

# DEVELOPING A HUMAN CENTERED BUSINESS INDEX

## Leading with Purpose, Empathy, Systems-Approach and Resilience in ‘Business Beyond Sustainability’

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**Abstract:** The scope of contemporary global challenges demands new modes of problem-solving, and the process of identifying solutions requires a diversity of perspectives. Business plays a critical role in forging the path forward, yet siloed sustainability efforts are no longer sufficient in tackling and leveraging the complex web of relationships and stakeholders at play. This paper introduces the concept of *Human Centered Business*, including the methodology and applied research that resulted in the Human Centered Business Index –a framework that measures performance based on *purpose, empathy, systems-approach* and *resilience*– and its findings. It provides a methodological and empirical blueprint for highlighting future frontrunners of Human Centered Business, and encourages future application, development, and good practice. The expectation is that this pilot assemblage of methodology, applied research and good practice will ignite further discussion on the future of Human Centered Business.

**Keywords:** Human Centered Design, Human Centered Business, Sustainable Business, Sustainability, Purpose, Empathy, Systems-Approach, Resilience.

### 1. Business beyond sustainability – introducing a human centered approach

Few would dispute the claim that the size, scope and complexity of contemporary global challenges demand new modes of problem-solving. The process of identifying practical solutions requires a diversity of perspectives, approaches and capabilities. In forging the path forward, business plays a critical role, yet siloed sustainability efforts are no longer sufficient in tackling and leveraging the complex web of relationships and stakeholders at play in the current business context. At the same time, an ever-increasing availability of knowledge has changed the rules of the field.

This study introduces the concept of *Human Centered Business*, the methodology and the applied research through which the final Human Centered Business Index evolved, and its empirical findings. The Index measures performance based on the metrics of *purpose, empathy, systems-approach* and *resilience*, and facilitates com-

paring, tracking and communicating progress and development.

The aim of the study is to provide a methodological and empirical foundation for highlighting future frontrunners of Human Centered Business. The study, methodology, and final Index should not be seen as definitive; rather, they are intended to serve as blueprints for future application, development and encouragement of good practice. The expectation is that this pilot assemblage of methodology, applied research and good practice will ignite an ever-livelier discussion on the future of Human Centered Business.

#### 1.1. The Current Gap

Thirty years of work in the sustainability field has closed the knowledge gap in a wide range of issues. In 1987, The World Commission on Environment and Development released a report commonly known as “The Brundtland Report”, which defined sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (World Commission on Environment and Development, 1987). While the economic pil-

lar used to be the sole parameter of interest to business leaders, owners and investors, environmental and social sustainability considerations are now front and center (McDonough and Braungart, 2002; Esty and Winston, 2006; Birchall et al., 2014). Many have made the claim that reporting must be integrated, as ‘financial’ and ‘non-financial’ objectives no longer should be viewed separately (Eccles and Krzus, 2010; Eccles and Saltzman, 2011). The premise that sustainability no longer can be held apart from core business has also been reiterated in global frameworks, including The United Nations Guiding Principles on Business and Human Rights, also known as the ‘Ruggie Principles’ (United Nations Human Rights Office of the High Commissioner, 2011).

‘Business beyond sustainability’ requires a thorough integration of sustainability with core business, yet how do businesses and organizations maintain momentum and practice sustainability in their core operations when sustainability is to be mainstreamed everywhere? Instead of reaping the benefits and opportunities of bringing sustainability into their core operations, businesses and organizations run the risk of inundation by checklists when sustainability continues to occur in separate and isolated sets of policies. The current gap is therefore not one of knowledge, but one of practical skills. The question is therefore how to *do* sustainability in everyday business practice (Vogel, 2005), and what leaders need to do to approach sustainability in a holistic manner, or even to move *beyond* sustainability – that is, to allow sustainability to permeate all aspects of core business, and to create value in multiple dimensions. With an ever-growing number of perspectives and approaches – each of which has the potential to impact business–businesses, organizations and decision-makers need new sets of skills in order to remain agile and relevant in a shifting landscape.

## 1.2. *Four Principles of Human Centered Business*

Having established the need for a skillset for practicing sustainability, we sought to identify principles for leadership through an iterative and collaborative approach that drew on dialogues with, and input and ideas from, 14 experienced researchers, advisers and practitioners<sup>1</sup> in human centered design, systems change and social innovation, each of whom is at the forefront of their fields. Human centered design was widely recognized as an answer to the ‘how’ question, as well as a form of

literacy that organizations need in order to tackle increasingly complex challenges in a meaningful way – and to do so with *people* in mind (Pete Maher, interview, October 12, 2015). The importance of adopting a ‘people first’ approach – as opposed to a ‘technology first’ approach – was underlined by several interviewees. The trouble with excessive reliance on technological solutions is the time that is wasted on discussing what a certain piece of technology is for; this is often due to an inadequate understanding of human cognition, emotional response, psychology and sociology – that is, what people want (Joseph Giacomini, interview, September 25, 2015; Chokdee Rutirasiri, interview, October 16, 2015). Human centered design is therefore a step towards testing the system implications of a solution or product; initiating a solution at a human level allows for further experiments that assess its scalability, both for the company and the ecosystem it operates in (Tim Ogilvie, interview, November 4, 2015).

This process resulted in defining Human Centered Business as characterized by *four principles for leadership*. Firstly, **purpose** is related to the meaning derived from carrying forward values-driven work; the purpose of the business activity is described and acted on in relation to core business, and the company’s actions align with this purpose. The importance of purpose was widely acknowledged, viewed as something derived daily from relationships, and from serving needs greater than our own (Aaron Hurst, interview, December 1, 2015). Initially defined as the reason for which something is done or created, or for which something exists, purpose in the ‘purpose economy’ – an economy driven by peoples’ quests for purpose in their lives – goes beyond serving others and the planet by encompassing the opportunity for community-building, self-expression and personal development (Hurst, 2014). In accordance with this definition, 28 per cent of the U.S. workforce is deemed to be purpose-oriented (Imperative and New York University, 2015). Organizations can do a great deal to infuse their work with purpose, and to help employees understand that customers are appreciating their business for a reason (Tara Sophia Mohr, interview, December 14, 2015).

Secondly, **empathy** – the ability to place oneself in the shoes of the stakeholder – should be embraced as a foundational element of better business. A human centered business is aware of the significance of empathy delivered to the entire marketplace – from customers to employees and the public. This principle was widely recognized as crucial; empathetic human connection compels people to act on others’ behalf, and innovation

<sup>1</sup> Listed in a section in the reference list.

that stems from empathy becomes more meaningful on the market (Tim Urmston, interview, November 10, 2015). Respecting the knowledge of people whose experiences differ from our own requires a recognition of our own inability to fully know the subjective experiences and aspirations of others (Valerie Fletcher, interview, October 5, 2015). This form of respect, humility and empathy has clear implications for businesses and organizations, who must remain conscious of the fact that they themselves are not the audience for their solutions; ultimately, the goal of bringing solutions and products to the marketplace is to improve peoples' lives, not to simply make organizations more profitable or efficient (Chokdee Rutirasiri, interview, October 16, 2015). This increased awareness of how customers may inhabit entirely different worlds means that businesses can no longer operate solely for their own financial success, and that the skill of empathy and understanding must be added to decision-making processes. Deep knowledge of people, places and contexts – which is required for systemic change – comes from human centered design, as complex challenges cannot be solved from afar; instead, they must be understood through co-learning and empathetic encounters with customers, meaning that businesses and organizations must change their mindsets by abandoning the idea that they already possess all the answers (Debbie Aung Din, interview, September 29, 2015; Christian Madsbjerg, interview, October 15, 2015). Consequently, a human centered approach that embraces empathy as a skill is one that acknowledges the ground level of our humanity, our access to emotional encounters, and our ability to connect or disconnect with fellow human beings. Using empathy thus allows us to shift away from quick fix approaches, and instead focus on that which creates meaning for the stakeholder (Ray Fleury, interview, September 23, 2015).

Thirdly, in order to move away from 'linear' forms of thinking – where the emphasis is on 'fixing' isolated problems – towards a holistic view of sustainability, businesses and organizations must embrace a **systems-approach**. Interviewees made references to McDonough and Braungart (2002), stressing how simply making a product more efficient is insufficient to face challenges related to environmental damage; rather, we must rethink how products are created altogether, and avoid 'closed system loops' (Heather Fleming, interview, November 4, 2015). Many 'old school corporations' still view sustainability and social missions as segregated pieces, rather than as keys to their identity as an organization (Maria Redin,

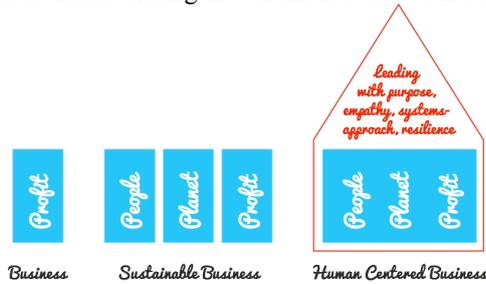
interview, October 18, 2015); however, there is a growing awareness of the fact that customers experience *full* experiences, not siloed segments of experiences (Chokdee Rutirasiri, interview, October 16, 2015). Having said that, stakeholders will not be able to embrace a system unless systems-thinking stems from a human-centered level (Tim Urmston, interview, November 10, 2015). It is imperative to connect systems-thinking to human centered design, and to not lose sight of the people and communities that are being impacted (Scott Shigeoka, interview, October 1, 2015).

Finally, **resilience** is defined as adaptability and flexibility, and a willingness to innovate and iterate in situations that demand problem-solving. This involves ensuring the self-sustenance of the company's core operations (Chokdee Rutirasiri, interview, October 6, 2015), but also the importance of learning through engaging with a diversity of stakeholders, in particular those who break comfort zones. One of the most challenging tasks for businesses and organizations is to reject comfort and embrace a certain level of vulnerability, that is, to refrain from professing that your own perspective is adequate for problem-solving, and to recognize the critical role of the user (Valerie Fletcher, interview, October 5, 2015).

### ***1.3. Mastering the Skills of Human Centered Business***

A human centered business is a forward-thinking organization that has moved beyond mainstream notions of sustainability using the skills of Human Centered Business, which entail leading with *purpose, empathy, systems-approach* and *resilience*, and allow for more connectedness in a rapidly changing world. These principles are rooted in the belief that problems are solvable, and that their solutions are located in people and relationships; furthermore, having 'champions' and role models within leadership is key (Googins, Mirvis and Rochlin, 2007; Herrera, 2011). Adopting this approach requires problem-solving and targeted efforts to prioritize a more diverse range of stakeholders. This does not suggest re-imagining or re-defining sustainability altogether, but rather to *transcend into* Human Centered Business. The key is to master the skills to assemble and integrate lessons from a variety of stakeholders across the traditional understanding of sustainability, and to leverage these lessons in strategy and business development.

Figure 1. Transcending into Human Centered Business



Source: *Lumen Behavior*, 2016.

#### 1.4. Leveraging Human Knowledge: The ‘Stakeholder’ as a Key to Human Centered Business

Previous research has emphasized the importance of stakeholder engagement throughout the whole process, as well as a continuous evaluation of the process, from design to producers and consumers (Esty and Winston, 2006; Herrera, 2015b). Stakeholders generally expect businesses and organizations to behave sustainably and responsibly (Porter and Kramer, 2011; Smith, Drumwright and Gentile, 2010), and those who commit to real efforts to address this dimension will also improve their competitive advantage (Herrera, 2015a). Responsible innovation is supported through clarity in purpose and stakeholder engagement (Pfitzer, Bockstette and Stamp, 2013), and companies are more likely to respond successfully to challenges – and create foundations for collaboration – when knowledge-sharing and co-creating opportunities are enabled through active stakeholder engagement (Svendson, 1998; O’Sullivan and Dooley, 2009; Pfitzer, Bockstette and Stamp, 2013; Herrera, 2015a). These ideas have also been reiterated by practitioners in the field, who emphasize that stakeholders must be understood *as well as* brought into the conversation (Scott Shigeoka, interview, October 1, 2015). Thus, while affected by the actions of companies, stakeholders also affect the ability of businesses and organizations to bring new products, services and solutions into being; this makes the ability to involve stakeholders with divergent backgrounds, ideas and positions –and to embrace this heterogeneity as an opportunity to identify innovative solutions through co-learning– truly crucial for enacting change (Pete Maher, interview, October 12, 2015). Embracing stakeholders –the individuals, groups and systems that impact and are impacted by business– is therefore key to transcending into Human Centered Business, and the reason why sustainable business must be *human* centered.

Furthermore, innovation requires an understanding of both the stakeholder *and* the macro-environment (Ferauge, 2013), as human beings constitute parts of both the problem and the solution. A powerful way to engage in stakeholder dialogues is to acknowledge each individual as someone possessing a unique value, and whose testimonies must be understood with empathy. It is also imperative to consider how these individuals are embedded in wider structures. This way of conceptualizing stakeholders – as both individual agents and parts of systemic processes – certainly brings its challenges. Stakeholder interests are not necessarily aligned with business aims at all times, and every so often this will generate friction and conflict. However, change and progress is enabled when businesses and organizations draw strength from subjective realities and experiences, and understand the contexts that both produce, and are produced by, personal narratives.

## 2. Methodology

Having identified the four principles of Human Centered Business, and given the need to develop practical ways of *doing* sustainability in a shifting business landscape, Human Centered Business Index was developed as a tool for identifying front-runners of Human Centered Business. The Index can be applied as an instrument for analyzing an individual company, as well as a benchmark for a national market or sector in its entirety.

Empirical research was conducted between 2014 and 2016, resulting in the first annual Human Centered Business Index Report, which was published in March 2016. The Index will be revised and updated periodically as a continued support for businesses and organizations. It was also validated in an iterative stakeholder-inclusive process, meaning that stakeholders to this study – from customers to advisers and businesses – were involved and consulted throughout the working process, from the initial stages of concept development, to the final feedback gathering. Future updates and revision will continue to employ stakeholder-inclusive validation processes, as well as extend the range of stakeholders involved. The following sections provide a review of the material, as well as a breakdown of the different phases of the study leading up to the Index.

## 2.1. Material Use

### 2.1.1. Interviews With Customers

In order to identify recurring patterns and themes, interviews were conducted with our clients' customers. The stakeholder dialogue with customers consisted of 887 qualitative interviews – half of which were conducted in Sweden, while the rest were conducted with customers globally<sup>2</sup> – as well as 6610 respondents in an extensive survey study. This sums up to 7497 customers between the ages of 2 and 94. This phase took place between January 2014 and February 2016.

Seeing that our clients work across diverse markets that involve a large number of customers, an iterative sampling of participants was made, largely based on existing networks, snowballing techniques and chain-referrals. Although well aware of the possible bias that the use of snowballing and chain-referrals may entail, the study sought to ensure diversity in terms of gender, age, ethnicity, and profession. The 'field' of key participants was large enough for this to be possible. Interviews were conducted either in person or by phone; however, the mode of interviewing was not determined by geographic location as many of the interviews took place during field trips. All the respondents have been anonymized in the final study.

The length of interviews with customers ranged from 15-20 minutes to 45-60 minutes. Recurrent interviews –with respondents who participated more than once– added up to more than 120 minutes each. Interviews were open-ended and not based on previously prescribed questions –this was to create space for adaptation and allow for difference, but also to align the interview process with the empathetic and dialogical elements that characterize Human Centered Business. Human Centered Business is not premised on seeking 'correct' or 'desirable' answers to pre-determined questions, but to read for detail, difference and unexpected possibilities by capturing the subjective experiences of the respondent. Asking precise yet open-ended questions helps the respondent to visualize their own narrative, and allows us to avoid leading questions and generic answers. Consequently, as part of this methodological approach –of entering each encounter with empathy– each interview was adapted to the respondent's

age, situation and cognitive abilities. The interviews were conducted either in Swedish, English, or with the help of translators. Thematic data analysis of the statements of the 7497 participants provided insights that fed into the development of Human Centered Business Index.

### 2.1.2. Interviews With Researchers, Advisers and Practitioners

In the iterative process of identifying the four principles of Human Centered Business, the study drew on input and ideas from 14 experienced researchers, advisers and practitioners<sup>3</sup> in human centered design, systems change and social innovation, each of whom is at the forefront of their fields. Interviews were conducted either by phone or on Skype.

### 2.1.3. Interviews With Frontrunners

After the Index was developed and used to identify ten frontrunners<sup>4</sup> in Human Centered Business, interviews were conducted with their representatives, either in person or via phone and email. This provided detailed insights into their practices, as well as the business implications of Human Centered Business.

### 2.1.4. Publicly Available Materials

The study also drew on publicly available materials from each business and organization. However, this was not limited to what organizations typically classify as 'sustainability information', seeing how Human Centered Business is rooted in the principle that successful companies will have integrated their corporate responsibility into the core of their operations, not as a separate set of policies. Publicly available information about the operating frameworks of the organizations provided a comprehensive picture of how the skills of *purpose*, *empathy*, *systems-approach* and *resilience* are implemented into strategy and everyday business.

## 2.2. Phase I: Qualitative Customer Analysis

This phase –consisting of interviews and survey studies involving customers– identified gaps and was a collective step towards establishing Human Centered Business as a solution. It was during this phase that the importance of capturing stakeholder knowledge and the value of engaging 'the critical customer' emerged.

<sup>2</sup> Respondents came from the following countries: Belarus, Cambodia, Estonia, Gambia, India, Kazakhstan, Latvia, Lithuania, Mozambique, Russia, Senegal, Sweden, Thailand, United States, and Zimbabwe. Surveys were sent to respondents in: Brazil, Chad, the Democratic Republic of Congo, Ghana, Mozambique, Nepal, the Philippines, Rwanda, Senegal, South Africa, Tanzania, and Zimbabwe.

<sup>3</sup> Listed in a section in the reference list.

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In situations where the stakeholder map is diverse, obtaining knowledge carried by individuals is an effective and innovative way to inform decision-making. The key is to capture that which is said beyond the boardrooms. Albeit having the initial appearance of being time-consuming or challenging, there is added value in engaging stakeholder groups that have no or little formal influence over the decision-making processes of an organization. This stems from the fact that these individuals have no particular vested interest in preserving existing structures, meaning that they have the potential to challenge, develop and expand knowledge. This is why a large portion of this study was dedicated to extensive dialogue with stakeholders, all of whom represent customers in both specific and general terms. The process allowed us to gauge customers’ expectations of sustainable business in the future, and strongly validated the gaps in the current operating framework of sustainable business.

**2.3. Phase II and III: Developing the Framework in Partnership with Advisers, Identifying Business Actors and Screening the Index**

This phase further developed and refined the Human Centered Business framework by taking stock of input, ideas and advice provided by 14 experienced researchers, advisers and practitioners in human centered design, systems change and social innovation from across the world.

The first test of the framework was conducted in the Swedish market, which had been identified as an early adopter market by the 14 aforementioned

individuals. 250 Swedish companies were identified for the first screening of the Index. This was completed through the support of a qualified nomination network that considered for-profit ventures of all sizes. The nomination network itself was composed of 20 individuals (eight men and 12 women) representing non-profit organizations and NGOs, research institutes and enterprises of various sizes, ranging from social enterprises to multinational companies.

**2.4. Phase IV: Constructing the Final Index**

The Human Centered Business Index is the outcome of a *three-dimensional analysis* of each company. The three dimensions are:

- 1. **Principles** – The four principles of Human Centered Business
- 2. **Indicators** – 12 indicators of the standard operating framework
- 3. **Criteria to determine score** – Criteria based on GRI definitions of content and quality in disclosures

In this final stage, the Human Centered Business framework was indexed through a summary measure of its four principles (*purpose, empathy, systems-approach* and *resilience*) and the 12 indicators of a standard business-operating framework. These indicators enable a more complete capture of core business and the standard operating framework of a given company, thus moving away from the emphasis traditionally placed on policies specifically pertaining to ‘sustainability’ or ‘corporate social responsibility’:

Table 1. 12 indicators of a company’s standard operating framework

Indicator	Indication
<b>Mission</b>	The aims of the organization.
<b>Vision</b>	What the organization aspires to achieve.
<b>Values</b>	The core beliefs of the organization.
<b>Priorities</b>	What is deemed necessary, important or needed in the near future.
<b>Approach</b>	How challenges are tackled in practice.
<b>Key assets</b>	The resources key to performance.
<b>Strategy</b>	The choices made to bring about a desired future.
<b>Services/products</b>	What the organization offers.
<b>Value chain</b>	The chain of activities conducted to deliver products or services to the market.
<b>Sustainability context</b>	Placing the company’s performance in a wider context. How the organization impacts economic, environmental and social conditions, developments and trends at the local, regional and/or global level.
<b>Stakeholder inclusiveness</b>	How the organization responds to stakeholder expectations and interests.
<b>Transparency (materiality and completeness)</b>	Whether material, reasonable and appropriate information is provided.

Source: data adapted from Lumen Behavior, 2016.

The Index is then created through the scored assessment of how *each indicator* of the operating frameworks relates to *each principle* of Human Centered Business. To assess how strongly the four principles of *purpose, empathy, systems-approach* and *resilience* were expressed in the operating framework, businesses were scored on a scale of 1 to 4<sup>5</sup> against the following criteria:

Table 2. Criteria to determine score

Criteria	Description
<b>Balance</b>	Does the reporting reflect both positive and negative aspects of the organization’s performance to enable a reasoned assessment of overall performance?
<b>Comparability</b>	Is information selected, compiled and reported consistently in a manner that enables stakeholders to analyze changes in the organization’s performance over time?
<b>Accuracy</b>	Is information sufficiently accurate and detailed for stakeholders to assess the organization’s performance?
<b>Timeliness</b>	Is information reported on a regular schedule so that information is available in time for stakeholders to make informed decisions?
<b>Clarity</b>	Is information available in a manner that is understandable and accessible to stakeholders?
<b>Reliability</b>	Are information and processes gathered, recorded, compiled, analyzed and disclosed in a way that they can be subject to examination, and that establishes the quality and materiality of the information?

Source: data adapted from Lumen Behavior, 2016.

This set of criteria serve as a guiding tool to how the indicators should be scored vis-à-vis each of the four principles, and were based on the reporting principles for defining report quality in the Global Reporting Initiative (GRI, 2015), a framework for corporate sustainability reporting. This was applied to each company. The following is a schematic example of how an assessment of an individual company can take shape:

We were able to identify frontrunners on the Swedish market using this final Index. The Index distils what the concept of Human Centered Business entails more broadly; therefore, it does not claim to capture the specifics of strategic choices or thematic emphasis, challenges or risks. The tool can offer valuable and more context-specific insights when applied to an individual company. However, a composite Index will allow for

benchmarking, highlighting the frontrunners and supporting communication. On company level, the three-dimensional analysis can also be visualized as a literally three-dimensional topography, which can be an even more powerful tool in a process of becoming a Human Centered Business.

### 2.5. Methodological Considerations

The purpose of launching this study has been to provide a blueprint for further studies within the area of sustainable and human centered business. It does not profess to be re-inventing the wheel; the research and analysis that resulted in the Index builds on previous research, existing frameworks and on-going conversations, but it also contributes to this body of knowledge, and encourages more research within the field. By being an applicable tool for measurement, the Index also encourages good practice by enabling action and practical work within individual businesses and organizations.

As already proposed, the methodology and the Index should not be seen as definitive. The Human Centered Business Index is a tool under validation and development, a work in progress, and an invitation to further dialogue and research. It is ultimately through collaborative methods –in which business actors, stakeholders, and additional researchers engage in dialogue– that meaningful learning and knowledge can continue to be created.

## 3. Key insights from businesses and customers

### 3.1. Main Insights from Businesses and Organizations:

A number of themes emerged in the interviews that were made with the Swedish companies assessed as frontrunners in the first application of the final Human Centered Business Index. Firstly, being successful in sustainability has moved the highest ranking companies beyond traditional understandings of sustainability, into *a new understanding of their core business as a vehicle –in and of itself – for multidimensional value creation*. Furthermore, by remaining committed to their core purpose, the frontrunners have mobilized momentum to move from single standalone issues into *a nuanced understanding of issues as being interconnected*. Thirdly, entrepreneurship –or ‘intrapreneurship’– is key. By *taking agency beyond one’s own operations and standing firm in a belief in one’s own significance*, the frontrunners have been able to create change within and for their respective fields. Finally, frontrunners have made a shift from a fo-

<sup>5</sup> 1 = low implementation, 4 = very strong implementation

cus on *being right*, to a focus on *being transparent and mobile*. This means that they can openly share

information, and engage in dialogue about challenges and improvements.

Table 3. Illustration of how a Human Centered Business Index can look like for an individual company

Human Centered Business Index for Company X	Purpose	Empathy	Systems-approach	Resilience
Mission	2	3	2	3
Vision	2	3	2	3
Values	1	3	2	4
Priorities	2	3	3	3
Approach	3	3	4	3
Key assets	2	3	2	3
Strategy	1	2	2	3
Services/products	1	3	1	2
Value chain	1	2	2	1
Sustainability context	2	2	1	2
Stakeholder inclusiveness	1	1	2	1
Transparency (Materiality, Completeness)	1	1	1	1
<b>TOTAL</b>	<b>19</b>	<b>29</b>	<b>24</b>	<b>29</b>

Source: data adapted from *Lumen Behavior, 2016*.

### 3.2. Main Insights From Customers

Involving stakeholder perspectives in this study has provided important insights about decision-making and the market. An iterative process has been used to identify recurring patterns and themes from the interview study.

It is clear that critical customers want businesses and organizations to be aligned with humanity in their operations. They are not necessarily interested in companies with ‘right answers’, meaning that occasional missteps can be accepted and forgiven, as long as the company expresses an ability to learn. What matters is therefore *how* a company responds in situations when mistakes occur and values are challenged.

Moreover, the critical customer wants to engage in meaningful and empathic dialogue, where their voices are truly heard. For businesses, this means that real answers can be found in real conversations. Mastering the skills of empathy, and understanding different realities, is a key step towards gaining useful information; it is no longer possible let alone fruitful to generically categorize customers according to age, gender, geographic location and other factors. Customers demand individualization, and this is also where trust can be built.

Finally, the critical customer should be regarded as an asset and a friend, not as a burden; expressing dissatisfaction is a way of showing commitment and supporting improvement. There is value – and potential to build strong and trusting relationships – when organizations stand tall in situations where customers address uncomfort-

able issues. The customer does not demand perfection, but they do value having their voices taken into consideration in problem-solving and decision-making processes.

### 4. Concluding Remarks

Based on the key findings, it is evident that it is no longer possible to position a business simply by talking about sustainability. Sustainability has been mainstreamed, which has clear implications for business decisions. As an increasing range of perspectives and knowledge becomes available, it is essential for businesses and organizations to continue learning. Operating in a fast-paced state of flux requires that organizations cultivate an ability to stand firmly in their purpose, while also engaging in dialogue and partnerships with stakeholders. Solid and empathetic communication – one that is both ongoing, multi-stakeholder and multi-channel– plays a critical role.

The research resulting in the Human Centered Business Index is firmly rooted in the idea that businesses and organizations need to lead with purpose and resilience, employ a systems-approach, and obtain a solid understanding of stakeholders. Rigorous and thoroughly conducted stakeholder mappings are essential for new knowledge. However, in order to create the additional value that makes businesses truly human centered, there is also a need to consider all stakeholders *simultaneously*, even where stakeholders are a heterogeneous group with a variety of differing opinions. As a result, businesses and organizations should never be satisfied with flippant trade-

offs, or with compromising core values. Decisions should generate value for multiple stakeholders at once; value that is created for one stakeholder at the expense of another will be costly. Rather than separating different groups from each other, businesses and organizations must be able to take the whole system into account. In order to avoid losing track of the knowledge generated by stakeholder dialogues, the principle of empathy must be applied in each meeting.

As room is made for more individuals, groups, interests and other constellations to voice their opinions, experiences and visions, some of these opinions may appear incompatible with current business operations at first sight. However, this study has shown that insights that are valuable in the long run stem from constructive dialogue. For future leaders, this means that they must live with –even embrace– the discomforts and the delights of dialogue.

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***Interviews with researchers, advisers and practitioners***

Ray Fleury, Expert on HCD and health/wellbeing (Toronto), *interview*, September 23, 2015  
 Joseph Giacomini, Director, Human-Centered Design Institute (London), *interview*, September 25, 2015  
 Debbie Aung Din, Founder, Proximity Designs (Myanmar), *interview*, September 29, 2015  
 Scott Shigeoka, Community Designer, OpenIDEO (San Francisco, CA), *interview*, October 1, 2015  
 Valerie Fletcher, Executive Director, Institute for Human Centered Design (Boston, MA), October 5, 2015  
 Pete Maher, Co-Founder/Chief Innovation Officer, Luma Institute (Pittsburgh, PA), *interview*, October 12, 2015  
 Christian Madsbjerg, Director US, ReD Associates (New York, NY/Copenhagen), *interview*, October 15, 2015  
 Chokdee Rutirasiri, Founder/CEO, Story+Structure (Boston, MA), *interview*, October 16, 2015  
 Maria Redin, formerly with GOODcorps (Los Angeles, CA), *interview*, October 18, 2015  
 Heather Fleming, CEO, Catapult Design (Denver, CO), *interview*, November 4, 2015  
 Tim Ogilvie, CEO, Peer Insight (Washington, DC), *interview*, November 4, 2015  
 Tim Urmston, Founder/COO, Seek Company (Cincinnati, OH), *interview*, November 10, 2015  
 Aaron Hurst, CEO, Imperative (Seattle, WA), *interview*, December 1, 2015  
 Tara Sophia Mohr, Expert on women's leadership and wellbeing (San Francisco, CA), *interview*, December 14, 2015

***Interviews with frontrunners***

Anton Håkansson, CEO, DayCape, *interview*, January 14, 2016.  
 Johan Ununger, CEO, Saltå Kvarn, *interview*, January 21, 2016.  
 Elias Vieglins, Public Relations Office, GodEl, *interview*, January 25, 2016.  
 Ewa Magnusson, Concept and Brand Manager, BoKlok, *interview*, February 4, 2016.  
 Admir Lucacevic, CEO, Idrott Utan Gränser, *phone interview*, February 11, 2016.  
 Henrietta Bean, Head of Mitt Liv, *phone interview*, February 12, 2016.  
 Christiane Dolva, Head of CSR, Fjällräven, *phone interview*, February 12, 2016.  
 Carina Roos, Head of Administration and Sustainability, Polarbröd, *phone interview*, February 15, 2016.  
 Tomas Puusepp, CEO, Elekta, *email interview*, March 7, 2016.  
 Susanne Sidén, CEO, Frösunda, *interview*, March 7, 2016.