

# **The Compassionate Enterprise**

*By Ali Rushdan Tariq*

## **Roots**

The village of Chitral, Pakistan is nestled away in the North-Western tip of Pakistan, in the Khyber Pakhtunkhwa Province. A largely secluded valley of less than a million residents, Chitral is characterized by the rugged Karakorum mountain terrain, and a tapestry of wheat fields, rivers and farmland.

Chitral also is my birthplace. But I did not have much time to soak in many indigenous Chitrali traits; my parents immigrated to Saudi Arabia for work a few months after I was born. But every summer for the next 18 years we visited my ancestral land.

And every year, I would feel the culture shock of moving from an oil-rich country with abundant resources to a tiny and remote hamlet of a valley in Northern Pakistan. For the majority of my younger years I knew this culture shock only physiologically; they were mainly punctuated by malnutrition and cravings for my favorite breakfast cereals. Wholesome farm-made produce did not sit well with me. The older I got, however, the more consciously aware I became of more subtle cultural differences such as the reliance on technological advances in Saudi Arabia versus the blissful unawareness of technical constraints in Chitral.

The last time I visited Chitral was in 2002, at the age of 20. In the span of the last two decades or so, my native village had enjoyed some technological progress, but at a seemingly glacial pace. A local hydro-electric facility had been finally constructed—but it only had capacity to deliver electricity to the village for four hours a day. Radio towers had been erected throughout the valley—but only a handful of households were equipped with phone lines. Women still spent precious hours every day handwashing clothes because the plumbing and electrical infrastructure did not exist to support washing machines. And people still had to walk many miles to the nearest Western Union station to receive money transfers.

Amidst this gradual change, the youth of the village continued travelling southbound to the cities in increasing numbers. In search for apparently better opportunities. Their families hesitatingly watched their sons and daughters depart and undeniably longed for their return, a promise of better things to come. Prosperity for Chitralis is not merely a quest for individual betterment, but a force for societal change.

## **The Corporate Plight**

More than a decade later, in 2015, I am sitting in the lounge of Manulife Financial's Research Exploration and Development (RED) Lab in Communitech, a large co-working and innovation center for startups and enterprises in Kitchener-Waterloo, Canada. A handful of senior managers from the organization's Customer Support department are over at the lab seeking our perspective and input on how to solve a pressing problem they have been facing. Their specific challenge: how can they speed up the training process for new Customer Service Representatives and lessen their stress for their first few days of real client-facing support calls?

As a Design Leader at RED Lab, Manulife's Canadian innovation outpost, I am often involved in similar stakeholder meetings to try to parse and understand the problem with

which our business stakeholders are grappling. From these initial stakeholder meeting, we are able to discern and articulate what success looks like and to delineate any clear constraints. And then, armed with that shared understanding, we engage in 2 to 6 weeks of highly concentrated and cross-functional work to conduct user research, design explorations, and rapid prototyping of concepts that we test with real end-users or customers. The ultimate goal is always to learn from these experiments; what resonates with the users and what doesn't? Do we have a compelling solution on our hands or should we persevere in refining it? Or should we shelf it altogether? Whatever the case, hopefully, we are better off; an experiment that runs for a few weeks to answer such critical questions is much more palatable than spending many months and investment dollars only to find things aren't going according to plan. And for Manulife, one of the world's oldest and largest financial institutions, stationing RED Lab deliberately outside of its corporate walls and in a co-working space is an uncharacteristic, bold and necessary move.

However, this innovation model is not unique to Manulife nor is it new, in general. In a recent report by Capgemini, 88 innovation labs were reported to have opened globally in between the period of March – October, 2016<sup>1</sup>. From Coca Cola to British Airways, Marriott to even the NBA, corporate innovation labs are the rage. And this, despite the inconvenient truth that a number of innovation labs continue to shutter after a handful of years of operation, likely because they were not able to deliver value back to the parent company that had spurred them to soar mightily in the first place.

Why this frenzy? Simply put, it is in direct response to a phenomenon detailed by renowned economist, and inspiration to Peter Drucker, Joseph Schumpeter. In 1942, Schumpeter coined the term *creative destruction* to describe the "process of industrial mutation that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one."<sup>2</sup>

It is then, sensibly, not in the interest of corporations like Manulife—and indeed any organization big or small—to find themselves floating in the wake of another wave of creative destruction simply because they weren't ready for it. Ultimately, the mandate for innovation is primarily a fight for survival, and then, ideally, to grow and prosper. Given that Drucker was an active proponent for corporations and their role in the advancement and well-being of society, I am inclined to believe that he would have empathized very much with large corporations today

## **Bridging the Two**

The pursuit of prosperity, thus, appears to be something that both remote and underprivileged societies such as Chitral as well as large multinational enterprises like Manulife Financial can relate to. Curiously, however, for the former it appears creative destruction can't come fast enough whereas for the latter, creative destruction is a threat to survival.

How do we reconcile these?

Luckily, we can draw upon the works of Peter Drucker and his contemporary luminaries for some guidance. In his 1963 classic essay on "Managing for Business Effectiveness"

---

<sup>1</sup>Capgemini Consulting: The Spread of Innovation Around the World <https://www.capgemini-consulting.com/resource-file-access/resource/pdf/asia-innovation-centers-research.pdf>

<sup>2</sup>Capitalism, Socialism, and Democracy, J. Schumpeter, 1942

for HBR, Drucker mentions that “Business enterprise is not a phenomenon of nature but one of society.”<sup>3</sup> In this article and in other works, he consistently references to the operations of corporations as being a “social phenomenon”, where the activities of profit-making needs to be congruent with the needs of the larger society around which the organization exists.

To push this idea further, I was inspired by the words of Scott Anthony, Managing Principal of Boston-based innovation consulting firm, Innosight: “if you want to change the world, join a corporation”<sup>4</sup>. As an avid believer in the corporation, Drucker would likely agree with Anthony’s directive. Anthony proposes that we are moving away from an era of lone entrepreneurs and small startups and into the era of the Corporate Catalyst. He goes on to explain: “The [Corporate Catalyst] isn’t the mythical CEO ... it’s someone a couple or three levels down an organization who does something special. They bring together the unique difficult-to-replicate assets [of corporations] with those entrepreneurial behaviors and they catalyze them, unleashing impact in the markets that matter to them.” In a sense, Anthony’s Corporate Catalyst speaks to the ideals of the best managers that Drucker spent much of his prolific career advocating for; effectiveness at deploying limited resources towards the right impactful problems, and delivering big results in the most efficient way possible.

With a prior background in enterprise and startup work, the role of a Design Leader at Manulife RED Lab resonated with me along the same lines as those ideals that thought-leaders like Drucker and Anthony espouse. I strive to ask what, organizationally, we can do to drive positive change in people’s lives. As a financial organization that has operations in banking, wealth management, and life insurance, amongst a host of other services, we are uniquely positioned to care holistically about the livelihood of people.

In *Landmarks of Tomorrow*, Drucker explains the gradual “shift to a knowledge society”. That is to say, creating business and customer value through matters of the mind rather than the prior physical labour of the industrial age. In fact, by Drucker’s line of reasoning, this would mean that the organization that utilized knowledge most productively would enjoy true competitive advantage in the market, with most of the physical and repetitive grunt work either being outsourced or automated.

But what is less discussed, in my mind, is Drucker’s oft-repeated call for a higher sense of purpose and respect for life. He warned that a capitalist society could end up marginalizing groups of people “unless workers attain both income and dignity”. This call for balance between financial prosperity and a prosperity of self-worth highlights, in my mind, a need to go beyond knowledge. If creativity is the driver to harness knowledge in interesting and impactful ways, then, I would argue, the missing ingredient that would take into account people’s dignity and circumstances is compassion.

How then can we marshal up our collective compassion for others, mobilize it with creativity and knowledge, and deliver market-winning results that promote inclusive prosperity?

Below, I offer a few ways this can be achieved, based on experiences and lessons I have learned as a designer, leader, citizen of the East and West, and student of innovation.

---

<sup>3</sup>Managing for Business Effectiveness, HBR, *P. Drucker*, 1963

<sup>4</sup>The Empire Strikes Back, Creative Innovation, *S. Anthony*, 2013

## 1) Give and seek permission to try

There is a popular adage I have heard many times over in the entrepreneurship community which never sat too well with me: “it’s better to ask for forgiveness than for permission”. This promotes the idea that the power to make change is in your own hands and that considering others will just slow you down. At best, this can admittedly spur action, but at worst, it shuns the concerns of others and compromises collaborative solution-making. The most dramatic example of the latter in recent memory is that of Uber, an app-based ride-sharing company which apparently didn’t see the need to ask for any counsel or permission to enter new communities. This not only won them the ire of regulators and some distressed local economies, but it arguably also permeated a corrosive culture in the organization of brash action-taking without much attention paid to employee dignity and permission.

On a more general note, many managers expect their direct reports to be constantly hit with inspiration and be ready to share bold ideas and solutions. My experience has shown that great and creative ideas rarely come out of a passive environments that make no attempt to spur and protect new thought. They need to be permitted to happen.

In the earlier story of the senior executives from the Customer Service Team coming to the RED Lab to get some advice on how to improve the training process, something interesting happened. Looking at the execs straight in the eyes, my manager made a reference to Star Wars—that new trainees were like Jedi-in training who needed to be cultivated into masters of their own destiny. It was an odd departure from a typical business meeting.

But it rang some bells in me. Riffing off of that idea, I immediately was reminded of another Sci-Fi work: Ender’s Game by Orson Scott Card. Specifically, I was reminded of how, in the story, children was being trained to fight an alien threat by way of virtual simulations. Only the final reveal was that the simulations were not simulations after all—they were the real thing. By veiling that reality, any potential battlefield anxiety was quelled. I relayed this story back to the Customer Services team and suggested they could perhaps put some of the trainees on a few actual calls without informing them that the calls were real. In the same way as in Ender’s Game, the CSRs would be more relaxed when taking the calls and perform better. The team was intrigued by this approach and even started suggesting their own add-ons to it. They went back to assess implementing the idea at some level.

The only reason I was comfortable to share that idea to a group of senior managers was because my own manager had cited a pop-culture reference; by setting an example, he had implicitly given me permission to speak up and express a bold idea.

By the same token, I have since also allowed my direct reports to take bold chances in their day-to-day prototyping tasks. On one such occasion, while brainstorming new ways to track patient moods, they briefly mentioned perhaps having users take selfies with an app that would then analyze and score their smiles. However, the team of interns felt the idea was too wild and quickly passed on it in favour of more traditional “safe” ideas. I decided to step in and started expanding on the what-if scenarios of using selfies as a mood tracker, after which the team was comfortable enough to go ahead with it. After two months of working on it, they were able to put together a pitch and prototype that earned them the Number 1 award at an internal innovation challenge.

## 2) **Be a storyteller**

Drucker once purported that “a business enterprise has two—and only two—basic functions: marketing and innovation”. It is thus very telling that renowned and prolific marketer, Seth Godin, emphatically stated: “marketing is no longer about the stuff that you make, but about the stories that you tell.”

As a designer, problem-solver, and innovator, my work is usually only as good as the story I weave to convey my team’s work. At multiple stages during a 2 – 6 week engagement with internal business stakeholders, our preferred way of keeping all parties on the same page is by walking them through the aspirational user/customer journey that we are designing for which we feel would deliver the high-value points and diminish if not eliminate any pain-points. Essentially, this is the story of the customer and her journey to self-fulfillment.

Stories receive visceral reactions, are easy to remember, and can evoke empathy towards others. It’s the reason why so many of us enjoy going to the movies or reading a good book. But the act of making and telling stories is also a great mechanism for thinking through a problem. And in fact, at the Lab, we almost always start all our projects by taking a moment to draft out a one-page story that showcases our target customer using a theoretical solution and benefiting from it.

I believe, similarly, if we were to use stories to envision and deliver the current state of affairs in the lives of our customers and societies and then paint an inspirational future state of prosperity and success, we will become much better influencers of change.

## 3) **Spend more time with your society**

Today, it is a common practice for enterprises to give back to their communities through Corporate Social Responsibility initiatives from volunteering to fund raising. These periods of social giving, however, usually happen in finite time boxes of a few weeks per year. More importantly, as welcomed as they are, I believe they can be made even more effective in truly building long-lasting compassion.

In an interview with Forbes shortly before his death, Drucker suggested one way to reinvigorate employees: “Encourage people facing a midlife crisis to apply their skills in the non-profit sector”<sup>5</sup>. Drucker was not timid about his beliefs on the role of social responsibility and non-profits. I believe there is a lot to be gained by working with the social sector, even for people who are not in mid-life crisis! The accounting and auditing firm, KPMG, for example, in a partnership with United Way in Canada, the largest non-governmental social service provided in the country, sends employees for 6 month – 1 year engagements as a way to utilize their professional skills for social good. From anecdotal experience, this kind of program was just the bolt of reinvigoration and purpose-making that convinced a few of my friends that their skills and work mattered and that their employers cared.

Just like how students in university seek internships to gain work experience, I believe corporate employees also need to be supported in seeking extended periods of

---

<sup>5</sup>Interview with Peter Drucker, Forbes  
[https://www.forbes.com/2004/11/19/cz\\_rk\\_1119drucker.html](https://www.forbes.com/2004/11/19/cz_rk_1119drucker.html)

engagements with companies from the social sector and bring them closer to the problems of real people on the ground.

## Looking ahead

And in an age where rapid advances in AI, machine learning, and automation are worrying policymakers and think-tanks at the thought of large job losses, ironically, it's the most human of traits that offers us solace. In her wonderful essay for Aeon, *The Future is Emotional*, Livia Gershon argues:<sup>6</sup>

*“There’s an enormous opportunity before us, as robots and algorithms push humans out of cognitive work. As a society, we could choose to put more resources into providing [better resources and rewards to those] who perform the most emotionally demanding work for the smallest wages. At the same time, we could transform other parts of the economy... to really engage with the people in front of us.”*

Creative compassion, I believe, is what can get us there. Just as we evolved from an industrial, utilitarian worker to Drucker's knowledge workers, the competitive advantage going forward, I believe, lies in the compassionate enterprise.

To put it in simpler terms, we've moved from being productive and impactful using our hands, to using our minds, and are stepping into an era of using our hearts. And I believe Drucker saw it coming a long time ago.

---

<sup>6</sup>The Future is Emotional, Aeon, L. Gershon, 2017 <https://aeon.co/essays/the-key-to-jobs-in-the-future-is-not-college-but-compassion>