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WIRED *to* CARE

*how companies prosper when they create
widespread empathy*



DEV PATNAIK
with Peter Mortensen

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—**Chip Conley**, founder and CEO
of Joie de Vivre Hospitality
and author of *PEAK*

WIRED *to* CARE

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*For My Parents,
Who made me all that I am.*

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Contents

PART I The Case for Empathy

ONE

Introduction 3

Companies prosper when they tap into a power that every one of us already has—the ability to reach outside of ourselves and connect with other people.

TWO

The Map Is Not the Territory 19

Empathy is an antidote to a world of abstraction. Faced with a deluge of information, people like to boil things down. This puts them in danger of making poor decisions based on incomplete or distorted information.

THREE

The Way Things Used to Be 42

Empathy isn't a new phenomenon. There was a time not so long ago when there was a broad and deep connection between producers and consumers that allowed everyone to prosper.

PART II Creating Widespread Empathy

FOUR

The Power of Affinity 67

The quickest way to have empathy for someone else is to be just like them. For companies, the answer is to hire their customers.

FIVE

Walking in Someone Else's Shoes 85

It's often not possible or not enough to hire your customers. To continue to grow and prosper, you have to step outside of yourself and walk in someone else's shoes.

SIX

Empathy That Lasts 105

Bringing people face to face triggers a caring response. The emotionally charged memories of that experience can be a guiding light to stay true to the vision.

SEVEN

Open All the Windows 124

While having empathy for other people is a good thing for us to do as individuals, it's far more powerful when you can create widespread empathy throughout a large organization.

PART III The Results of Empathy

EIGHT

Reframe How You See the World 143

When you step outside of yourself, you open up to the possibility of seeing new opportunities for growth.

NINE

We Are Them and They Are Us 165

When companies create an empathic connection to the rest of the world, a funny thing starts to happen. The line between outside and in, between producer and consumer, begins to blur.

TEN

The Golden Rule 180

Consistent ethical behavior demands that you walk in other people's shoes. Because of this, Widespread Empathy can be an effective way to ensure the morality of a large institution, more so than any rulebook or code of conduct.

ELEVEN

The Hidden Payoff 200

Having empathy for others can do more than drive growth. It can also give people the one thing that too many of us lack: a reason to come in to work every day.

Acknowledgments 217

Endnotes 223

Index 237

About the Authors 251

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ONE

Introduction

Companies prosper when they tap into a power that every one of us already has—the ability to reach outside of ourselves and connect with other people.

EARLY ONE MORNING in 1979, Pattie Moore did a peculiar thing. A young designer living in New York, she woke up, got out of bed, and started to make herself frail. She strapped herself into a body brace that made her shoulders hunch forward. She hid her auburn locks under a white wig and painted her eyelashes gray. She plugged up her ears so she couldn't hear. And she put on horn-rimmed glasses that blurred her vision. Transformed into a woman more than three times her actual age, Pattie headed out into the world, a wooden cane guiding her path. Leaving her Gramercy Park walk-up, Pattie stepped out into a land that was unlike any she had ever experienced. Pattie had made herself old, and now even her own neighborhood looked strange to her.

Weeks earlier, Pattie had been involved in a planning discussion for the design of a new refrigerator. She had just landed a job at the offices of Raymond Loewy, an icon of twentieth century industrial design. Sitting in a brainstorming session, Pattie listened as the other designers traded ideas for what the new fridge might look like. After a little while, she raised her hand.

Perhaps the team should consider how to accommodate the needs of people with arthritis, poor vision, or reduced strength. Pattie had grown up with her grandparents at home. She vividly remembered how her grandmother had been forced to stop cooking when the infirmities of old age made it impossible to peel a potato, open a carton of milk, or even pull a refrigerator door open. Now, given the chance to design a new fridge, she wondered if there wasn't a way to help other people's grandmothers to continue to cook as they got older. The other designers stared at her blankly. "Pattie," one shrugged, "we don't design for those people."

That moment changed the course of Pattie's career. It seemed obvious to her that there were a lot of people in the world who were like her grandmother. And yet, there were clearly more than a few designers who weren't interested in designing for anyone besides themselves. So she decided to change things. At the same time, Pattie realized that she herself had little real empathy for senior citizens, if only because she had never experienced the world as they did. And that's when she started to plan her experiment.

Pattie decided to simulate what it was like to be old so that she might figure out what life was like for her elders. With the help of a friend who worked as a television make-up artist, she transformed herself into an eighty-five-year-old woman. As she quickly found out, when you're old, the world isn't designed for you. Pill bottles demanded too much dexterity. Telephones were too hard to dial. Climbing the steps onto a city bus was a dangerous ordeal. Occasionally, strangers would stop to lend a hand with momentary tasks, but the second they walked away, she was once again left to make it on her own in a world where the deck was stacked against her. To make matters worse, people ignored her or made jokes at her expense. It was if she wasn't

a person anymore. Pattie saw, heard, and, more than anything else, felt all of this pain as she went about her business. The experience was agonizing. Everywhere she looked, Pattie saw opportunities to make things better. Everything needed to be fixed.

Pattie continued her experiment for the next three years, going undercover in more than a hundred cities throughout the United States and Canada. Every time, her routine was the same. Wake up, become old, and see the world through new eyes. And over the course of her journeys, Pattie came to see things differently. Getting old wasn't really the problem. It was everything else. If your hand couldn't get a potato peeler to work, maybe there was something wrong with the peeler. If you weren't strong enough to pull a door open, maybe the problem was the door. Perhaps so-called disabilities were caused by products and architecture, not by age and health.

Pattie's experience would end up pointing the way for an entirely new generation of designers, ones more attuned to the world around them. It also revealed huge business opportunities that had been overlooked for years. Based on her work, companies as diverse as Boeing, Merck, and Toyota developed new offerings that grew their businesses and differentiated their products. It turns out that senior citizens aren't just some niche market—they reflect unarticulated needs that many of us have. When you make doors that are easier for seniors to open, you make life easier for all of us, young and old.

Through her work, Pattie Moore has helped to make life a little bit more livable for people in many parts of the world. In doing so, she also revealed an important but oft-forgotten truism: People discover unseen opportunities when they have a personal and empathic connection with the world around them. For individuals, that means developing the ability to walk in other people's shoes. For companies and other large institutions,

that means finding a way to bring the rest of the world inside their walls.

EMPATHY EQUALS GROWTH

This is the story of how companies, and indeed organizations of all kinds, prosper when they tap into a power that every one of us already has: the ability to reach outside ourselves and connect with other people. And it's the story of how institutions can so easily lose their way when their people lose that connection. Human beings are intrinsically social animals. Our brains have developed subtle and sophisticated ways to understand what other people are thinking and feeling. Simply put, we're wired to care. We rely on those instincts to help us make better decisions in situations that affect the folks around us. Unfortunately, that instinct seems to get short-circuited when we get together in large groups. We lose our intuition, our gut sense for what's going on outside of that group. Corporations become more insular. Colleges start to feel like ivory towers. Political campaigns take on a "bunker mentality." That sort of isolation can have disastrous effects because these same institutions depend on the outside world for revenues and reputation and votes.

When people in an organization develop a shared and intuitive vibe for what's going on in the world, they're able to see new opportunities faster than their competitors, long before that information becomes explicit enough to read about in *The Wall Street Journal*. They have the courage of their convictions to take a risk on something new. And they have the gut-level intuition to see how their actions impact the people who matter most: the folks who buy their products, interact with their brand, and ultimately fund their 401(k) plans. That intuition transcends what's traditionally referred to as market research. A widespread sense

of empathy starts to influence the culture of a place, giving it a sense of clarity and mission. People spend less time arguing about things that ultimately don't matter. Empathy can even start to ensure more ethical behavior in a way that no policies and procedures manual ever could.

Wired to Care is nominally a business book. But it seeks to answer questions that are relevant to businesspeople, educators, designers, marketers, athletes, policymakers, and citizens alike. How can we nurture the instinct that all human beings have to walk in other people's shoes? How can we, in turn, create a wider sense of empathy to connect larger organizations to the world around them? And how can we leverage that widespread empathy to be an engine for growth and change?

In pursuit of the answers, we'll explore how large institutions lose their connection with the outside world, how they can regain their sense of empathy, and what the results look like when they do. We'll visit Zildjian, one of the oldest companies in the world, and see how they've prospered for nearly 400 years by connecting with superstar clientele, from Turkish emperors to Philadelphia hip-hop groups. We'll dive deep into the catacombs of the human brain, to find the biological sources of empathy, and discover how mirror neurons and the limbic system enable us to feel what others are feeling. And we'll spend time on both sides of the political aisle, with James Carville, the Ragin' Cajun, and John McCain, a national hero, to show how first-hand life experience can give you the acuity to cut through a morass of otherwise confusing and contradictory information. We'll spend time at big companies like IBM, Target, and Intel. But we'll also go to farmers' markets and a conference on world religions. All of this is to reclaim a very old idea, that quantitative data and facts are no substitute for real-world experience and human connection.

This book is divided into three sections. The first seeks to make the case for why empathy matters: how organizations lose sight of the real world and how they might regain that connection. The second section explores the mechanisms that allow human beings to connect with others and how we can create a widespread sense of empathy across a large group of people. The last section describes the payoff. It shows how widespread empathy can help companies to see opportunities faster, prosper for longer, ensure ethical conduct, and instill a personal sense of meaning in each of us as individuals.

As one of the founders of Jump Associates, I work with companies to help them find new opportunities for growth. I have the privilege of working with the leaders of some of the world's most innovative companies, foundations, and public institutions. Some of them are people you see profiled in newspapers and magazines. Others are folks you've never heard of but probably should have. I also spend time teaching designers and business school students at Stanford University. In the course of my work, I've received a lot of requests to talk to groups about innovation. And I tell them that the problem with business today isn't a lack of innovation; it's a lack of empathy. As you can imagine, that statement can cause some very different reactions, depending on whether I'm talking to toy designers or oil industry executives. It's amazing how quickly business people write off something that sounds too soft. But empathy is more than a warm and fuzzy notion best-suited for annual reports and greeting cards. It's the ability to step outside of yourself and see the world as other people do. For many of the world's greatest companies, it's an ever-present but rarely talked-about engine for growth.

REFLECT WHAT YOU SEE

The simplest way to have empathy for other people is to be just like them. Studies show that girls have an easier time understanding other girls and boys find it easier to understand other boys. People with common political leanings demonstrate a similar ability to connect. For companies, it's not surprising, then, that the quickest way to gain empathy is to hire your customers. Harley-Davidson is a great example of a company that has generated a widespread sense of empathy based on their employees' own experiences as riders. And that empathy starts in the parking lot.

A parking lot says a lot about a company. It can reflect an organization's hierarchy, its values, and how it sees the world. Some companies reserve the first row of parking for their customers. Others designate the best spots for senior management. At Harley-Davidson's headquarters, in Milwaukee, Wisconsin, a posted metal sign clearly states the company's priorities: "No cages. Motorcycle parking only." The second sentence is a translation for guests who don't speak motorcycle slang. Cages are what riders call automobiles, vehicles that lock people away from the wide, open world. You just drove over in a Ford Taurus that you rented at the airport? Welcome to Harley-Davidson. Parking is in the back.

Visitors to the company's headquarters soon discover that the parking lot rule is a sign of things to come. 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, signs, and exquisitely painted motorcycle gas tanks. On one wall, snapshots capture scenes from one employee's recent bike ride down the Gulf Coast of Florida. Other walls proudly display banners from rallies and other events, including the pilgrimage

that hundreds of thousands of riders make every year to Sturgis, South Dakota. Each floor of the building is named for a different Harley engine, from the V-Twin to the Evolution. Tables in the conference rooms are constructed from sheets of glass balanced on top of engine blocks. In some parts of the building, the air itself smells like leather.

Interesting and eclectic, the motorcycle memorabilia at Harley-Davidson isn't just for show. Every picture is a trophy, a placeholder for the larger story that Harley-Davidson's riders write together, customers and employees alike. People walking through the office invariably sport T-shirts and vests emblazoned with logos and place names, their clothing helping to paint a picture of the Harley lifestyle.

What's striking about Harley-Davidson is how people throughout the company, from the engineers in manufacturing to the accountants in finance, have an intuitive understanding of the riders who buy their products. The company cherishes this relationship and goes so far as to mandate that leaders throughout the organization spend measurable amounts of time out with motorcycle riders. It's important to point out that riding a motorcycle isn't a prerequisite to work at Harley-Davidson. Many people at the company don't. Nevertheless, the company is able to instill its values in employees who've never ridden a bike. It's not enough for Harley to simply hire its customers. Riders must have empathy with nonriders and vice versa. Cages are as unwelcome in Harley-Davidson's business philosophy as they are in its parking lot.

Harley's greatest period of success so far occurred between 1986 and 2006. While American car companies lost billions of dollars and laid off employees in ever-greater numbers, Harley enjoyed uninterrupted double-digit growth. Conventional wisdom dictated that U.S. companies entrenched in manufacturing

were burdened with high labor costs and excessive benefits packages, but Harley continued to make its motorcycles where it always has, in Wisconsin, while paying top dollar to its unionized workforce. Harley motorcycles commanded a premium over competitors from Japan and Europe, and people snapped up every single unit that the company could produce. A Harley-Davidson motorcycle came to stand in a class by itself, revered for the distinctive growl of its engine and the out-of-bounds lifestyle it evoked. The timeframe of Harley's sustained boom is no coincidence; that's when Harley made widespread empathy a key element of corporate strategy.

Before that, the company was on the verge of bankruptcy as strong Japanese competitors eroded market share and introduced cheaper, lighter models that undercut all of Harley's product line. In response, Harley refocused its attention away from itself and onto the people who rode its motorcycles. They energized the Harley Owners Group into an army of evangelists. Harley transformed itself into an icon of American freedom. The widespread empathy that Harley employees had for riders helped them make a thousand better decisions every day. Harley-Davidson commercialized new opportunities faster than its competitors, entered new businesses before success was certain, and enjoyed customer loyalty that was the envy of every other organization in the world.

When organizations like Harley are able to create that widespread sense of empathy, something interesting starts to happen. Over time, that implicit connection to the outside world helps blur the line between producers and consumers. Between inside the building and out. Between us and them. Harley likes to call the folks who buy its motorcycles riders, not customers, if only because so many Harley employees are riders themselves. As Lara Lee, Harley-Davidson's former head of services so aptly put

it, “We don’t spend a lot of time talking about ‘what consumers want.’ So far as we’re concerned, we are them and they are us.”

Harley’s connection to riders is so strong that it raises an interesting long-term challenge for the company, whose decades of earnings growth began to slow in 2007. How will Harley-Davidson connect to a new generation of young people who don’t want to ride what their parents did?

STEPPING OUTSIDE OF YOURSELF

Harley’s imminent challenge is one that many organizations share. It isn’t always possible to be your customers (consider, for instance, a pharmaceutical company that makes drugs for terminally ill patients). In those cases, it’s necessary to do something more than reflect what you see. To continue to grow and prosper, you have to get outside of yourself and see the world through the eyes of other people.

Gina Beebe does that as much as anyone. She’s the head of design at American Girl, a doll maker and book publisher that’s beloved by young girls and parents alike. American Girl was founded by Pleasant Rowland, a uniquely imaginative leader who dedicated her life to creating dolls and stories that would help girls learn and grow. Each doll represents a different time and place in America, from Kaya, a Nez Perce Native American from 1764, to Julie, a girl with divorced parents living in 1974 San Francisco. American Girl does more than just make dolls—they make compelling stories that resonate deeply with how girls see the world. That’s hard to do year after year. I asked Gina how she does that, given that she herself isn’t an eight-year-old girl. She thought about it for a moment and then smiled, “You know...in a way, I kind of am.” Gina talked about the joy she gets from seeing little girls flock to the company’s newest dolls and books.

And how she spends time reading the letters that young girls write to the company. And how the company posts those letters in the hallways for everyone to read and enjoy. Gina and the folks at American Girl are a wonderful example of how you can get yourself into someone else's mindset—and how that person's feelings can, in turn, get into you.

The ability to reach outside of yourself is even more important when you consider situations in which you need empathy for more than one type of person. Doctors, for example, can't have empathy for only other patients their own age. Teachers can't connect only with students who share their gender or ethnicity. For companies who seek to serve many different types of people, merely reflecting a single point of view isn't enough. Indeed, the ability to empathize with *multiple* types of people can be the difference between success and failure over the long term.

The ability of Gina Beebe and her colleagues to step into the mind of an eight-year-old is the real secret behind American Girl's success. It requires them to leave their own agendas behind, and actually care about how other people see the world. That's a powerful concept, but not a particularly new one. In fact, it was Dale Carnegie who first articulated that dynamic nearly a century ago, in his book *How to Win Friends and Influence People*. Carnegie was one of the world's first modern self-help gurus, and when you're the first, you don't need to be particularly surprising or counter-intuitive. In fact, his point was deceptively simple: If you want people to be interested in you, you should be genuinely interested in other people. That's a pretty straightforward lesson with relatively major implications. It means that if you walk up to me at a party and ask me how I am, how my family is doing, what movies I've seen lately, and how things are going at work, you're bound to get me engaged. In fact, by the

time you walk away, I'll be thinking, "Wow, I just met a really interesting person." That's because we talked about something I'm interested in—me! It's just human nature to be interested in people who are interested in you. That little bit of advice can go a long way to making a person more likeable. It's also a profound piece of advice for business. If you want to create products and services that other people care about, you should put aside your problems and start caring about other people's lives.

Creating that sort of empathic connection to other people can have profound effects on a company, beyond increasing its growth rate. In many cases, it can give new meaning to the work that people do. And often in today's world, it's that sense of meaning that we lack most of all. Most companies can offer competitive salaries, vacation packages, health insurance, and retirement plans. But too few of them can demonstrate any sort of connection between the work that we do everyday and a positive impact on the wider world. Beyond mere survival and provision for our families, many of us don't have a good reason to go to work in the morning. In addition to its economic impacts, increasing empathy for the people your company serves can help you see how much your job makes a difference in their lives. And that's the greatest reward of all.

FROM XBOX TO ZUNE

We began this introduction with an example of how empathy can help individuals to see the world in a completely different way. We end with an example from one of the largest companies on the planet, and how empathy helped it succeed in a radically new venture.

By the spring of 1999, the game console business had become far too big for Microsoft to ignore. Company executives had

watched as pioneers like Atari, and then Nintendo, developed the fledgling industry, built a fan base, and made it financially viable for both console manufacturers and game developers alike. But then, in the mid-1990s, Sony took the business to a whole new level. Sony had leveraged its vast technical capabilities to make PlayStation a worldwide success. Now, Sony was readying the launch of PlayStation 2. The PS2 was much more than the toys that had come before it. The console was a high-powered entertainment engine capable of playing DVD movies, importing digital video, and connecting to the Internet. And it did it all without using a single line of Microsoft programming code. Having successfully fought off rivals like IBM, Apple, and Netscape, Microsoft now faced the prospect of irrelevance as younger people came to spend more time on their video game consoles and less time on their PCs. Microsoft had little choice but to act.

The company was starting at a distinct disadvantage. Sony was the most powerful consumer electronics maker on the planet. It had years of experience to build on and a vast library of games that were hugely popular. Microsoft, by comparison, had relatively little experience in designing and selling hardware. The company wouldn't be able to put out its console until late 2001, by which time PS2 would likely be in 10 million households. More troublingly, Microsoft's experience in operating systems and office applications left it with very little feel for the new business.

To win, Microsoft was prepared to spend billions of dollars from its vast cash reserves without the promise of seeing a profit for many years to come. Recognizing that it was entering unfamiliar territory, the company set about assembling a team of engineers, designers, and marketers and charged them with creating the ultimate game console.

The developers decided that they shouldn't try to be everything to everyone. And they weren't going to focus on kids. Unlike Nintendo and Sony, Microsoft wouldn't build a console that would let prepubescent moppets play with magic mushrooms and fairy princesses who needed to be rescued. The team envisioned a game system that would serve up playable versions of action movies, with testosterone-fueled experiences that were even more immersive than any summer blockbuster. The new machine would be for hardcore gamers—the kind of guys who loved to kick some ass. Guys who spent hours playing intense, complicated, and sometimes violent computer games that got their blood rushing. Guys like...themselves.

Two years later, Microsoft launched the Xbox, which used the same electronics as a high-end PC, including a built-in hard drive. Its case was huge, knobby, and eye-scorchingly green and black. Xbox's signature game was *Halo*, an intense first-person shooter game that starred a masked hero known as the Master Chief who traveled across galaxies to repel hostile aliens.

Xbox was an overnight sensation in the United States. More than 5 million copies of *Halo* were sold, making it the top-selling title of its generation. More important, *Halo* helped define the Xbox as the must-have console for hardcore gamers. Although Sony was still able to outpace Microsoft on the strength of PS2, Microsoft used Xbox to shift the momentum. Xbox's next version, the Xbox 360, outpaced Sony's new PlayStation 3 in the United States by a margin of two to one. Microsoft had successfully found a way to compete with Sony. Less than a decade after entering the market, Xbox accounted for ten percent of Microsoft's total revenue and an even greater percentage of its top-line growth.

Xbox was so successful that Microsoft turned to the same scrappy team of developers when Apple's iPod became the

best-selling portable music player since the Sony Walkman. If the Xbox guys had done so well against Sony, surely they could do the same thing to Apple. On an incredibly tight deadline, the team that worked magic on Xbox threw its collective might behind an iPod-killer. What emerged in Fall 2006, however, barely dented Apple's armor. The Zune was a boxy gadget that looked like a thicker iPod, albeit in a not-so-stylish brown case. The interface was cumbersome and seemed designed for no one in particular. As one acid-tongued reviewer described it, the overall experience of using a Zune was about as pleasant as having an airbag deploy in your face. Not surprisingly, the Zune managed to sell about 2 million units in its first 18 months on the market. Apple sold more than 84 million iPods during that same period. Apple's dominance in the music player market remained untouched.

Why was the Microsoft team able to create such a compelling video game system only to churn out a mediocre portable music player? What makes a team deliver bravura performances one day and a fiasco the next? Here again, empathy played a huge part. As one member of the team confided, "The biggest challenge with Zune was trying to figure out who we were building it for. With Xbox, we knew those guys. Hell, we *were* those guys."

Microsoft succeeded with Xbox because it was able to leverage the empathy of its development team. Unfortunately, that empathy wasn't transferable. A brilliant connection with hardcore gamers didn't prepare Microsoft for the challenges of understanding Zune's market space. Being a reflection of one type of customer is certainly a quick and easy way to connect with a particular group of people. But to thrive over the long term, organizations need to move beyond their own views and discover what's happening in the rest of the world. They need to step outside themselves to see the world through other people's

eyes. People are wired to care. Organizations need to be wired to care, as well. When that happens, the effects of empathy can be profound. Companies prosper. Communities thrive. And we all have a better day at work.

Index

A

abstractions

making tangible

Disney example, 36-38

immediacy in, 38-39

maps as, 19-23

actions, biological basis for,

93-95

Lawrence Taylor example,

96-98

limitations of, 98-99

Adstar, 30

affinity

Bill Clinton presidential

campaign example, 73-78

biological reasons for, 71-73

loss of, 78-84

American automakers

example, 80-83

Xbox example, 67-71

airline industry example,

39-41

Allard, J., 70

American automakers

example, 80-83

American Express, 29, 33

American Girl, 12-13, 99

AMF, 174

amygdala, 114

Animal Kingdom, 36-38

Apple, 16-17

automakers example, 80-83

Avedis Zildjian Company,
50-58

B

Bachus, Kevin, 69

Back-to-School campaign
example, 146-150

Ballmer, Steve, 30

Banks, Carl, 98

Bear Hug. *See* Operation Bear
Hug (IBM)

Beck, Harry, 20-21

Beebe, Gina, 12-13, 99

Berkes, Otto, 69

biological basis

for affinity, 71-73

for emotional resonance

from memories, 112-114

for ethical behavior, 189-192

for walking in others'

shoes, 93-95

Lawrence Taylor

example, 96-98

limitations of, 98-99

Blackley, Seamus, 67-71, 214

Bodegger, Sandy, 101

The Body Silent (Murphy), 92

Boeing, 5

Bowerman, Bill, 100, 157

brain, limbic system, 112-114

emotional context

provided by, 122-123

Brocade, 182

Bush, George H.W., 74, 76-79

Bush, George W., 78

business, lack of empathy in,
115-116

C

call to service, 202-203, 213-215

Clorox example, 209-213

Gandhi example, 203-207

Joie de Vivre example,

200-202

low-interest category

products versus, 208-209

capitalism, London Farmers'

Markets example, 61-63

caring. *See* empathy

Carnegie, Dale, 13, 104

Carville, Chester, 74

Carville, James, 73-78

Carville, Lucille, 74

Chambers, John, 183-187, 195

Chandler, Mark, 184, 187

Chrysler Corporation, 81, 83

Cisco Systems, 182-187, 195

- Clinton, Bill, 73-78
- Clorox, 152-154, 209-213
- coffee industry example, 23-28
- Colaiuta, Vinnie, 56
- common man, connecting
with, 203-207
- companies
- creating empathy
within, 124-125
 - Open Empathy
Organizations
 - creating*, 129-130
 - employees as customers*,
133-135
 - experiential nature of
empathy*, 137-138
 - growth in*, 138-139
 - Nike example*, 129
 - open-windows analogy*,
130-133
 - routine nature of empathy
in*, 135-137
 - strategic planning*, 127-128
- company growth, empathy
and, 6-8
- Conley, Chip, 200-203
- consumers
- producers as
 - Harley-Davidson
example*, 172-178
 - kitchen gadgets example*,
165-172
 - value of*, 178-179
 - relationship with
producers
 - empathy in*, 63-64
 - Industrial Revolution*,
role of, 45-47
 - London Farmers'
Markets example*, 58-63
 - Play-Doh example*, 42-45
 - rift in*, 46-50
 - Zildjian Company
example*, 50-58
- contextual knowledge. *See*
intuition
- COPCO, 166
- corporations, lack of empathy
in, 115-116
- courage from face-to-face
meetings with customers,
108-110
- curiosity, importance of, 104

customers

- connecting with. *See also*
 - emotional resonance
 - from memories
 - Harley-Davidson example, 9-12*
 - Microsoft example, 14-18*
 - IBM example, 29-35*
- disconnect from, 28-29
 - Delta Airlines example, 39-41*
- employees as, 133-135
- face-to-face meetings with
 - courage resulting from, 108-110*
 - Mercedes-Benz example, 105-108*
- fulfilling expectations of, 146-150
- similarity to
 - Bill Clinton presidential campaign example, 73-78*
 - biological reasons for, 71-73*
 - loss of affinity, 78-84*
 - Xbox example, 67-71*
- cymbal industry example, 50-58

D

- Davidson, Willie G., 174-175
- Davis, Muffy, 86-87, 91
- Delta Airlines, 39-41
- design challenges
 - Play-Doh example, 42-45
 - senior citizens, emulating experiences of, 3-5
- Detroit, auto industry, 80-84
- Disney, 36-38
- disposable goods mentality, 152-154
- Dodge, 172-173
- dogs, limbic system in, 113-114
- DreamWorks Interactive, 68
- drum industry example, 50-58
- durable goods mentality, 152-154

E

- Eastman Kodak Company, 154-156
- economic history, Industrial Revolution in, 45-46
- economy, labor statistics, 119-120
- Eisner, Michael, 36-38
- elderly, emulating experiences of, 3-6
- Ellison, Larry, 30

- emotional context provided
by limbic system, 122-123
- emotional resonance from memories
biological basis for, 112-114
courage resulting from,
108-110
IBM example, 120-122
Mercedes-Benz example,
105-108
Pixar example, 110-112
Steelcase example, 116-119
- empathy. *See also* customers,
connection with; ethical
behavior; producers, as
consumers; producers,
relationship with consumers
affinity and
*Bill Clinton presidential
campaign example,*
73-78
biological reasons for,
71-73
loss of affinity, 78-84
Xbox example, 67-71
- American Girl example,
12-13
company growth and, 6-8
creating within
companies, 124-125
- emotional resonance
from memories
biological basis for,
112-114
courage resulting from,
108-110
IBM example, 120-122
Mercedes-Benz example,
105-108
Pixar example, 110-112
Steelcase example, 116-119
- everyday practice of, 135-137
- experiential nature of,
137-138
- Harley-Davidson example,
9-12
- intuition and, 35-36
- lacking in corporations,
115-116
- Microsoft example, 14-18
- Open Empathy
Organizations
creating, 129-130
employees as customers,
133-135

- experiential nature of empathy*, 137-138
 - growth in*, 138-139
 - Nike example*, 129
 - open-windows analogy*, 130-133
 - routine nature of empathy in*, 135-137
 - in producer/consumer relationship, 63-64
 - producer/consumer rift and, 49
 - as reaching outside yourself, 12-14
 - reframes and, 143-144, 164
 - role in meaningful work, 202-203, 213-215
 - Clorox example*, 209-213
 - Gandhi example*, 203-207
 - Joie de Vivre example*, 200-202
 - routine nature of, 135-137
 - senior citizens, emulating experiences of (example), 3-6
 - walking in others' shoes
 - biological basis for*, 93-95
 - Lawrence Taylor example*, 96-98
 - limitations of mirror neurons*, 98-99
 - Nike example*, 99-104
 - wheelchair example*, 85-92
 - employees, as customers, 133-135
 - environmental, office, 130-133
 - ethical behavior
 - biological basis for, 189-192
 - Cisco Systems example, 182-187
 - levels of Golden Rule, 194-196
 - Northwest Airlines example, 192-194
 - reciprocal altruism, 187-189
 - stock options example, 180-187
 - water-boarding as torture example, 196-199
 - everyday practice of empathy, 135-137
 - experiential nature of empathy, 137-138
- F**
- facilities management example, 116-119
 - Fadiga, Luciano, 94
 - Farber, Sam and Betsey, 165-169

Farberware, 166
farmers' markets example,
58-63
Fogassi, Leonardo, 94
Folgers, 24, 26
Ford, Henry, 80, 178-179
Ford Motor Company, 81-83
French Laundry
(restaurant), 110-111
friendship, value of, 178

G

Gadd, Steve, 50
Gallese, Vittorio, 94
Gandhi, Mohandas, 203-207
Gates, Bill, 69
Geffen, David, 68
General Motors, 181, 183
Gerstner, Lou, 29-35, 120-122
gift-giving analogy, 107-108
Giuliani, Rudy, 196-197
Gokhale, Gopal Krishna,
205-206
Golden Rule. *See also* ethical
behavior
levels of, 194-196
religious/cultural nature
of, 187-189
Google, 194-195
Gore, Al, 78

growth
empathy and, 6-8
in Open Empathy
Organizations, 138-139
gut sense
Disney example, 36-38
importance of, 35-36
role in empathy, 6

H

Halo (game), 16
Harley-Davidson, 9-12, 132,
171-178
Hase, Ted, 69
Hatfield, Tinker, 101
Hatfield, Tobie, 161
Hills Bros., 24, 26
hippocampus, 114
Hoffer, Kevin, 161
Honda, 82
hotel housekeeping example,
200-202
*How to Win Friends and
Influence People* (Carnegie),
13, 104
human connections
biological basis for, 112-114
courage resulting from,
108-110

IBM example, 120-122
Mercedes-Benz example,
105-108
Pixar example, 110-112
Steelcase example, 116-119

I

IBM, 29-35, 120-122, 132
immediacy needed in maps,
36-39
Delta Airlines example,
39-41
Disney example, 36-38
Industrial Revolution,
45-50, 208
inference of needs, 150-154
information simplification
coffee industry example,
23-28
dangers in, 19-23
lack of context with, 28-29
Intel Corporation, 135
International Harvester,
SRC (Springfield
ReManufacturing Center),
125-128
intuition
Disney example, 36-38
importance of, 35-36
role in empathy, 6

isolationism
avoiding, 179
dangers of, 6

J

Jell-O, 84
Jenkins, Adrianna, 72
Jimbo, Akira, 56
job growth statistics, 119-120
Joie de Vivre, 200-202
Jones, Papa Jo, 54

K

K2 (sports equipment
company), 47-48
Katzenberg, Jeffrey, 68
Keefe, Mike, 172-178, 214
Keller, Thomas, 110
Kiniry, Ed, 47-48
kitchen gadgets example,
165-172
Knight, Phil, 100, 157
Kodak, 154-156
Korzybski, Alfred, 21
Krauss, Robert, 92
Krupa, Gene, 50, 54

L

labor statistics, 119-120
laid-off employees example,
192-194

- learning by observation, 95
- Lee, Lara, 11, 171
- Lewis, Brad, 110-112
- Lexmark, 30
- limbic system, 112-114
 - emotional context
 - provided by, 122-123
- Loewy, Raymond, 170
- London Farmers' Markets, 58-63
- London Underground, 19-22
- low-interest category
 - products, 208-209
- M**
- maps. *See also* simplification of information
 - as abstractions, 19-23
 - immediacy needed in, 36-39
 - Delta Airlines example*, 39-41
 - Disney example*, 36-38
- market forces, London
 - Farmers' Markets example, 61-63
 - The Matrix* (film), 144
- Maxwell House, 23-28
- McCain, John, 197-198
- McCartney, Paul, 113
- McKinsey and Company, 29
- meaningful work, 202-203, 213-215
 - Clorox example, 209-213
 - Gandhi example, 203-207
 - Joie de Vivre example, 200-202
 - low-interest category
 - products versus, 208-209
- memories, emotional
 - resonance from
 - biological basis for, 112-114
 - courage resulting from, 108-110
 - IBM example, 120-122
 - Mercedes-Benz example, 105-108
 - Pixar example, 110-112
 - Steelcase example, 116-119
- Mercedes-Benz, 105-109
- Merck & Co., Inc., 5
- Mervar, Bob, 162
- Microsoft Corporation, 14-18, 67-71, 79
- Mintzberg, Henry, 128
- mirror neurons, 93-95
 - Lawrence Taylor example, 96-98
 - limitations of, 98-99
- Moccasins project, 85

Moore, Pattie, 3-6, 166-170
moral behavior
 biological basis for, 189-192
 Cisco Systems example,
 182-187
 levels of Golden Rule,
 194-196
 Northwest Airlines
 example, 192-194
 reciprocal altruism, 187-189
 stock options example,
 180-187
 water-boarding as torture
 example, 196-199
motor neurons, 93-95
multiple reframes, 157
 Nike example, 157-163
multiple types of people,
 empathy for, 13
Murad IV, Sultan of the
 Ottoman Empire, 51
Murphy, Robert, 92

N

Needfinding class, 42, 85,
 151-152
needs, inferring, 150-154
neocortex, 112
Netflix, 134
Nike, 80, 99-104, 129-130, 132,
 138, 157-163

Nintendo, 15-16, 70, 79
Northwest Airlines, 192-194

O

observation, learning by, 95
office environment, 130-133
Ogilvy & Mather, 31
Oldham, Todd, 149
Olds, Ransom E., 80
open-book management,
 125-129
open-windows analogy,
 130-133
Open Empathy Organizations
 creating, 129-130
 employees as customers,
 133-135
 experiential nature of
 empathy, 137-138
 growth in, 137-138
 Nike example, 129
 open-windows analogy,
 130-133
 routine nature of empathy
 in, 135-137
Operation Bear Hug (IBM),
 120-122
organizations
 creating empathy
 within, 124-125

- Open Empathy
- Organizations
- creating*, 129-130
 - employees as customers*, 133-135
 - experiential nature of empathy*, 137-138
 - growth in*, 138
 - Nike example*, 129
 - open-windows analogy*, 130-133
 - routine nature of empathy in*, 135-137
 - strategic planning*, 127-128
- OXO, 169-170
- P**
- Parker, Mark, 101, 162
- Parliament of World Religions, 188
- Patagonia, 195-196
- pattern identification, 21
- Peak* (Conley), 200
- Perot, Ross, 77
- Pfaff, Donald, 189-190
- Pixar, 110-112
- Planck, Nina, 58-63, 214
- Play-Doh example (design challenges), 42-45
- premotor cortex, 93
- presidential campaign (1992)
- example, 73-78
- producers
- as consumers
 - Harley-Davidson example*, 172-178
 - kitchen gadgets example*, 165-172
 - value of*, 178-179
- relationship with consumers
- empathy in*, 63-64
 - Industrial Revolution*, role of, 45-50
 - London Farmers' Markets example*, 58-63
 - Play-Doh example*, 42-45
 - rift in*, 46-50
 - Zildjian Company example*, 50-58
- Q-R**
- Ratatouille* (film), 110-112
- Raymond Loewy (industrial design firm), 3
- reciprocal altruism, 187-189
- reframes, 143-146
- empathy and, 144-145, 164
 - multiple reframes, 157
 - Nike example*, 157-163

- transformative power of, 156-157
- types of, 145-146
- Clorox example*, 150-154
 - fulfilling customer expectations*, 146-150
 - inference of needs*, 150-154
 - innovative solutions*, 154-156
 - Kodak example*, 154-156
 - Target example*, 146-150
- regulation, market forces versus, 61
- religion, Golden Rule and, 187-189
- reptilian brain, 112-113
- Republican presidential candidates, views on water-boarding as torture, 196-199
- Reyes, Greg, 182
- Rheinfrank, John, 154-156
- Rich, Buddy, 50
- The Rise and Fall of Strategic Planning* (Mintzberg), 128
- Rizzolatti, Giacomo, 94
- RJR Nabisco, 29
- Rohde, Joe, 36-38
- Romney, Mitt, 197
- S**
- Salvador, Tony, 135
- Schenone, Dave, 99-104, 157-163, 214
- Schultz, Howard, 27
- senior citizens, emulating experiences of, 3-5
- Sheffield Silver, 166
- Sick Building Syndrome, 131
- similarity to customers
- Bill Clinton presidential campaign example, 73-78
 - biological reasons for, 71-73
 - loss of affinity, 78-84
 - American automakers example*, 80-83
 - Xbox example, 67-71
- simplification of information
- coffee industry example, 23-28
 - dangers in, 19-23
 - lack of context with, 28-29
- Smart Design, 166-168
- Smith & Hawken, 137
- solutions, as reframes, 154-156
- Sony Corporation, 15-16, 68-71
- Spalding, 136-137
- Spielberg, Steven, 68

sports fashion example,
157-163
SRC (Springfield
ReManufacturing Center),
125-128
Stack, Jack, 125-127
Starbucks, 27, 104
Starr, Ringo, 50
Steelcase Corporation, 116-119
stock options example,
180-187
strategic planning, 127-128
street smarts. *See* intuition
Strungk, Nicolaus, 52
success, loss of affinity from,
78-80

T

Tandem Computers, 100
tangibility of abstractions
 Disney example, 36-38
 immediacy in, 38-39
Target, 133-134, 146-150
Taylor, Lawrence, 96-98
Theismann, Joe, 97-98
torture example, 196-199
Toyota, 5, 82
Tubbs Snowshoe Company,
47-48

U-V

University of Oregon, 100
Viemeister, Tucker, 168

W

walking in others' shoes
 biological basis for, 93-95
 Lawrence Taylor example,
 96-98
 limitations of mirror
 neurons, 98-99
 Nike example, 99-104
 wheelchair example, 86-92
water-boarding as torture
 example, 196-199
Webb, Chick, 54
We're Right, They're Wrong
 (Carville), 75
wheelchair example, 86-92
Wii (Nintendo), 79
work, meaning in, 202-203,
213-215
 Clorox example, 209-213
 Gandhi example, 203-207
 Joie de Vivre example,
 200-202
 low-interest category
 products versus, 207-209

- worldview, reframing, 143-146
 - empathy and, 143-144, 164
 - multiple reframes, 157
 - Nike example, 157-163*
 - transformative power of, 156-157
- types of reframes, 145-146
 - Clorox example, 150-154*
 - fulfilling customer expectations, 146-150*
 - inference of needs, 150-154*
 - innovative solutions, 154-156*
 - Kodak example, 154-156*
 - Target example, 146-150*

X-Z

- Xbox, 14, 16, 17, 67-71, 79
- Zildjian, Aram, 52-53
- Zildjian, Armand, 55-56
- Zildjian, Avedis, 50-51
- Zildjian, Avedis III, 52-55
- Zildjian, Kerope, 52
- Zildjian Company, 50-58
- Zune, 17