Dev Patnaik

Creating

Widespread

Empathy



Empathy Equals Growth.

This manifesto is dedicated to what ought be a mind-scorchingly obvious idea.

An idea that every successful company ought to know and understand in their bones.

An idea that the vast majority of companies nonetheless fail to get.

That idea?

That empathy equals growth.

Working at Jump Associates, my teammates and I have had the chance to collaborate with some of the world's most amazing companies. And if there's one thing that we've learned in all that time, it's that companies prosper when they're able to create widespread empathy for the world around them.

Every one of us gets what empathy is on an individual level: the ability to reach outside of ourselves and walk in someone else's shoes. To get where they're coming from—to feel what they feel. *Widespread* empathy is about getting every single person in an organization to have a gut-level intuition for the people who buy their products and services—the folks who really matter.

How many times have you stared at a competitor's new product and said, "We had that idea two years ago, but we just didn't act on it." Well, why not? Did you think the market research wasn't quite right? Did you become convinced that it wasn't a good idea when you couldn't rally other people around it? Did people get in your way with stupid or irrelevant questions that tied the team up in a state of analysis paralysis?

When your organization develops a shared and intuitive vibe for what's going on in the world, you're able to see new opportunities faster than your competitors, long before the rest of us read about it in *The Wall Street Journal*. You have the courage of your convictions to take a risk on something new. And you have the passion to stick with it, even if it doesn't turn out right the first time.

Sometimes, that empathic connection can even remind you of the impact that you have on the rest of the world. The result might be something that far too many of us crave- a reason to come into work every day.

"The big difference between Xbox and Zune was the customer target. With Zune, we didn't know who we were building it for. With Xbox, we knew those guys. Hell, we were those guys."— Xbox team member



How Connected Is Your Company?

A widespread sense of empathy can transform a company. The line between inside and out starts to blur. Rather than seeing yourself and your customers as "us and them," you start to see yourselves as part of the same tribe. You start to think like your customers and feel confident enough to rely on your intuition. You find yourself anticipating what real people are up to and what they're looking for from you.

Imagine a place where every person has the same intuitive connection to the world of their customers. Not just the folks in marketing, but the people in R&D, too... and finance, and HR, and legal. Imagine a place where some guy who works in Accounts Payable has a gut level intuition for how his customers think. And then, when it comes time to revise the company billing policies, that guy realizes that there's one way to change the system that might really help customers out and another that might totally enrage them.

We went in search of companies like that, and we found a few. We also found a bunch that seemed to have no empathy whatsoever. And we found many, many companies that were working hard to get from here to there.

Rather than seeing yourself and your customers as "us and them," you start to see yourselves as part of the same tribe. We were so excited that we decided to build an Empath-O-meter—a way to compare the level of widespread empathy that different companies have. We've even launched a version on wiredtocare. com, so we could incorporate the opinions of anyone else who wanted to weigh in. And the results have been... fascinating. True? False? Does it matter? The conversation alone has taught us a lot about what real empathy looks like, and how great companies create it.

"We don't talk a lot about figuring out what customers want. We talk about riders. So far as we're concerned, we are them and they are us."— Former Harley-Davidson executive



People Have Empathy By Nature. Companies Have to Work at It.

Every single one of us is born with the ability to connect with other people. Unfortunately, most companies do a great job of systematically beating that instinct out of us. They tell us, "It's not personal, it's just business." They tell us to be rational—to be fact-based. And they ask us to check our humanity at the door. Not surprisingly, we've created an entire generation of assistant marketing managers who believe that if they have five good bullets on a PowerPoint page, they understand their business. These folks don't realize that their business is actually out in the world—in the stores where people buy their products, and in the homes where they live their lives.

But it is possible to reclaim that intuition—to revive that empathic connection. It just takes a little effort. We have to get everyone out of the office, and we have to bring the outside world back in and be constantly engaged in it as we go about our business.

Big Warning!

This isn't about market research. It's not about Voice of the Customer. It's about strategy and culture, and getting everybody to focus on what's really important. Stop trying to ask customers what they want. Start walking in their shoes.

At Nike, everyone who works on a shoe is a runner themselves. That way, even if the market research isn't great, the shoe ends up being good because the designers have a gut sense for what other runners are looking for.

Ten ways to create widespread empathy.

Getting everyone in a large organization to share a sense of empathy for the people they serve won't happen overnight. But you need to start somewhere.

1. Start at the Top. Lead by example and turn senior leadership into Chief Empathy Officers.

2. Gather Your Guides. Use customer insights professionals as coaches, not gurus.

3. Hire Your Customers. Recruit some of the folks you want to connect with to be part of the team.

4. Get Outside. Skip the next focus group and go hang out where customers actually live and breathe.

5. Cover the Walls. Plaster your cubicles and hallways with constant reminders of the outside world.

6. Look the Part. Stop dressing to impress and start dressing like your customers.

7. Talk the Talk. Trade in your shoptalk and insider lingo for the language that your customers speak.

8. Use the Same Stuff. Whenever possible, use the products that your customers use, whether they're your company's products or not.

9. Ditch the PowerPoint. Replace flat descriptions with rich experiential media about real world people.

10. Build It Into Your Bonus. Forge an unholy alliance between customer insights and human resources.



1. Start at the Top.

Lead by example and turn senior leadership into Chief Empathy Officers.

People often look to the folks at the top to set the tone for their organization's culture. One of the most essential characteristics of an Open Empathy Organization is a leadership team that demonstrates empathic behavior in its everyday work. When leaders behave in certain ways, it sets the norm and gives others permission to do the same. By example, leaders can encourage the kinds of activities that build empathy, and even make it aspirational to do so.

As Tim Sanders reports, former Pizza Hut CEO Mike Rawlings was legendary for his commitment to understanding the people who dined on his pizza. Every Friday, he used his lunch hour to call his number one customers: working-class single moms. He would phone them, introduce himself, expressed how much he valued their business, and asked them if he could help them out in any way. This helped him understand, to the core, what kept these ordinary folks up at night. Rawlings helped his customers negotiate with power utilities, social services, and get other kinds of help they needed that went far beyond what to put on the dinner table. By making his commitment to people outside the company clear, Rawlings showed all of his employees why they were in business, and how to have a positive impact on their customers.

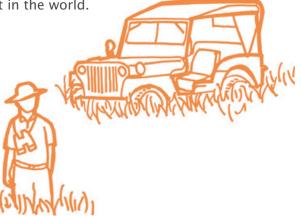


2. Gather Your Guides.

Use customer insights professionals as coaches, not gurus.

Knowledge about customers is not incidental to the success of a business; it's actually one of the most critical assets a company needs to nurture. Unfortunately, often times it's held entirely inside a consumer insights department. Few people outside the department have open and easy access to that data, nor do they have the gut feel to understand what it means. Empathic companies use consumer insights as facilitators to create opportunities for everyone in the organization to learn about and meet with their customers.

Procter & Gamble has made this a key part of its turnaround strategy over the last eight years. In 2001, it created "Living It," a program in which the consumer insight division arranges for managers and other employees to live in the homes of lower-income consumers for a few days. The same group also developed "Working It", which puts employees behind the counters of small stores to see their products in the sales environment, while also getting up close and personal with ordinary folks. P&G has found numerous breakthrough product ideas through these programs that they could never have created otherwise. This works because people of all kinds—not just consumer insight people—are spending time out in the world.



3. Hire Your Customers.

Recruit some of the folks you want to connect with to be part of the team.

It can take months, if not years, to create a widespread sense of empathy across an entire organization. But you don't have to wait that long to have an impact. If you're interested in pursuing one particular customer target, a great way to gain a lot of empathy in a short time is to simply start hiring the kind of people you wish to connect with. That way, you don't have to try to gain empathy form your customers by reading a stack of market research reports—you can just have them sitting right next to you. Having your customers inside your company walls cuts out the noise, avoids abstraction, and leads to much quicker turnaround and decision-making.

In the early days of Hewlett-Packard, the company mainly made laboratory equipment for engineers and scientists like the folks who worked there. People inside the company intuitively knew how to create new products that were just right for their customers. But rather than leaving such a critical process implicit, founders Bill Hewlett and David Packard systematized the company's empathy with the "Next Bench" program. As a result, the folks at HP didn't design for an abstract notion of what an engineer is like. They quite literally designed products for the engineer who sat next to them on the workbench. This helped them to get quick feedback on prototypes and ultimately deliver the kind of breakthrough products that fueled the young organization's rapid growth.

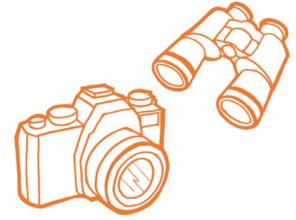
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4. Get Outside.

Skip the next focus group and go hang out where customers actually live and breathe.

Nothing beats a face-to-face visit to the very place that your customers live their lives. That's why empathic companies, whether consumer-facing or B-to-B, encourage and incentivize their employees to routinely meet with real customers on their own turf. This lets you capture the kinds of contextual information that gets lost over the phone. It also helps companies get out of their worlds and into the world where their products and services actually get used. It may even bust the myths about customers that your company has been basing its strategy on.

When Lou Gerstner became IBM's CEO in 1993, he created "Operation Bear Hug," a massive program that required the company's top 250 managers to visit at least five of the company's biggest customers in just three months. And they weren't there to sell products and services. Their task was to just listen to customers' concerns and think about how IBM could help. At the time, it seemed like a crazy way to use executives' time. But the company's dramatic turn-around and successful entry into professional services revealed the wisdom of the move. Today, routine visits to customers are simply the way it works at IBM.





5. Cover the Walls.

Plaster your cubicles and hallways with constant reminders of the outside world.

Too often, companies think of connecting with their customers as a series of one-offs rather than a constant presence. They confine all of the information they have about the rest of the world into a few consumer insight and market research reports. This makes it hard to develop a gut-level intuition for the folks they serve. A better approach is to make it an ambient part of everyday work. Turn the office into a virtual museum of information about your customers. With constant reminders of your customers in the work environment, people inside your company can't help but understand who they really work for.

Harley-Davidson's office is a shrine to the motorcycle culture that the company has helped to create. Walking down an aisle of otherwise ordinary office cubicles, you're confronted by an endless display of photos and signs from famous bike rides and exquisitely painted motorcycle gas tanks. On one wall, snapshots capture scenes from one employee's recent bike trip down the Gulf Coast of Florida. Other walls proudly display banners and photos from rallies and other events, including the pilgrimage that hundreds of thousands of riders make every year to Sturgis, South Dakota. It is impossible to work at Harley-Davidson and not learn a lot about the people who buy the company's motorcycles.

A better approach is to make it an ambient part of everyday work. Turn the office into a virtual museum of information about your customers.



6. Look the Part.

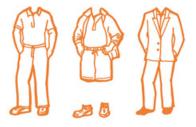
Stop dressing to impress and start dressing like your customers.

The way we dress tends to influence our behavior and how we view ourselves. That's why dressing like your customers is a good way to help everyone in your organization think more like the people they're trying to serve. If you make software for finance companies, you may want to forego the flip flops and get buttoned up. Similarly, if you make sports gear, you should allow employees, even those at headquarters, to wear what athletes might wear off the court. When you wear a business suit everyday, it becomes that much harder to have a gut sense of what rock climbers or basketball players think.

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Target used to get this right. Target's guests tend to be middle-class folks who love savings, but also love to be seen as trendsetters. Not too surprisingly, they often go shopping in exactly the same casual and chic clothes that Target sells. Target headquarters used to be the same way. It was quite common to see executives wearing the same Isaac Mizrahi collection that they put on their shelves. But that changed when Target mandated a formal business dress code in 2004. As a result, the

people inside Target no longer look like their customers, and could no longer shop at their own stores to find clothes suitable for work. Activities like dress codes should get employees to look and think more like their customers, not less.



7. Talk the Talk.

Trade in your shoptalk and insider lingo for the language that your customers speak.

The language people use can reflect how they think about the world. In an attempt to be more sophisticated in their thinking, companies tend to develop jargon to describe the complexities of their inner workings. But after a while, companies often find themselves using an entirely different set of terminology than what their customers use. And the consumer and manufacturer no longer speak the same language. Over time, this can start make an organization distance itself from the people it's trying to serve.

Take the car industry. The product development process of cars is one of the most complex in the world. By necessity, people who work at car companies speak about their products with a sophistication that allows them to talk about detailed parts of their products without ambiguity. Unfortunately, that also means that they don't think about cars the same way as the rest of us. What everyone else in the world would call a dashboard, the car industry calls the "instrument panel" or "IP." What everyone calls "cars" the industry calls "C-class Vehicles." Detroit is out of tune with how ordinary people experience cars—the language problem is just an indicator of a much larger disconnection.

The language people use can reflect how they think about the world.



8. Use the Same Stuff.

Whenever possible, use the products that your customers use, whether they're your company's products or not.

If you want to understand how well your customers' needs are being met, get everyone in your organization using the products your customers use. That means using your own products as well as your competitors. This is an easy way to learn important information. You learn how your own products are faring, and why your customers might choose your products versus those of a competitor. You also learn how customer expectations are changing according to new offerings. This helps you stay ahead on what customers are experiencing, what their needs are, and what they might expect next.

Spalding, the world's leading maker of basketballs, makes a strong statement for its products at its corporate office in Springfield, Massachusetts. Right outside the building is a basketball court. In a fun, low-effort way employees can stay in touch with what it feels like to play a pick-up game of hoops. It also gives them the opportunity to experience their own products in the way they were meant to be used, and they learn a lot when they do. For one thing, they noticed that inflating a basketball is a huge hassle, particularly because you have to have a needle on hand when you want to use a pump. That's why Spalding created basketballs that have tiny built-in pumps. In the same vain, the company now makes basketballs that don't need to be pumped up at all.

Get everyone in your organization using the products your customers use.

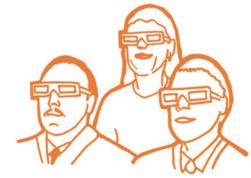


9. Ditch the PowerPoint.

Replace flat descriptions with rich experiential media about real world people.

The human brain tends to prize personal experience over secondhand information. It's one thing to know something by reading about it—it's another thing entirely to have felt it for yourself. While numbers and charts on a PowerPoint can make decision making objective and rigorous in the business environment, it can also make managers quick to dismiss information about their customers that they haven't experienced first hand. Smart organizations rely on storytelling, video, and even immersive experiences to effectively communicate critical information about the people they serve.

Joie de Vivre Hospitality, a San Francisco-based company that owns and operates thirty-two boutique hotels, learned the real value of experiential learning. The company's leadership team realized that a key to delivering a delightful experience to its customers was to reduce the turnover of its frontline employees. With a long-tenured and invigorated staff, the hotel's quality could be uniformly excellent. So the company decided to help its housekeepers see the effects they had on hotel guests. They were asked to do a poor job of cleaning and preparing rooms, and then watch what happened. They saw guests get grouchier, complain more, and leave smaller tips in the hotel's restaurant. The effect of the experiment was amazing. Housekeepers had always been told that their work was important to the overall success of the hotel, but they never knew what that meant. This was the first time that they really experienced it firsthand. It's stuck with them, and JDV now has a market-low turnover rate.





10. Build It Into Your Bonus.

Forge an unholy alliance between customer insights and human resources.

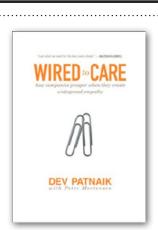
Even in companies with low empathy, there are usually at least a few pockets of folks at the front lines with a deep connection to their customers. The key is to find this hidden treasure and share it with the rest of the organization.

Unfortunately, these folks don't often have the ability to spread this empathy to an entire hundredthousand-person company. Instead, they should partner with the folks in HR, who have the ability to roll out information on a massive scale. With the help of HR, a company can start to spread empathy throughout every corner of the company. Even better, they can set policies and incentives into place that motivate people to deepen their empathy for their customers.





info



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ABOUT THE AUTHOR

Dev Patnaik is the Managing Associate of Jump Associates, a consulting firm that helps Fortune 500 companies build new businesses, define new products and services, and cultivate the right processes, metrics and culture needed to drive new business growth. Dev works closely with senior leaders at client companies like Nike, P&G, Target, and HP to identify new growth opportunities. Dev is also an Adjunct Professor at Stanford University. He is a frequent speaker at marketing, design and innovation forums. His articles on research and strategy have appeared in several publications, including *BusinessWeek*, the *Design Management Review*, and *Brandweek*.

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