

Unlocking potential: The power of emotional inclusion in business

It is no longer a cultural aspiration or a nice to have; it is a strategic necessity.

By Mollie Rogers Jean De Dieu

IN TODAY'S fast-paced business environment, the pressure to deliver targets and sustain productivity often eclipses a critical driver of long-term performance: emotional inclusion.

As organisations navigate rapid technological change, hybrid workforces and increasing uncertainty, prioritising emotional and mental well-being is no longer simply a human-centric ideal: It is a sound commercial decision.

Emotional inclusion is more than a buzzword; it is a commitment to cultivating a workplace culture that values individuals' emotional experiences alongside output. It challenges us to rethink how we define engagement.

Are we merely measuring hours worked and tasks completed, or are we paying attention to how people are actually experiencing their work? The cost of ignoring this question is significant.

While organisations diligently track absenteeism, they often overlook presenteeism – employees who are physically present but emotionally disengaged. This silent drain on performance affects morale, creativity and profitability.

Gallup's *State of the Global Workplace 2025* shows that highly engaged organisations are 23 per cent more profitable and 18 per cent more productive, while experiencing significantly lower turnover.

Yet engagement remains stubbornly low. In 2025, only 27 per cent of managers globally described themselves as fully engaged. Given that managers account for roughly 70 per cent of team engagement, disengaged leadership carries a direct economic cost.

Emotional inclusion therefore becomes a leadership imperative. It calls on leaders not just to be operationally present, but emotionally available.

This requires an intentional shift in how teams are led: From performance-only conversations to environments where emotional and mental well-being are openly acknowledged and supported. We can see the business impact of this shift in practice.

When Microsoft embarked on its cultural transformation under chief executive officer Satya Nadella, empathy and psychological safety were explicitly positioned as leadership capabilities. The result was not only higher internal engagement, but a surge in innovation, collaboration and long-term value creation.

Similarly, when Starbucks faced a reputational and operational crisis, it responded by investing heavily in inclusive leadership training and open dialogue across its workforce – a move that strengthened



In a world defined by volatility, talent scarcity and constant change, human energy is the only sustainable competitive advantage. And that energy cannot be extracted; it must be nurtured. PHOTO: BT FILE

employee trust and helped stabilise performance during a turbulent period.

At an everyday level, emotional inclusion starts with how leaders connect with their people. Regular one-to-one check-ins that go beyond task updates to ask "How are you really doing?" or "What support would help right now?" build trust and surface issues early.

Developing managers' emotional capability

When employees feel safe to speak honestly, organisations gain insight before disengagement turns into attrition – an outcome that can cost anywhere from half to five times an employee's annual salary to replace. To support this, organisations must invest in developing managers' emotional capability. Emotional inclusion is not a "soft" skill; it is a critical one.

As Dr Sue Johnson notes: "What we can name, we can tame." When leaders understand emotions and how they operate, they are better equipped to recognise distress, model vulnerability and respond effectively.

This capability becomes particularly important during periods of organisational change, where uncertainty can otherwise erode trust and performance. Flexibility is another cornerstone of emotional inclusion.

Employees do not all operate at the same capacity at the same time. Offering flexible hours, remote or hybrid options, and meaningful mental health support acknowledges this reality.

Organisations that embed such flexibility

consistently outperform peers on retention and engagement, making them more attractive to scarce talent in competitive markets.

Recognition also plays a powerful role. Celebrating progress and acknowledging effort – not just outcomes – reinforces a culture where people feel seen. Often, the most effective interventions are the simplest: a sincere thank you, public recognition, or acknowledgement of a team's resilience during challenging periods.

Technology can further support emotional inclusion when used thoughtfully. Pulse surveys, anonymous feedback tools and real-time sentiment tracking allow organisations to identify trends in morale and engagement early.

This data provides leaders with actionable insight, enabling preventative rather than reactive responses – a far more cost-effective approach to managing human capital.

Fuelling innovation

Crucially, emotional inclusion fuels innovation. When people feel emotionally safe and valued, they are more likely to contribute ideas, challenge assumptions and take calculated risks.

Organisations such as Patagonia and Unilever have demonstrated that emotionally aligned, purpose-driven cultures not only attract top talent but also sustain higher levels of innovation and loyalty over time.

Emotional inclusion is not a one-off initiative; it is an ongoing leadership practice. It requires attentiveness, adaptability and the willingness to treat emotional well-being as a strategic asset rather than a peripheral concern.

When done well, the returns are tangible: stronger engagement, improved productivity, reduced turnover and a culture that attracts and retains high-performing talent.

Emotional inclusion is no longer a cultural aspiration or a nice to have; it is a strategic necessity. In a world defined by volatility, talent scarcity and constant change, human energy is the only sustainable competitive advantage. And that energy cannot be extracted; it must be nurtured.

Organisations that sideline emotional well-being will see the consequences in disengagement, stalled innovation and quiet attrition. The costs may not always appear immediately on a balance sheet, but they will surface in lost trust, weakened culture and declining performance.

Those that embed emotional inclusion into leadership, however, will unlock discretionary effort, resilience and creativity, the very drivers of long-term success. The future will not belong to the most efficient organisations alone, but to the most emotionally intelligent.

Engaged minds create exceptional outcomes. And in today's economy, the companies that understand this will be the ones that endure and outperform.

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