

The Power of Human Adaptive Leadership in Times of Change and Transformation

How Leadership Behaviours Impact Innovation, Motivation, and Performance



The Role of Leadership in a World of Uncertainty

The business landscape is in flux, shaped by technological acceleration, geopolitical tensions, cultural and economic shifts, and the growing urgency of climate action. As AI and digital transformation redefine industries, the ability of leaders to adapt is no longer just an option but a necessity. Success depends on their capacity to navigate complexity, foster resilience, and drive systemic change at scale.

Organisations do not transform through isolated efforts; they evolve through the collective force of leadership. Leaders do not simply manage change – they are architects of culture, creating the environmental conditions that enable organisation-wide adaptability and innovation. They shape how organisations respond to complexity and uncertainty, how cultures evolve, and how resilience is cultivated.

Leadership, therefore, is not just an enabler of organisational success – it is the decisive factor in whether organisations thrive or falter in the face of disruption.

Introducing Human Adaptive Leadership

This report advances the case for Human Adaptive Leadership – a science-backed, psychologically grounded framework that equips leaders with the skills and mindsets necessary to drive transformation.

Based on a decade of research and insights from thousands of leaders across industries, we identify the core leadership behaviours that unlock adaptability, innovation, and trust – critical drivers of systemic change.

Report Structure

This report provides a rigorous, data-driven exploration of leadership in complex environments, structured as follows:

01 The Theory

A definition of Human Adaptive Leadership and the core psychological skills and behaviours that underpin it.

02 The Evidence

Quantitative data demonstrating the link between leadership behaviours and measurable outcomes.

03 The Explanation

How leadership behaviours shape organisational performance through direct and indirect influence.

04 The Practical

A roadmap for building adaptive organisations through leadership, with actionable recommendations for leaders and organisations.

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Eloise holds a PhD in Psychological Resilience from King's College London, where her research was published in leading scientific journals. Before joining Positive, she spent over 10 years working in banking and management consulting and now leads Positive's Consulting, Research, and Data Insights.

Eloise is passionate about harnessing psychology and data to drive positive change within organisations. She applies her academic expertise and corporate background to integrating cutting-edge, robust research into organisational decision-making.

01

The Theory

A definition of Human Adaptive Leadership and the core psychological skills and behaviours that underpin it.

Human Adaptive Leadership is built upon two interconnected dimensions:

These dimensions form the psychological foundation for leaders to inspire, connect, and drive transformation.

1. Self-Awareness and Regulation (“The Me”)

This dimension focuses on a leader’s ability to understand their state of mind and how this influences their decision-making, judgement and behaviour. Leaders capable in this area:

- **Exhibit cognitive flexibility:** The capacity to demonstrate curiosity, think flexibly, and problem-solve creatively as situations evolve.
- **Cultivate emotional regulation:** The ability to identify and regulate emotions and thoughts effectively while maintaining clarity and composure in high-pressure environments.
- **Develop resilience:** The capability to manage challenges, recover from setbacks and maintain focus in times of uncertainty.

2. Social Awareness and Leadership Influence (“The We”)

This dimension focuses on a leader’s ability to inspire and motivate others, creating the conditions for trust, collaboration, and innovation. Leaders excelling in this area:

- **Demonstrate emotional intelligence:** The ability to be aware of the emotions of others and respond to social situations with empathy.
- **Encourage collective intelligence:** The capacity to harness diverse perspectives and expertise to drive better decision-making, collaboration, and innovation.

- **Model pro-social behaviours:** The ability to promote positive interpersonal relationships, reinforcing a culture of trust, social support, and shared purpose.

Together, these dimensions form the psychological backbone of Human Adaptive Leadership. By combining self-awareness with external influence, leaders can drive measurable results that extend beyond individual achievements, fostering a culture of trust, innovation, and resilience across their organisations – one that is greater than the sum of its parts.

The Misconception of Human-Centred Leadership as “Soft” Leadership

Many leaders, particularly in industries that have historically succeeded without prioritising these behaviours, may dismiss them as “soft,” a “nice-to-have,” or even a distraction. However, the reality is that so-called ‘soft skills’ – emotional, cognitive, and behavioural – are now widely recognised as essential for adaptation and high performance in the future. According to the World Economic Forum (WEF), the top emerging skills, often referred to as ‘future skills,’ include analytical thinking, creative thinking, leadership and social influence and curiosity and lifelong learning.

“What got you here won’t get you there.”

We ask leaders to reflect: how much will these human-centric behaviours matter in the future, particularly in a world increasingly shaped by AI?

02

The Evidence

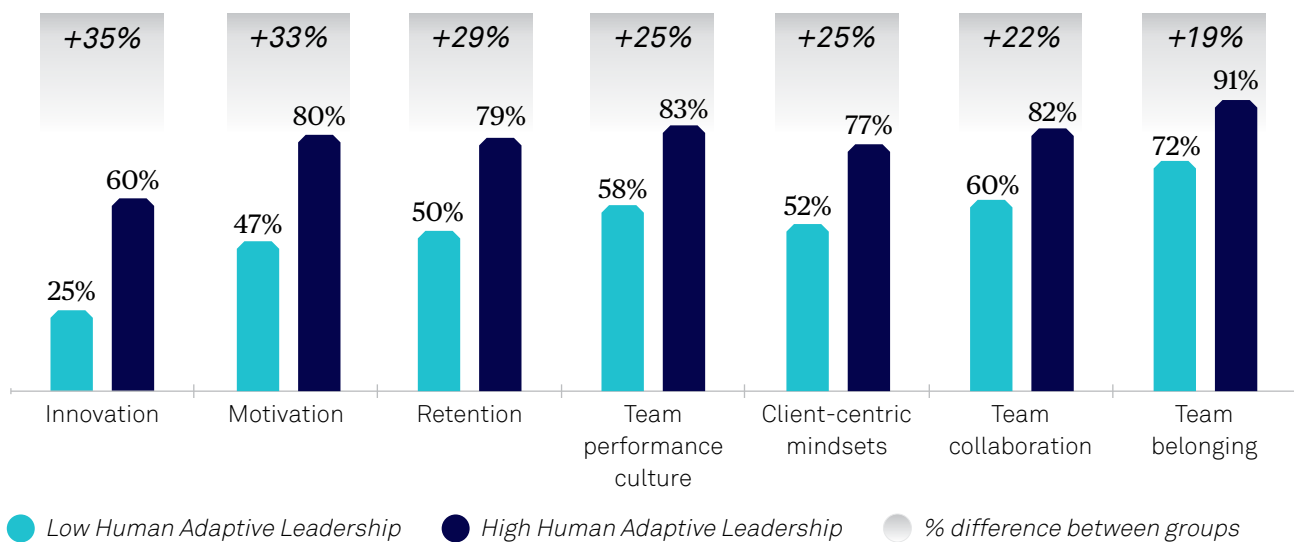
Quantitative data demonstrating the link between leadership behaviours and measurable outcomes.

The impact of leadership is often assumed rather than measured. Our research provides empirical evidence demonstrating the substantial effect of Human Adaptive Leadership on key organisational outcomes.

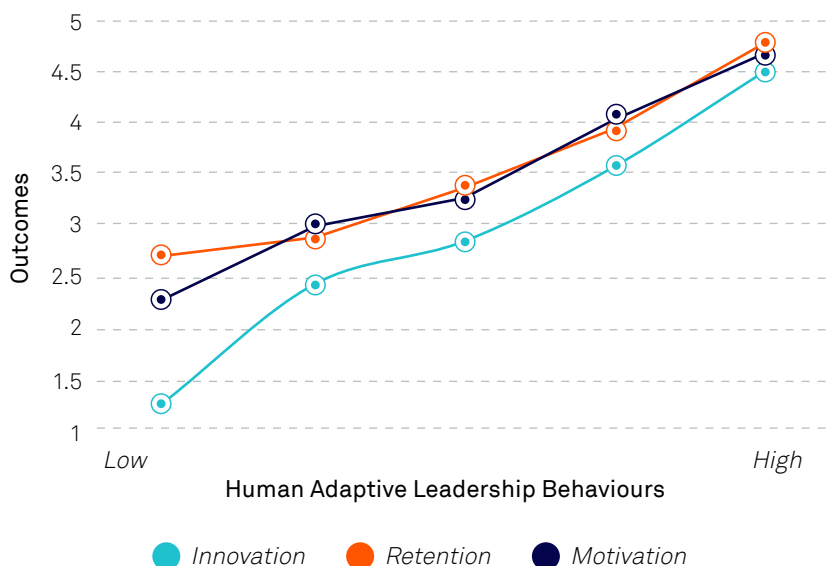
Key Findings

Our study, based on data from 3,000 individuals in professional services firms, highlights the profound impact of leadership behaviours on innovation, motivation, and performance.

Employees whose leaders demonstrate high levels of Human Adaptive Leadership are significantly more likely to report positive performance outcomes compared to those whose leaders score low.



Relationship between human, adaptive leadership behaviours and employees' innovation, retention and motivation levels



It is important to highlight that human adaptive leadership behaviours exist on a continuum;

therefore, any progress in enhancing these behaviours will drive improvements in organisational outcomes.

Understanding the Independent Impact of Leadership Behaviours

To better understand the independent impact of leadership, we accounted for two key variables known to significantly influence these outcomes (including retention, innovation and motivation):



Workload reasonableness: Whether employees feel their workload is fair and manageable.



Line manager relationships: The quality of employees' relationships with their direct supervisors.

Why is this important?

- 1. Isolating the effect of leadership behaviours:** By controlling for workload and line manager relationships, we can determine how much leadership behaviours influence key outcomes beyond these factors.
- 2. Avoiding inflated associations:** Stress from unmanageable workloads or poor managerial relationships can negatively colour perceptions of leadership. Controlling for these ensures the data more accurately reflects leadership's independent influence.
- 3. Prioritising interventions:** This analysis helps organisations focus their resources on the factors with the greatest impact.

Key Findings

Even after accounting for workload reasonableness and line manager relationships, employees who report that their leaders demonstrate high levels of Human Adaptive Leadership are:

3.6x

more likely to
innovate in the
workplace

2.9x

more likely to
feel motivated to go
above and beyond

2.2x

more likely to
see themselves staying
with the organisation
for the next 3 years

2.2x

more likely to
report a strong
collaboration culture
within their team

2.0x more likely to experience a strong team performance culture.

1.8x more likely to observe their team fostering strong client relationships and adopting a client-centric mindset.

1.7x more likely to report a strong sense of belonging within their team.

Summary of Key Findings

These findings underscore the transformative power of human adaptive leadership behaviours. Even when major factors such as workload reasonableness and line manager relationships are accounted for, leaders retain substantial influence over outcomes that drive organisational adaptability – including innovation, motivation, retention and collaboration.



These findings not only make a compelling, data-informed business case for targeted investment in leadership development,

but they also have significant implications for organisations' talent, retention, and recruitment strategies.



03

The Explanation

How leadership behaviours shape organisational performance through direct and indirect influence.

Leadership exerts influence at multiple levels, shaping culture and organisational performance through both direct and indirect mechanisms.

Direct Mechanisms: Visible and Immediate Impact

- **Communication:** Leaders influence how their people feel and behave through authentic and transparent in-person and virtual interactions.
- **Observable Behaviours:** Leaders' real-time responses to situations and challenges impact how their people perceive leadership and the wider organisation.
- **Relational Leadership:** Trust-based relationships between leaders, their team members, and peers directly enhance motivation, collaboration, and engagement within their immediate working environment.

Indirect Mechanisms: Invisible Cultural and Systemic Influence

- **Role Modelling:** People look to leaders for guidance on what the organisation values, recognises, and

rewards. Through their actions, leaders reinforce these priorities, shaping how people perceive the organisation and its wider culture.

- **Social Norms:** Leadership behaviours create a ripple effect, consciously and unconsciously shaping behavioural norms at both the team and organisational level. These subtle influences shape how people behave, interact, and collaborate.
- **Expectation Setting:** Leaders' behaviours signal what is expected of others, shaping accountability, trust, and alignment. These implicit cues reinforce the psychological contract that governs engagement and commitment.

Leadership is a Collective Force

Leadership is a collective force that shapes organisational culture and performance through both direct and indirect influence. Employees perceive leadership as a unified entity, making consistency in messaging and actions essential. When leaders align their influence, they strengthen trust, accountability, and collaboration – driving organisational adaptability, long-term success, and ultimately affecting whether people choose to stay with the organisation.

04

The Practical

A roadmap for building adaptive organisations through leadership, with actionable recommendations for leaders and organisations.

This report highlights a valuable opportunity for leaders and organisations to drive meaningful, systemic transformation. In today's complex and fast-changing world, the organisations that thrive are those that recognise leadership as a strategic asset. Human Adaptive Leadership goes beyond individual change – it unlocks the potential for long-term, organisation-wide impact.

Implementing Human Adaptive Leadership requires a strategic approach across multiple levels:

1 Create a Future-Ready Leadership Behaviour Framework

To drive meaningful and lasting change, organisations need a structured leadership behavioural framework that future-proofs leadership and team performance. This framework should:

- Define and embed core leadership behaviours that promote resilience, collaboration, and trust.
- Prioritise adaptive, human-centric characteristics, such as cognitive flexibility and empathy, particularly as AI reshapes the way we work.
- Ensure leadership behaviours are consistently modelled, reinforced, and rewarded across teams.

A well-designed framework provides leaders with a practical, actionable toolkit. By isolating and embedding the specific behaviours that drive success, organisations can sustain their relevance and agility in an uncertain future.

2 Implement a Data-Driven Leadership Strategy

A data-informed approach enables organisations to understand their baseline, track impact, and drive

measurable improvements. To achieve this, organisations should:

- Establish a baseline by evaluating leadership behaviours and identifying areas for growth.
- Use data to link leadership behaviours with key organisational outcomes, such as innovation, talent retention, and collaboration.
- Provide data-driven feedback to leaders, reinforcing accountability while demonstrating their direct impact on performance and culture.

By leveraging data to quantify leadership impact, organisations can make a compelling case for continuous improvement and align leadership development with business performance.

3 Equip Leaders with the Psychological Skills for Human Adaptive Leadership

To drive systemic change, leaders must be equipped with the skills and tools to demonstrate Human Adaptive Leadership effectively. Point 1 addresses what is required, Point 2 helps to explain why it matters and its impact, and this final part focuses on how organisations can support their leaders. Organisations should:

- Invest in targeted leadership development programmes that build the skills and tools to demonstrate human adaptive leadership behaviours.
- Offer coaching, feedback, and mentoring to help leaders apply these skills in real-world contexts.
- Foster strong alignment across leadership teams to ensure a shared understanding of key leadership principles while allowing for individual strengths and styles.

The principle of aggregate marginal gains applies: small, consistent evolutions in leadership behaviours can yield exponential results in organisational performance.



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Conclusion

Leadership as Competitive Advantage

The data is unequivocal: Human Adaptive Leadership is not just an approach for navigating disruption – it is a blueprint for thriving in it. Leaders who embrace this paradigm unlock meaningful organisational outcomes, from innovation and motivation to trust and retention.

In this era of accelerating technological change, the true competitive advantage lies in human skills. When organisations embed these capabilities into their leadership DNA, they cultivate resilient, adaptive cultures that nurture potential and bring out the best in their people – empowering teams to navigate uncertainty, embrace change, and drive sustainable success.

Human Adaptive Leadership is more than a framework – it's a strategic approach that equips leaders to build resilience and thrive in complexity, giving organisations a distinct advantage in a rapidly changing world.

To learn more about Human Adaptive Leadership, contact Positive at info@positivegroup.org.



Appendix

The Impact of Human Adaptive Leadership Behaviours on Key Outcomes

Outcome	Odds Ratios (Original*)	Odds Ratios (Adjusted*)
Innovation	4.55 (CI: 3.60-5.74)	3.56 (CI: 2.75-4.62)
Motivation	4.12 (CI: 3.27-5.19)	2.89 (CI: 2.25-3.73)
Retention	3.25 (CI: 2.62-4.02)	2.19 (CI: 1.72-2.80)
Team collaboration	2.59 (CI: 2.10-3.18)	2.18 (CI: 1.72-2.76)
Team performance culture	2.99 (CI: 2.41-3.70)	1.96 (CI: 1.54-2.50)
Client-centric mindsets	2.47 (CI: 2.03-3.00)	1.75 (CI: 1.40-2.18)
Team belonging	3.09 (CI: 2.43-3.94)	1.74 (CI: 1.28-2.35)

Original Odds Ratios show the extent to which human adaptive leadership behaviours predict outcomes. Adjusted Odds Ratios statistically control for workplace reasonableness and line manager relationships. All associations are statistically significant ($p < 0.001$). While odds ratios indicate increased odds, the likelihoods are restated for clarity.



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