



DEV PATNAIK
with Peter Mortensen

Book Wired to Care

How Companies Prosper When They Create Widespread Empathy

Dev Patnaik
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Recommendation

Executives often know little about the people who buy their companies’ products and services. This is not surprising. To study people, you must care about them. However, most companies eliminate empathy from their operations. In essence, they proceed as if they have calculating, survival-bent reptile brains. Profits drive everything. This is an odd disconnect because corporate livelihoods depend on people – not lizards – and people’s brains are hardwired to be empathetic. Dev Patnaik (writing with Peter Mortensen) shows why firms that connect empathetically with their customers do better financially. He insists today’s cold-hearted, bottom-line business world has room for caring companies, and he points to IBM, Nike and Harley-Davidson as examples. The fact that empathy is also a strong business strategy is icing on the cake. *BooksInShort* suggests this fine book to CEOs, marketing officers and other executives who want to build their business by acting on their respect for their customers. As Patnaik explains on his blog, “Empathy isn’t about having a visionary leader. It’s about making customer information an easy, everyday and experiential part of working at your company.”

Take-Aways

- People are naturally empathetic. This tendency is hardwired into the human brain.
- Because of their “mirror neurons,” human beings react in a simultaneous and sympathetic manner to other people’s pleasure and pain.
- Although empathetic people create corporations, many businesses operate in a nonempathetic manner.
- It is as if they possess cold-blooded reptilian brains, not naturally empathetic (due to the limbic system) mammalian brains.
- Nonempathetic corporate leaders care only about profits, not about their customers.
- Consequently, they do not try to learn anything meaningful about their consumers.
- Many times this results in the development of products that don’t appeal to customers.
- Empathetic business leaders care about their customers and study them.
- Thus, they come to understand intuitively what will appeal to them most strongly.
- As IBM, Nike and Harley-Davidson demonstrate, this kind of empathy pays off in the marketplace.

Summary

Humans Are Hardwired for Empathy

When he played linebacker for the New York Giants in the 1980s and early 1990s, Lawrence Taylor was a fearsome competitor and an awesome physical presence on the field. He played like a man among boys, smashing quarterbacks with gusto. Taylor enjoyed knocking down other players. On November 18, 1985, the Giants

played the Washington Redskins, their division rivals, in a high-profile, televised Monday night football game. As usual, Taylor was all over the opposing players. They could not stop him.

“Learning to empathetically connect with customers can go a long way toward helping businesses prosper in the long term.”

In the second quarter, Taylor landed a particularly vicious hit on Redskins’ quarterback Joe Theismann, who crumpled to the ground like a rag doll, his right leg splayed out at a sickeningly unnatural angle; his leg had shattered in 12 places. He would never play football again. Normally after a big hit, Taylor would taunt the player lying on the grass, his finger in the man’s face. Not this time. Instead, Taylor beckoned wildly to the Redskins’ bench for help. Agitated, he “grabbed his helmet’s facemask in anguish,” pacing in circles, and constantly checking on Theismann, staying by him until the medics carted him away. Taylor had always exalted in demolishing opposing football players, but not this time. What accounted for his dramatic change in demeanor when he viciously knocked Theismann out of football for good? The answer: mirror neurons.

Mirror Neurons and the Limbic System

The human nervous system’s mirror neurons fire in automatic response to other people’s actions. These neurons enable humans to replicate the actions of others in their own minds, as if the brain interprets someone else’s motions as taking place internally. Mirror neurons are vital for learning. For example, watching someone perform a physical feat – say, hit a baseball – makes the same neurons that instantly light up in the ballplayer’s brain simultaneously light up in your brain. Thus, on a subconscious level, you are able to learn simply by watching. Mirror neurons enable people to experience the lives of others emotionally, through empathy. Thus, boxing fans physically wince when a heavyweight fighter knocks out his opponent. The fans react as if they each were the person on the ground. This is why Taylor went into such a panic after driving Theismann into the football field. “It was...as if he had been on the receiving end of his own hit.” On a subconscious level, Taylor emotionally empathized with Theismann’s horrific distress. For Taylor, it was just like his own leg was suddenly destroyed, his own professional football career ended.

“We all prefer to buy products from businesses that show real knowledge of our needs.”

Mirror neurons are only one of the elements in the human body’s amazing neural architecture that predisposes people toward empathy. The limbic system, the part of the brain that controls memory and emotion, is another. Reptiles have no limbic system, and, hence, no emotions. Their primitive brains have one mission: physical survival at all costs. They “are literally unable to care.” Thanks to mammals’ fully developed limbic system, human beings experience emotions. So, people care. Indeed, empathy for others is intrinsic to human physiological make-up.

Most Companies Are Like Lizards

Despite human beings’ basic hardwiring for empathy, most of the organizations that people create – including businesses – carefully eradicate emotion and empathy from their operations. Like reptiles, corporations focus only on survival, defined by profits, growth and shareholder value. As a result, businesses become “ethically neutral beasts.” When employees go to work, they often must “check their humanity at the door.” Corporate goals take precedence over everything else. Is it any wonder that many such organizations fall out of touch with their customers, the empathetic human beings that they intend to serve? Not surprisingly, such businesses often cannot remain competitive. Customers eventually stop buying from corporations whose actions show a lack of caring, no matter how much the companies’ ads claim that they love their customers.

“Our brains have developed subtle and sophisticated ways to understand what other people are thinking and feeling.”

Fortunately, not all businesses are “heartless” and reptilian. Some companies are empathetic and care about their customers. They try to learn all about their clients – who they are, what matters to them, what they care about and what makes them tick. They conduct their research in the most natural way possible, by spending time with their consumers. The people who try to shape companies to be empathetic as part of their basic culture find ways to learn what their customers like and dislike in comprehensive, penetrating detail. Then, they design and manufacture products and create services accordingly. Customers almost always love what empathetic companies produce and they show it through intense loyalty. The following profiles cover three companies that exemplify empathy for their consumers: IBM, Nike and Harley-Davidson.

IBM

During the early 1990s, computer giant IBM was in trouble. Its core mainframe market was no longer growing. Costs were out of whack. IBM vitally needed innovative leadership. Enter Lou Gerstner, former president of American Express and ex-CEO of RJR Nabisco. A technophobe, he had no experience with technology firms, but he was an expert at developing products that appeal to consumers. Many analysts did not believe that his experience would translate at a business-to-business firm like IBM. They believed that Gerstner should have broken IBM up into smaller firms and said that massive, unwieldy IBM could not survive in a marketplace dominated by niche players – Microsoft (software), Oracle (business data software) and Intel (microprocessors).

“Deep within the human brain lies the ability to look at what other people are going through and map their situation back to our own.”

Gerstner disagreed. He believed that IBM had become a great firm because of its huge size and formidable breadth of operations, not in spite of them. To him, its primary strength was the ability to develop singular computing solutions for its diverse customers across the globe. Gerstner commissioned a new “solutions for a small planet” advertising campaign that showed computer users from every walk of life, including Czech nuns and elderly Parisians, benefiting from IBM’s technological expertise, network know-how and superior equipment. His strategy worked. Within two years, the company was experiencing sizable growth in numerous business categories.

“Mirror neurons are the reason that when you watch a gory movie, you wince at any act of violence – your brain reacts as though you’re getting attacked.”

Why was Gerstner so insistent that IBM not be split apart? His empathy for IBM’s customers led him to want to keep all of the company’s resources united. Before he

became IBM's CEO, Gerstner was a primary IBM customer as head of American Express. The credit card giant depended on a "massive global information infrastructure," an extremely complex computer network and sophisticated software that had to interface perfectly with a huge telecommunications system. At Amex, Gerstner learned that only a giant, multifaceted firm like IBM could develop and maintain such a comprehensive system. He knew that Amex and other companies depended on IBM's "one-stop shop" approach. He was adamant that they would be able to continue to count on IBM.

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

Gerstner focused on IBM's customers. He pressed managers to tell him exactly what they were saying. In 1993, Gerstner launched a three-month program called "Operation Bear Hug." He sent 50 IBM senior managers and 200 of their staffers to meet with at least five top customers each. He instructed them to listen to the buyers' concerns and complaints – no selling allowed. Gerstner read every one of their short reports on these sessions. He became IBM's "chief explaining officer," telling customers how IBM could meet their needs and he turned IBM around. He put customers on a pedestal and empathized with them.

Nike

It is no surprise that Nike has a special feel for, and affinity with, its customers. University of Oregon track coach Bill Bowerman and some of his top runners founded the company with the sole purpose of designing and providing the best possible athletic shoes for people like themselves. Nike's headquarters are a runner's paradise. Many employees at the Beaverton, Oregon, head office run on the company's campus during their lunch hours and other times during the workday, with Nike's encouragement. Because so many employees are runners, they intuitively understand what other runners look for in athletic shoes and gear. They have an instinctive feel for what athletes want. Thus, Nike is able to conduct the most ideal form of market research: simply asking employees what they want in athletic shoes and clothing.

"We are far more predisposed to lapses in ethical behavior when we fail to put ourselves in other people's shoes."

Nike executives gather information constantly, and do all they can to stay close to their customers and share their ideas and feelings. For example, designer Dave Schenone devotes a great deal of time to hanging out with high school athletes across the U.S. He attends their track meets and cross-country races. He shops at the stores they like. Schenone wants to learn what young athletes think, what they like and what matters to them. He "walks in their shoes" so he has empathy for them. This pays off when he helps design new products. As Dale Carnegie wrote, "If you want people to be interested in you, take a genuine interest in other people." That is what makes Nike special. Its leaders care about athletes, even duffers and amateurs.

Harley-Davidson

Though U.S. car manufacturers have been hugely unprofitable over the past two decades, Harley-Davidson, the iconic American motorcycle company, has experienced double-digit sales growth. Why? The answer is basic: Virtually nothing separates the company from the people who buy its motorcycles. The company doesn't call them "customers"; it calls them "riders."

"The differences between the people inside a company and the people they serve don't have to be dramatic to cause significant problems."

Former Harley-Davidson services head Lara Lee explains, "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." Most Harley employees, from engineers to accountants, also are Harley owners and riders. Cars, called "cages," are items of derision at the company. Such vehicles can park only at the back of the headquarters building in Milwaukee. The building features countless banners, photos, signs and even motorcycle gas tanks handsomely painted with brilliant images. Everything about Harley celebrates the riders' lifestyle. In exchange, Harley owners feel only contempt at the idea of riding a foreign-made motorcycle. Members of the Harley Owners Group (HOG), who are all customers, act as evangelists for the company. Any business would find such consumer loyalty priceless. Harley creates loyalty by deeply respecting its customer base: the riders.

Seeing the Customers' World View

Companies that stay close to their customers and care about them as individuals are called, "Open Empathy Organizations." Their managers and personnel develop a special intuition about what customers want that surpasses traditional market research. In firms like Nike and Harley, no meaningful distinction separates employees and customers. Of course, this is not possible at all firms, but corporate leaders can and should make sure their workforce views the world as seen by the customers who depend on their products and services.

"People discover unseen opportunities when they have a personal and empathetic connection with the world around them."

Getting out where customers are and seeing things through their eyes is vital for businesses. Unfortunately, many businesses pursue formal market research, dry business reports, strategic plans and marketing forecasts instead of customer contact. This places an artificial barrier between companies and their customers. "Business happens out in the real world: in stores, on streets and in homes." Empathy – caring about your customers – makes abstract data meaningful. It provides the context for informed decisions about product and marketing development.

"Empathy can start at the top...but it needs to reach everyone to have an enduring impact."

Empathy is not just a marketing or business-growth strategy. It also provides companies and their employees with a noble mission: making customers happy and improving their lives. Plus, empathetic companies are ethical companies. Empathy gives jobs meaning and has the power to transform occupations into careers and, indeed, into callings. Empathy energizes employees. It makes them part of something larger than themselves. Think not? If you visit the headquarters of Nike, IBM or Harley-Davidson, you will find tangible proof of the incredible value of an empathetic work force. Empathy in business – as in life – makes all the difference.

About the Author

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