The Hard Science Behind Soft Skills

BY RICHARD S. WELLINS AND EVAN SINAR

When it comes to return on investment, investing in soft skills development for leaders produces hard, bottom-line results.

Corporations spend billions of dollars each year to develop capable leaders. A great majority is spent developing soft skills such as influencing, coaching, listening, feedback and delegating.

Despite the large size of this investment, little attention is paid to the effect soft skills development actually has on producing better leaders. Talent analytics are slowly creeping into the human resources community, enabling chief learning officers to answer key questions, determine what works and improve talent practices.

Applying talent analytics to the bigger picture of leadership development, Development Dimensions International has conducted research that reveals larger trends and implications for organizations and their leaders (Editor’s note: The authors work at DDI). What follows are four findings from an array of DDI studies published between 2014 and 2016.

1. Leaders need to focus on conversations.

In her new book, “Reclaiming Conversations, The Power of Talk in a Digital Age,” MIT professor and sociologist Sherry Turkle describes an ironic truth. In today’s hyperconnected digital world, the ability to communicate has risen dramatically. But the number of real, face-to-face conversations at work has dropped dramatically. People are avoiding real conversation and opting for communicating through digital platforms.

The implications for leadership are obvious. There are thousands of leadership definitions, but essentially it is a series of successful conversations. Leaders interact every day with peers, bosses, team members, customers and others. Without the skills and motivation for these conversations, leadership doesn’t happen. When viewed through the lens of how they are applied, soft skills are really interaction skills.

The “Global Leadership Forecast 2014 | 2015” study, conducted by DDI and The Conference Board, revealed that leaders yearn to have more time for interactions. Of the 13,000 respondents, 41 percent reported spending most of their time managing, while 25 percent said they spend more time interacting. The remaining 34 percent of leaders reported an equal balance between the two.

When asked how they would prefer to spend their time, however, the percentages flipped. Forty percent of leaders would prefer to spend the majority of their time interacting; 22 percent would prefer to spend more time managing. Further data analysis revealed the companies that fell into the top 20 percent on a number of financial metrics, were two times more likely to place high value on interacting than those in the bottom 20 percent. That is, having deeper and more extensive interactions with employees is not just a common leader preference but also a core value for more successful companies.

2. Leaders need soft skills training.

A compelling reason organizations should invest in developing soft skills is that leaders tend not to be very strong in them (Figure 1).

The outside of the diagram represents the practical or process skills that help keep conversations efficient and on course. In
the center of the circle are the fundamental leadership interpersonal skills required for a conversation. They are effective in affecting a conversation's mood. Unlike the skills shown on the outside of the diagram, these skills aren’t applied sequentially but rather by a leader at proper times throughout a conversation.

In the DDI study “High Resolution Leadership,” front-line leaders participated in structured simulations (Figure 2). With the exception of opening a discussion and providing support, no more than roughly half the sample consistently displayed effective behavior at any of the interaction skills. The biggest challenges seem to be maintaining self-esteem, clarifying what others are saying, empathy and developing others’ ideas.

As a leader moves up the ladder, one might expect them to get better at these skills. After all, an experienced leader presumably will have had years of practice. But only 11 percent of senior leaders are effective at displaying empathy and maintaining other's esteem.

3. Empathy is the linchpin soft skill.

Of all the leadership soft skills, empathy is arguably the most critical. In his book “Empathy: A Handbook for Revolution” author Roman Krznaric said empathy “is not just about seeing things from another perspective. It’s the cornerstone of smart leadership. The real competitive advantage of the human worker will be their capacity to create relationships which means empathy will count more than experience.”

After using the DDI database on new front-line leaders, and correlating the effect of each interaction skill on overall assessment performance and four leadership tasks, empathy was the most foundational soft skill, with the largest positive relationship across the board, followed by encouraging the involvement of others.

4. Closing the soft skills gap.

With reasonable effort, organizations can significantly close the soft skills gap and help their leaders be more effective in their interactions using the following recommendations:

Select/promote soft skills. Both simulation and test-based assessments provide highly accurate gauges of soft skill proficiency for entry-level hiring and promotion decisions. DDI research shows a high relationship between various forms of assessment solutions and multiple business outcome measures. A word of caution about how to effectively measure soft skills: Do not substitute personality and style inventories for valid, science-based assessment. While they may provide interesting insights, typically they are neither job related nor backed by extensive research.

Develop soft skills. Building soft skills should be viewed like a sport. It takes a combination of positive modeling, guided and repeated skill practice, and on-the-job application. DDI completed a meta-analysis on leadership development initiatives in January. It looked at organizations using a behavior-based approach to development, including positive modeling, repeated skill practices and post-training applications. Leaders who went through these development experiences reported a 49 percent increase in soft skills post training. Further, observers saw an overall 49 percent increase.

Reinforce a conversation culture. Conversations provide the bedrock upon which soft skills are learned. Organizations need to encourage face-to-face interactions and dialogue that are device free, more often.

If learning leaders focus more effort and resources on building the leadership soft skills, the payoff can be significant. In the aforementioned meta-analysis, organizations demonstrated an average return on investment of $4,000 for every $1,100 spent developing soft skills.

Numbers like this are exciting, but perhaps even more exciting is how analytics are arming us with more intelligence that can take us in unexpected directions. When it comes to leadership development, we are learning that there are compelling reasons to develop soft skills so that our leaders can be their best.