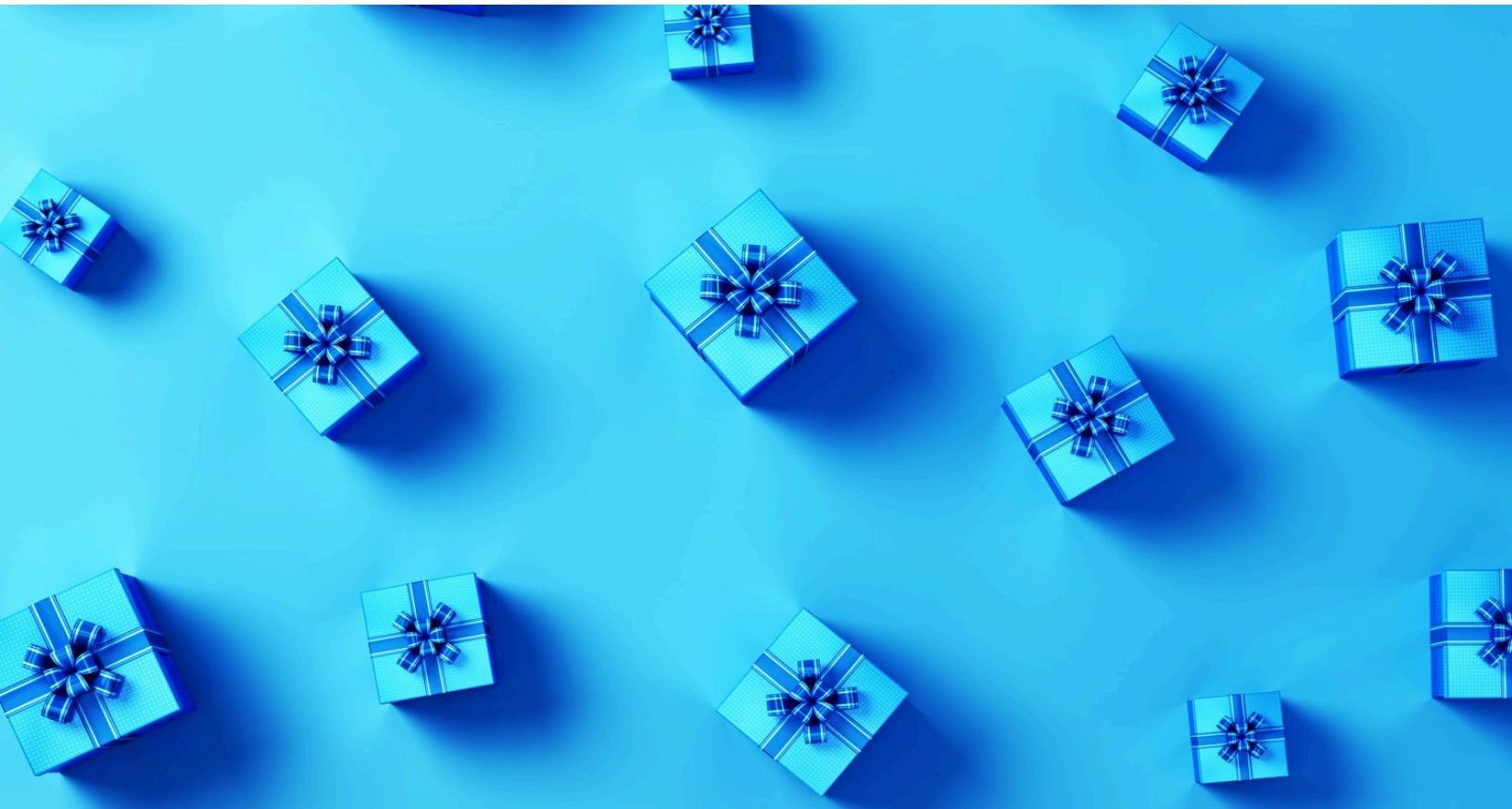


People & Organizational Performance Practice

# The value of generosity in leadership

You're busy. You're under pressure. But yes, you still need to carve out more time for your team. Here's why—and how the best leaders make it happen.



**Time is finite and leadership pressures** are legion, particularly in the throes of change. Nevertheless, the best leaders persist in cultivating generosity with their teams—and they see a range of advantages as a result. On this episode of [McKinsey Talks Talent](#), McKinsey leaders and talent experts [Brooke Weddle](#), [Bryan Hancock](#), and [Dana Maor](#) speak with global editorial director Lucia Rahilly about why—and how—to invest in generosity at work, as well as about the overarching benefits of shifting to a mindset of abundance, versus one of scarcity, for aspiring leaders.

The following transcript has been edited for clarity and length.

## Why generosity—and why now?

**Lucia Rahilly:** What do we mean by generosity in leadership?

**Dana Maor:** When we talk about generosity in leadership, we mean generosity of spirit, not generosity of funds or other resources. This means sharing the most precious resources you have as a leader—time, experience, and wisdom—to foster a culture of collaboration, openness, empowerment, and care. We believe generosity is the foundation of one of the key mindset shifts that leaders today need to experience, shifting from scarcity, or “I don’t have enough,” to an abundance of resources.

**Lucia Rahilly:** What’s at stake in the current context?

**Dana Maor:** Being a strategist and having the answers is no longer enough. You cannot assume that a leader who sets a direction will be able to deliver an organization’s purpose, strategy, and value. Because of that, and because an average of 40 percent of employees in the US are feeling burnt out, people are feeling disconnected.

For the first time we have [five generations in the workforce](#), which means that needs, priorities, and sources of meaning vary. Generosity becomes much more important because you cannot achieve everything by yourself. You can only do that by empowering others and giving them the tools, opportunities, and trust they need to succeed. And then, hopefully, they can together fulfill the organization’s purpose, objectives, and dreams.

**Bryan Hancock:** The [opposite of a generous leader is a narcissistic leader](#), who is focused on themselves. Narcissistic leaders are not as effective as leaders who have higher EQs [emotional quotients], who are more generous and recognize that the team’s performance is a result of something beyond themselves. But for one reason or another, narcissistic leaders continue to rise to the top.

One of the challenges we have as a management profession is once we recognize that generous leadership is important, how do we assess for it so we can get more generous and, by extension, [more empathetic, higher-EQ leaders into positions](#)?

**Brooke Weddle:** There are some ways organizations today are giving credit for generosity, even if they might not use that word. For example, constructive feedback is a core form of being generous. You identify an area where there could either be a strength to build on, or perhaps a gap to address, and take the time to really think through the development need or goal and articulate that in a kind and purposeful way. This strikes me as a great way for organizations to embrace generosity.

I wonder if there's more space to call this out more systematically, especially for younger generations in the workforce who need [feedback](#), apprenticeship, and development as they are learning the ropes.

## What's standing in the way?

**Lucia Rahilly:** What's preventing leaders from moving forward generously? And how can we explicitly incentivize leaders to be generous with colleagues?

**Dana Maor:** If you are limited by the mindset of scarcity, if you are under pressure, if you think there's not enough time, opportunities, or resources, it's going to be difficult to be generous. More than that, what we're seeing in leaders in general is that sometimes there's a conflict between being generous with others and being confident. Being a leader is a very delicate balance between the two, and how you drive generosity and confidence is something the most successful leaders have cracked.

**Brooke Weddle:** There's perhaps a gender angle here, too. Being generous is giving or doing more than what is expected, which leads to a second question: "What is expected?" Perhaps there are different expectations when it comes to [women and men and their styles of leadership](#).

If a woman leader wants to be more assertive than what is expected, it might get in the way of her showing up in ways that would be perceived as more generous. This could be similar for men, whose own expectations—or expectations for them—call for a certain behavior. They may want to live up to that behavior, or perhaps work against it.

## You're under pressure. Will generosity really help?

**Lucia Rahilly:** The average tenure of S&P 500 CEOs is at an all-time low, due to the intense pressures prevalent in operating environments today. Does embracing generosity help a leader manage those pressures?

Sometimes there's a conflict between being generous with others and being confident. Being a leader is a very delicate balance between the two, and how you drive generosity and confidence is something the most successful leaders have cracked.

**Bryan Hancock:** I would argue that it does. There's been lots of great social science research showing that giving is a source of happiness. If you take that into the work context where the environment is tough, demands for the business are high and rising, and demands on your time are high, it can make for a very draining day. But if you say, "I'm going to create the time and space to be generous," that is both a benefit to the people with whom you are sharing your time, wisdom, and thoughts and for you as a leader. And there's a further benefit for you because we all get rewarded psychologically when we're helping others. Generosity at work raises your happiness and your work satisfaction.

**Lucia Rahilly:** Have you ever seen a less-than-generous leader evolve to lead with more generosity? And if so, what happened both to the leader and to the workforce?

**Dana Maor:** *The Journey of Leadership* is a collection of stories from many leaders who've become CEOs over the years—stories about the shift from feeling like they didn't belong to having a sense of belonging.

One story about generosity is from Wendy Kopp, who led [Teach for America](#). Her story started in the US, a place where she understood the ecosystem and had all the answers. And then, inspired by the desire to bring her organization to the rest of the world, she created [Teach for All](#). It was through this expansion into other countries and cultures that she realized that if she didn't learn from others and empower them, the initiative would fall on its face.

She went through a major shift from having all the answers, dictating the direction, and setting a very clear path forward to understanding the need for generosity. Wendy learned that we have to accept others, their opinions, their learnings, and their special context, and through that, make the ideas of Teach for America successful beyond America.

## Where to start?

**Lucia Rahilly:** Suppose you're at the outset of your career, scrambling to move up the ladder, and you want to become generous. Where's a good place to start?

**Dana Maor:** First, make the time to reflect on yourself as a leader, knowing that it's not indulgent. It's not a privilege. It's your responsibility to take that space and ask yourself questions: "What could be possible if I let go? What could be possible if I listen to others and not assume that I need to have all the answers? Where am I now? Have I asked anybody for their opinion? Did I take the time to create an opportunity for someone?" Pausing and asking yourself questions is the simplest way to begin cultivating generosity. Consciously choosing to do that is a simple, pragmatic step to start the journey of becoming more generous with others. And when you become more generous with others, you also become more generous with yourself.

**Brooke Weddle:** That link between being generous with yourself and being generous with others is so important. When I've seen leaders really unlock a new level of leadership, and generosity in leadership, it comes from first and foremost understanding how to lead themselves, and specifically, how to control the amygdala hijack that can send you below the line. Those are very real physiological tendencies that can create what appears to be a zero-sum context based on winning and losing. When that happens, and you can understand your own triggers as a leader, you're able to then ask questions more systematically, more thoughtfully, and probably more often because you have that self-awareness.

**Bryan Hancock:** One of my most formative experiences becoming a manager and leader came from a time when I was not particularly generous with my team. We were brought in to assess a new delivery model, working between two parties to address feasibility. And we were put in between that service and the recipient of the service. As the engagement manager, I spent almost all of my time doing shuttle diplomacy between the two clients. I was up until 2:00 a.m. going through memos and working through things, but I completely neglected my team.

It was during this project that my eldest son—who's now 20—was born prematurely, so I left the project to spend time in the NICU [neonatal intensive care unit]. During that time, a new engagement manager stepped in with a completely different operating model. He said, "The clients are crazy. They're never going to be satisfied with where things are. Partners, it's your responsibility to deal with them. As a manager of my team, I'm spending time with them."

I thought deeply about that experience. I had thought I was putting the client's interests first, when it turns out what I should've been was very generous with time with my team. That's when a light bulb turned on about the [importance of managers being generous](#) with their teams.

**Lucia Rahilly:** Dana, this is a topic that resonates with you. What was the genesis of your interest in generosity?

**Dana Maor:** I was lucky to have a few people who were very generous with me over the course of my career. At McKinsey, we all have development group leaders [DGLs] who give you feedback. Their role is to lead your review process, rather than give you advice for life and how to behave. My DGL at the time told me, "You see that leader?" It was another senior partner; very senior at McKinsey. "You've just completed an engagement with him. You need to sit outside his door and ask for guidance and advice."

And I said, "There's no way on earth. I'm a first-year associate. This person is almost the leader of the entire region. There is no way he will spend time with me." But my DGL told me to, so I did it. I asked for time. I was surprised that he made time for me. He became one of my biggest mentors, and I really believe that without him in my first ten years in the firm, I wouldn't have made partner, and I wouldn't have made the choices that I've made.

## When is it time to step back?

**Lucia Rahilly:** Are there scenarios where generosity in leadership should not be used—for example, because burnout is imminent? How do you navigate when generosity might actually not be the best *modus operandi*?

**Dana Maor:** I want to make sure we're not so caught up in generosity that we think nothing else is right. Being generous means identifying what the people around you need at that moment in time. Sometimes people just need you to make a decision and tell them what to do, or lay out a process that will help things get done very efficiently. This goes back to inside-out leadership and being very in tune with yourself so that you don't stand in the way; being open to listening and understanding what others need, and then being able to provide it. Sometimes what others need may be decisiveness, assertiveness, guidance, and instructions. And while you might feel, "Oh my God, I just did things this way, so I'm not generous." Instead, you need to recognize it was your generosity in that moment.

**Brooke Weddle:** There is a lot of heterogeneity in terms of how generosity could be applied. Thinking back to our own research and the [drivers of employee attrition](#) versus what really creates stickiness between an employee and an employer, such as [development, flexibility, and meaning in work](#)—being generous in those different contexts looks very different. If you're talking about development, it might be more of a sponsorship opportunity that you are going to be generous with. If you're thinking about creating meaning in work, maybe you're spending

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extra time thinking about how someone's role creates a bigger opportunity or sense of purpose for that individual. We should be careful about saying generosity can only be shown in one way. It can be authentic in many ways, depending on the context of the interaction.

**Lucia Rahilly:** In the interest of bringing more generosity into the workplace at the leadership level, and assessing for generosity as a trait, how should the hiring process change to assess for characteristics like generosity?

**Dana Maor:** I think the easiest way to measure—although this is not easy—is to look at people's track records. Are you able to foster a supportive and collaborative environment? What is your followership over history? How successful are the people on your team? How many of them became successful leaders in their own right? And also look at if the organizations you left behind, even if they're micro organizations, are [healthy organizations that continue to benefit from sustained success](#). Do they have a healthy culture, and do people want to join them because of it? But at the end of the day, it all translates to followership and how successful people who worked with you grew to be over time, thanks to that environment that you've created for them.

**Brooke Weddle:** Mary Barra, CEO of General Motors, has the famous three interview questions that she asks: "What would your peers say about you? What would your direct reports say about you? And what would your supervisors say about you?" What she's looking for is consistency and integrity. I don't think that's generosity, but there's some correlation with generosity. So that's where I go.

I also like those questions because they require self-awareness and self-reflection. Anyone who is asked those three questions would have to take a step back and say, "If there are differences across these three groups, then why?" I think that is a necessary foundational element to being generous.

**Brooke Weddle** is a senior partner in McKinsey's Washington, DC, office, where **Bryan Hancock** is a partner. **Dana Maor** is a senior partner in the UK, Ireland, and Israel offices. **Lucia Rahilly** is the global editorial director and deputy publisher of McKinsey Global Publishing and is based in the New York office.

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