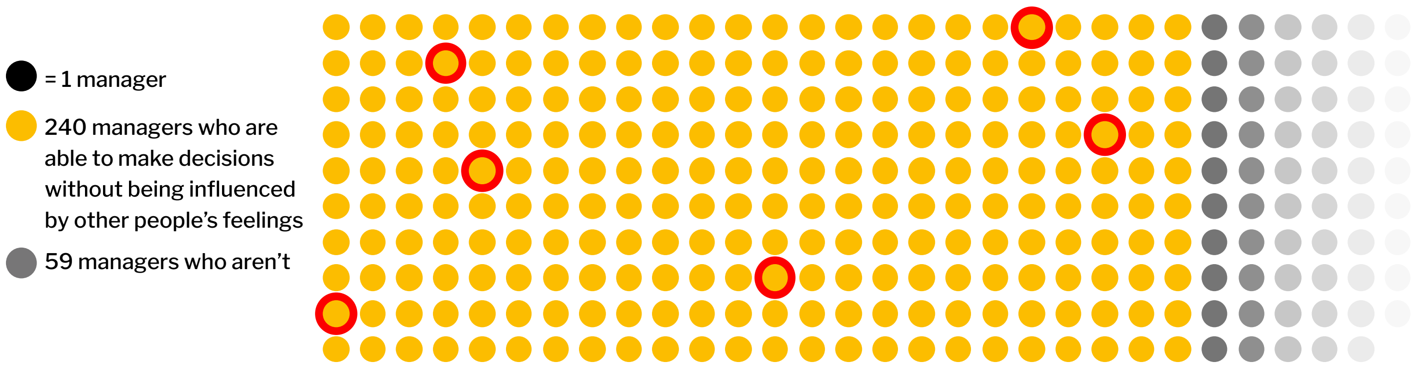
[4] Randstad (2025) *Workmonitor: recruitment industry trends from around the globe.* Available at: www.randstad.co.uk/workmonitor (Accessed 2 September 2025)

Emotional decision making: Shortcut or setback?

Four in five managers reported that they make decisions without being influenced by other people's feelings. Yet, when we interviewed them, nearly all shared personal stories showing just how difficult this actually is (see Figure 5). We believe that this gap reflects the unconscious nature of decision making. We like to see ourselves as rational thinkers, but in reality, many of our choices are fast, intuitive and emotionally driven – often without us even realizing it.

Figure 5. The rationality gap

Four in five managers see themselves as logical decision makers, but their experiences tell another story.



Hover over the **highlighted** dots to read some personal experiences below:

We all, at times, make decisions based on emotions. And that's not always a bad thing –contrary to popular belief. Research shows, for example, that stock investors who experienced more intense emotions while making investment decisions outperformed those who were less emotionally engaged. [5]

Crucially, though, and consistent with what we know about the curvilinear relationship between emotion and performance, it was investors with the greatest self-regulation who performed best. It's thought that their success was directly linked to their ability to recognize and regulate emotional biases, rather than be driven by them.

[5] Seo, M.-G., & Barrett, L. F. (2007). Being emotional during decision making – Good or bad? An empirical investigation. *Academy of Management Journal, 50*(4), 923-940.

> "[My emotions] are helpful at grounding me in understanding how something will impact another individual, but I then have to take a breath, be professional and work out a way to sort [their problem] out."
>
> **People manager for 15 years working in Finance, Banking and Insurance**

The hidden rules behind managerial decisions

Under conditions of uncertainty, humans rely on heuristics – little cognitive shortcuts, or "rules of thumb," that focus attention and allow decisions to be made quickly. These include cases where managers decide based on "what feels right" instead of analyzing all the facts (e.g., who to hire, when to have difficult conversations, and how to allocate rewards).

In the context of management, the research literature is fascinated by heuristics. [6] And rightly so. Strategic decisions and organizational outcomes are heavily influenced by them.

For example, senior managers with an inflated sense of duty were found to be more likely to self-report errors in past financial reporting. [7] Duty is related to a concept called deonance, which refers to the tendency to make decisions based on what one believes is morally right, rather than what benefits the business or individual. As the example suggests, deonance-driven thinking can give rise to moral heuristics – simple rules rooted in fairness, ethics or duty (e.g., "If something is wrong, it must be disclosed").

Heuristics are also prone to debate. Under what conditions are they helpful? When should they be avoided? And how can managers effectively navigate this distinction?

In 2024, researchers Atanasiu, Wickert and Khapova reviewed more than 50 studies and developed a simple framework to illustrate where heuristics came from and how they were used (see Figure 6).

They discovered that heuristics lead to more positive outcomes when they're applied deliberately, rather than reflexively. And they recommended that managers move away from relying on innate (or as we prefer to call them, automatic [8]) heuristics and instead develop a broader set of learned heuristics, which should be used purposefully and with awareness.

Figure 6. The origins of heuristics and how they're used

Research shows that heuristics lead to more positive outcomes when they're applied deliberately, rather than reflexively.

Innate (Automatic)	**Origin**	Learned
Reflexive	**Use**	Deliberate

[6] Hodgkinson, G. P., Burkhard, B., Foss, N. J., Grichnik, D., Sarala, R. M., Tang, Y., & Van Essan, M. (2023). The heuristics and biases of top managers: Past, present, and future. *Journal of Management Studies*, (5), 1033-1063.

[7] Wesley, C. L. II, Martin, G. W., Rice, D. B., & Lubojacky, C. J. (2022). Do the right thing: The imprinting of deonance at the upper echelons. *Journal of Business Ethics, 180*(1), 187-213.

[8] The term innate implies that some heuristics are hard-wired from birth. Without evidence supporting this, we prefer the term automatic to describe the intuitive or implicit patterns of thinking shaped by life experiences, social norms and repetition.

In situations where managers are at risk of making emotionally charged decisions, learned heuristics can provide practical strategies to counterbalance the pull of emotional bias. In our research, we identified a range of such heuristics used by managers – sometimes to protect their own interests, and at other times to benefit their teams.

Delay heuristics that encourage pausing before responding to allow time for reflection and reduce the influence of heightened emotions.

"I learn mostly from others – not necessary from only the people above me but my peers – such as never replying to an email immediately and sitting on it."

People leader for 20 years working in Higher Education

"When [my team] found out about the acquisition deal, I was like, 'OK, this is the news, let's just take the evening, digest it, I will come back to you tomorrow so that you have time to digest it. But just know that we're all probably feeling the same thing.'"

People leader for 4 years working in Retail

People-before-tasks heuristic that prioritizes human connection before diving into work.

"This morning, we had a stand up and the team wanted to go bam, bam, bam and I was like, 'Oh, no, guys, are you in a hurry?' They've got things to do, but I always take 5 minutes to check in. Everybody paused and shared how they were feeling. 'OK, now we can talk about business.' When that happens, you build trust. Even if I make a decision that doesn't sit well with them, they can trust that I made it with their best interest at heart, knowing that I care about them as human beings."

People leader for 3 years working in Transportation

A heuristic that prioritizes addressing interpersonal or disciplinary issues in private to prevent reputational harm, reduce workplace gossip and maintain productivity.

"I never deal with conflicts in public. Repercussions are not for others to see. That's between the employee who made a mistake and management. Disciplinaries are not for show. That's never been my style 'cause it's no one's business. I mean, I've suspended people. But if I suspend them for three days, I'll suspend them every Wednesday for three weeks. Other people don't even know they've been suspended because it's not three days in a row... If they watch the argument, they spend time talking about it. Then they talk to everyone else about it, 'did you hear this? And this? And this?' It's a waste of time. If somebody has a problem let's talk about it. Don't do it on the floor and get everyone else involved. It not only causes more conflict but it slows down your production."

People leader for 36 years working in Manufacturing

How do managers currently make decisions?

Emotional intelligence is intelligence for a reason. It's not about maximizing empathy, social sensitivity, self-awareness, or self-regulation in every situation. It's about using these skills to solve problems and make decisions effectively in the moment.

Sometimes emotional empathy is essential, and sometimes it isn't. Social sensitivity can help managers better predict how others are feeling, but without self-awareness to keep their assumptions in check they risk projecting their own emotions onto them. And while self-regulation can stop managers from saying or doing something they might later regret, too much of it can make them appear detached or inauthentic.

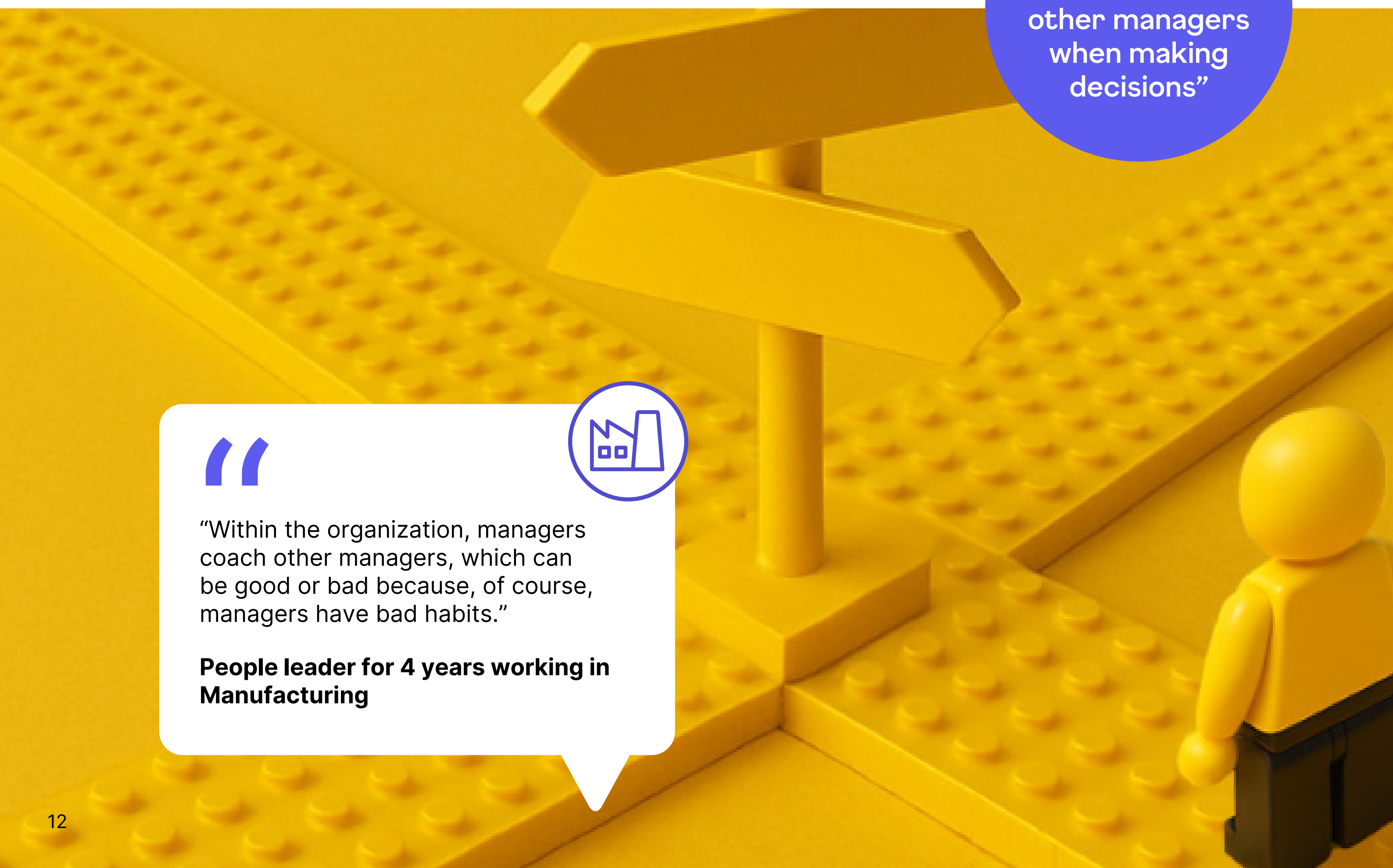
We've known for a while now that managers rely on other managers to solve emotionally charged challenges at work. When influencing others, improving working relationships, resolving team conflicts, or having difficult conversations, 58% of managers will seek advice from other managers before deciding what to do. [9]

Peer support is valuable, but it's not the most reliable way for managers to make decisions. Each and every manager carries their own unique set of experiences and biases, which shape how they interpret situations. It's how automatic heuristics evolve and spread – such as when managers misjudge how likely or common something is based on how easily examples come to mind.

For example, a manager might advise a colleague, "Be careful hiring people from startups; they never last," basing the conclusion on one emotionally draining experience with an employee who quit abruptly.

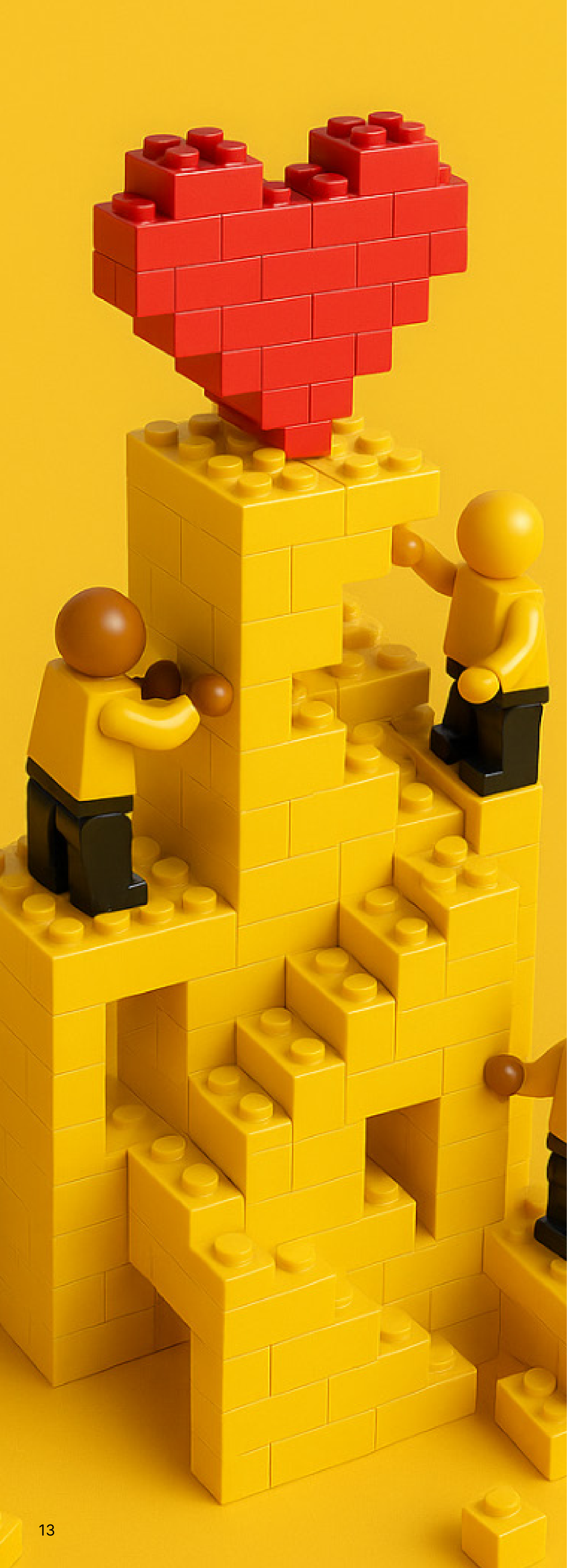
[9] Mindtools (2024) Building Better Managers. Available at: www.mindtools.com/thought-leadership/reports/building-better-managers (Accessed 2 September 2025)

"58% of managers seek advice from other managers when making decisions"



"Within the organization, managers coach other managers, which can be good or bad because, of course, managers have bad habits."

People leader for 4 years working in Manufacturing



How to build emotionally intelligent decision makers:

1. **Raise awareness of heuristics.**

   Help managers to uncover the cognitive shortcuts they rely on when making decisions and the biases they can create. Encourage them to explore their own patterns and learn from others by facilitating peer discussions where they can share experiences and identify effective heuristics together. If managers value learning from their peers, make this a core part of the approach – create opportunities for them to exchange insights, challenge assumptions, and build collective wisdom.

2. **Help them notice when emotions drive decisions.**

   Equip managers with simple, practical techniques that let them pause and recalibrate without feeling judged. Encourage strategies such as:

   - Purposeful reflection. "Am I reacting or deciding?"
   - Perspective-shifting. "Would I make the same decision if this were someone else?"
   - Peer calibration. "Here's what I'm planning, are my decisions valid?"

3. **Provide reliable, timely resources and in-the-moment support.**

   Because managers often turn to one another when navigating emotionally charged challenges, it's critical to give them access to tools that provide a more balanced perspective. Without reliable support, peer advice can unintentionally reinforce biases and spread unhelpful habits.

   Well-designed, just-in-time resources encourage managers to pause, reflect and approach situations more thoughtfully. That could include how-to guides, checklists and video support, or modern technologies like AI chatbots and conversation simulators. By providing managers with tools that promote reflection and build self-awareness, you help them make better decisions without removing the value of peer support.

External perspective: Phil Willcox, Founder and resident emotion nerd @ Emotion at Work Consulting

The narrative of managers in organisations is one often full of soundbites. 'Trust is the currency of leadership' or 'Empathy unlocks team performance' or maybe even 'the managers are working at least one level below where they should'. This research from Mindtools and Kineo cuts through them all to find the signal in the noise. Our challenge? The signal is more complicated than we thought.

I really enjoyed reading this report and the insight from the findings got me thinking and smiling. The notion that decisions are made objectively and with rational thought has long bemused me and this report unpicks it beautifully.

The interplay of empathy, trust and decisions, while complex, is clearly and cleanly outlined here and rooted in excellent qualitative and quantitative research. Plus, as always with Mindtools, it is carefully constructed and beautifully presented.

The curvilinear relationship between productivity and empathy will surprise many. Dispelling the narrative of more empathy equals more productivity, you definitely can have too much of a good thing. Whether it be unclear communication, over consideration or shouldering too much themselves, managers use of empathy needs (pardon the pun) greater consideration. Often clients tell me you can't have empathy and accountability.

I wholeheartedly disagree and this research explains why.

Research methodology

The data presented in this report was collected between May and June 2025. A total of 279 people leaders participated in the research, evenly split between women (50%) and men (50%). Participants were based across eight countries: Australia, Canada, France, Germany, India, South Africa, the United States, and the United Kingdom.

Participants represented private, public and nonprofit sectors, spanning 51 industries, including finance, banking and insurance, construction, manufacturing, education, healthcare, hospitality, IT, research, retail, marketing and advertising, and real estate. Over half of participants (56%) worked in organizations with more than 1,000 employees, and 29% were employed in organizations with over 10,000 employees. Nearly two-thirds of organizations (62%) had been established for more than 20 years. The people leaders who were surveyed managed teams ranging from 1 to more than 20 employees.

In the study, participants completed an online survey and Mindtools' Manager Skills Assessment – a proprietary tool designed to measure 12 core management skills. In addition, 57 participants took part in a one-hour follow-up interview to explore in greater depth their experiences and perspectives of managing people.

Much of the data in this report is summarized as percentages, but we have also performed advanced statistical tests to help us to understand the relationships, differences and patterns we've observed. The claims and predictions we make in our reports are based on statistical significance, for which we use a p-value of .05 as our cut-off. This means that there is less than a 5% probability that the results we observe are random (and, therefore, a 95% probability that we've stumbled on something pretty important!).

Some of the statistical tests we have used in this research include:

- Cronbach's alpha
- Correlation
- *t*-test
- ANOVA
- Linear and multiple regression

To perform these tests, we have used the statistical software package ***R***. If you have any questions or would like to know more about how we have analyzed our data, please contact us directly.

Where other research has been cited in the report, we have included links to their source or full references in the footnotes. Mindtools' earlier reports, one of which we draw from in this report, can be found on our website: https://www.mindtools.com/business/research/.