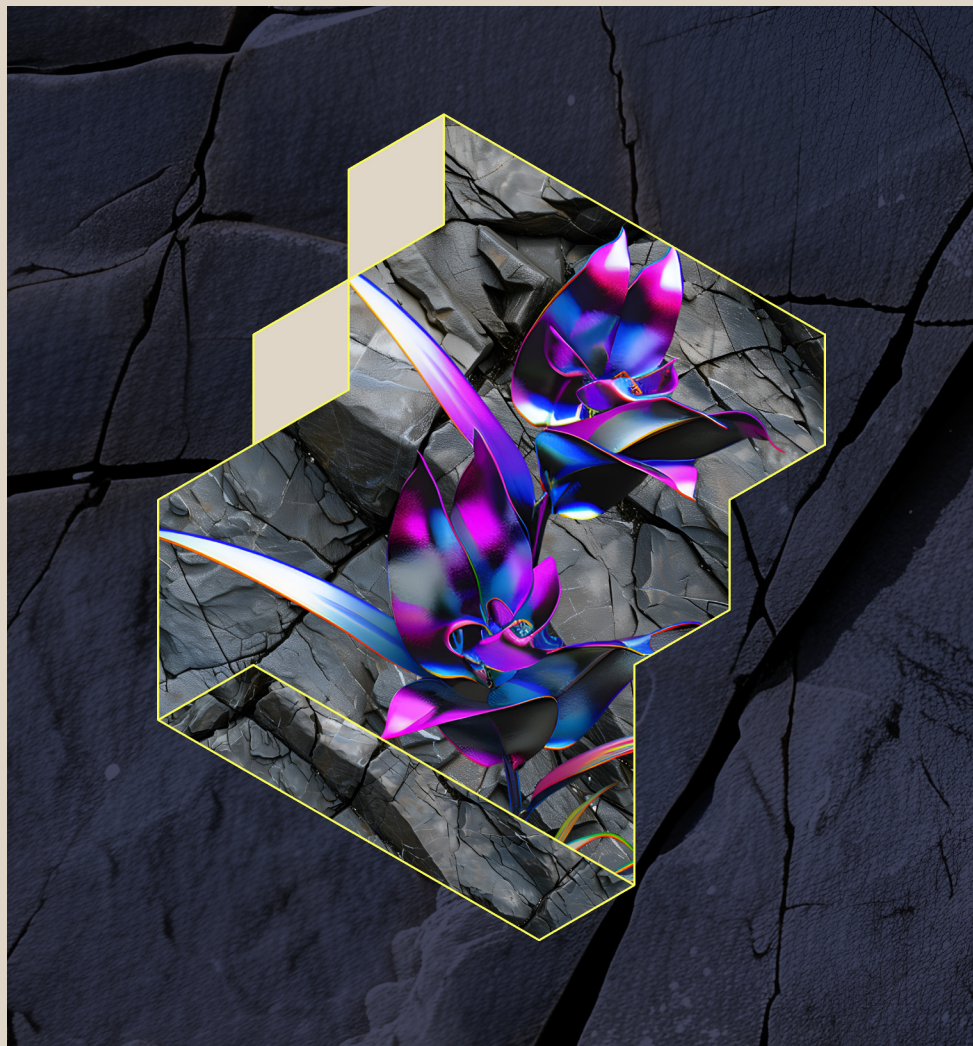


Courage & Confidence

The Gift
of Listening



IDEO

Why doing nothing is the number one challenge for business in 2025...

...and how the gift of listening can help



At IDEO, we have been making the future for more than 40 years, and believe that impactful change requires not just vision, but the courage and confidence to act in the face of uncertainty.

As we start another year, this uncertainty continues to loom large, and incremental improvement is simply not enough. So, inspired by our daily conversations and a recent event at our offices in London, we decided to compile a practical guide to help us collectively deliver the courageous futures we all need.

Business inertia, short-term thinking and a bias for inaction are standing in the way of progress. As part of our event, we asked a group of international change-makers and future-facing leaders to share their thoughts on their main challenges going into 2025. Well over half of them (57%) said it was difficult to encourage people within their organisation to think about the long-term future, 54% said it was hard to push through new ideas or ways of thinking at their organisation and 45% said they had put growth-focused projects on hold this year due to risk aversion.

To address these challenges, we have spoken to experts from the worlds of improv theatre, hostage negotiation and strategic thinking; their insights and practical suggestions form the basis of this guide. And whilst they come from very different backgrounds, the three of them agree on the key that can unlock the door of business inertia – better listening.

Listening to users is one of the foundations of our human-centred approach at IDEO – but today the art of listening has never been in such short supply. An epidemic of short-term, incremental thinking has become entrenched in the corporate psyche. To quote the American economist and statistician Milton Friedman: “The business of business is business”.

Of course, hitting quarterly targets is critical. But, at the same time, this short-termism is preventing us from building a more optimistic future. We cannot solve the climate crisis, imagine a prosperous future for AI, or find growth through innovation by sticking with what worked before. The problems that matter today – to businesses, policy makers and societies – require the courage to act, the ability to question, the willingness to listen, and the confidence to move forward, even without all the answers.

As always, I'm here for any questions. And I'm here to listen.

Lorenz Korder,
Partner & Managing Director,
IDEO London

Finding the courage to act in the corporate world

There are many definitions of courage, but Jennifer Riel, IDEO Partner and Chief Operating Officer, has a favourite: “The willingness to take the leap in the face of fear”.

“Confidence is the conviction that you can and should take the leap – I’m going to do this because it is absolutely the right thing to do”

Today, taking that leap has never been more important. But finding courage is tough in the corporate world – there are forces working against bravery. Indeed, a cynic may translate the famous Milton Friedman quote above as, “Don’t think big, don’t take risks – it might affect this quarter’s profit”. And whilst every company understands the importance of delivering in the short-term for shareholders and investors, delivering a more optimistic future requires the courage to think longer-term.

Fail faster, succeed sooner.

Having defined courage, Riel wants us to understand where it comes from. To her, it starts with confidence: “Confidence is the conviction that you can and should take the leap – I’m going to do this because it is absolutely the right thing to do. Don’t strive for certainty, strive for confidence.”

But – as Riel accepts – the right levels of confidence can prove elusive. She reminds us of the behavioural science view that there are many factors that can influence our ability to embrace confidence to maximum effect. Riel highlights four key biases: Overconfidence bias (the tendency to overestimate our ability to predict the future); Confirmation bias (the tendency to interpret new evidence as confirmation of one’s existing beliefs or theories); Hindsight bias (the tendency to perceive past events as having been more predictable than they were); and the Backfire Effect (a psychological phenomenon that occurs when people’s beliefs become stronger after being presented with evidence that challenges their worldview).

Riel’s colleague Betsy Smith, an Executive Director at IDEO, believes that the way to mitigate the impact of the four factors above is confidence underpinned by evidence: “It’s great to have courage and it’s great to be confident, but with a tendency towards overconfidence in the business world, what we actually want is

confidence that is based on something real, and the way we and our most successful clients develop that confidence is by learning through small experiments.

“In other words, what is the minimum viable test that you can do to build confidence in your idea? What’s the really small prototype that you can create? As our founder David Kelley said: ‘Fail faster, succeed sooner’. What’s not quite right about our idea? Let’s learn about that as quickly as possible so we can get to the right thing faster. As we go through this process, we’re building our confidence in the idea, which then reinforces the courage to act when the time comes.”

Smith would like to see more of these small experiments but acknowledges that businesses can be understandably reluctant to share “half-baked” ideas in public. She also highlights what she calls a “bias to inaction;” most of us are comfortable talking about plans but don’t always feel equipped to put them in motion. Again, it’s about taking that first leap.

Allow the everyday compass to guide you

For improvisation expert Max Dickins, courage is what organisations and individuals need when they are faced with the unknown.

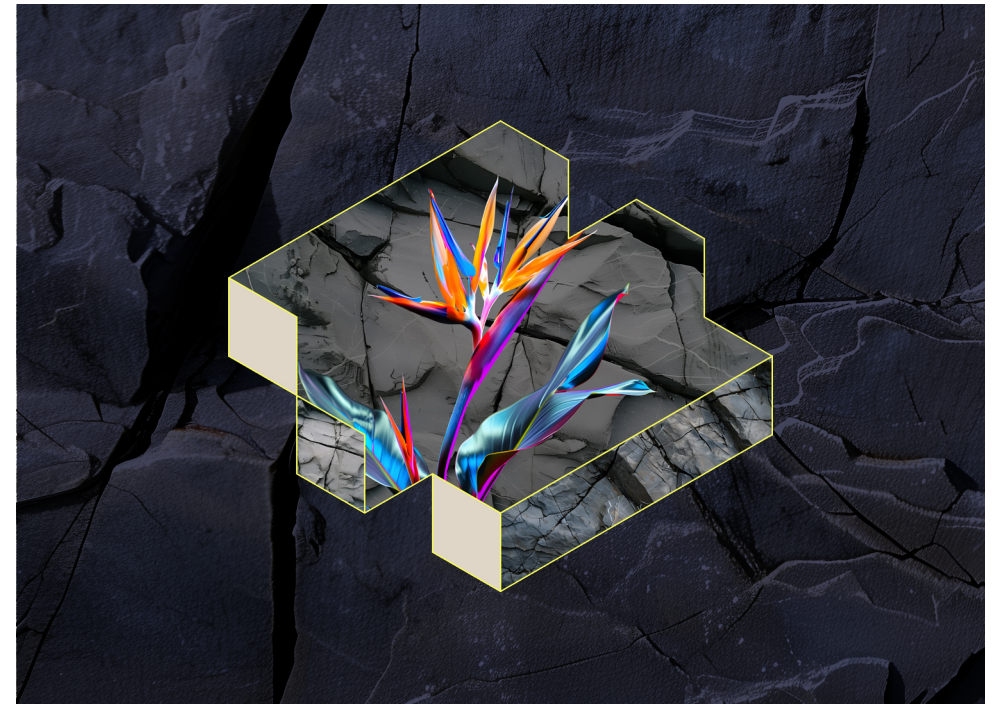
As Director of the improv training school Hoopla!, Dickins thinks a lot about how we might act more boldly in uncertainty. “As improvisers, we derive confidence not from the map – from knowing what’s going to happen next – but from having a compass. That ‘compass’ being a simple set of behaviours anyone can learn and live out every day.”

“As improvisers, we derive confidence not from the map – from knowing what’s going to happen next – but from having a compass.”

Accept that the challenge is a collective one

Smith wants organisations to embrace the fact that, even with confidence and conviction in place, they cannot possibly solve today’s global issues alone: “No matter how big or how successful they are, no single organisation can tackle the future alone – when it comes to climate change, AI, or powering best-in-class innovation, we need future-facing leaders to come together and march forward into the unknown with courage and creativity.

“Our best work and our best future will be sponsored by courageous leaders with a long-term vision, and the courage to act begins with the courage to ask questions and, crucially, listen hard for the answers. Our short-term to-do list may always loom large, but doing nothing is simply not an option and if we don’t listen, we won’t unlock the optimistic future we all desire.”



Making

In business, courage is often about making the space to listen – to accept vulnerability and to be open to change or inspiration from others.

space



Dickins quotes the writer and poet Mark Nepo's definition of listening, "To listen is to lean in softly with the willingness to be changed by what we hear". Where listening is in place, trust can follow – as the author Charles Feltman said: "Trust is choosing to risk making something you value vulnerable to another person's actions".

Embrace Vulnerability

Former hostage negotiator Richard Mullender, who has worked for Scotland Yard and advised the UN, FBI, and the Indian Secret Services, wants us to embrace vulnerability. "Too often in pressure situations, arrogance or ego can get in the way, but there's no room

for that in negotiation; you need to be prepared to make yourself vulnerable.

"Trust is everything – without it, you simply can't negotiate; but with it, you have the basis of a successful outcome, whether you're in a boardroom or a war zone."

Creating this open environment is not just down to individual behaviour; collective confidence can be transformational. Where a group is willing to embrace the space, it can create a strong sense of support that can be incredibly powerful in any conversation or negotiation.

Be open to offers

Dickins believes that every communication we make is an offer, and that conversations and negotiations – business or otherwise – are all about making and accepting offers. To do this, we need to create the space to let ourselves be inspired by the other person and understand the power of the obvious.

He states that whilst we commonly believe confidence or courage are qualities an individual does or does not possess, they are also a function of the behaviours of the group of which they are part: "We can inspire confidence or fear in our colleagues by how we relate to them. Do we seek to hear and explore their ideas with a spirit of play and positivity? Or do we seek to judge and shut them down?"

"Everyone has creative impulses, but not everyone expresses these impulses. In the gap between impulse and expression is judgement. If you want bolder ideas, individuals need to quieten that inner critic. And that is a lot easier when we work in environments that are supportive of mistakes and half-formed ideas."

Learn to trust the process

Smith recognises this workplace dynamic from her regular interactions: "As a consultant, it's my job to come up with the answers quickly, but we have to be open to not knowing the answer. It goes against our natural instincts, but it's a critical component of making space, so we need to become comfortable with it.

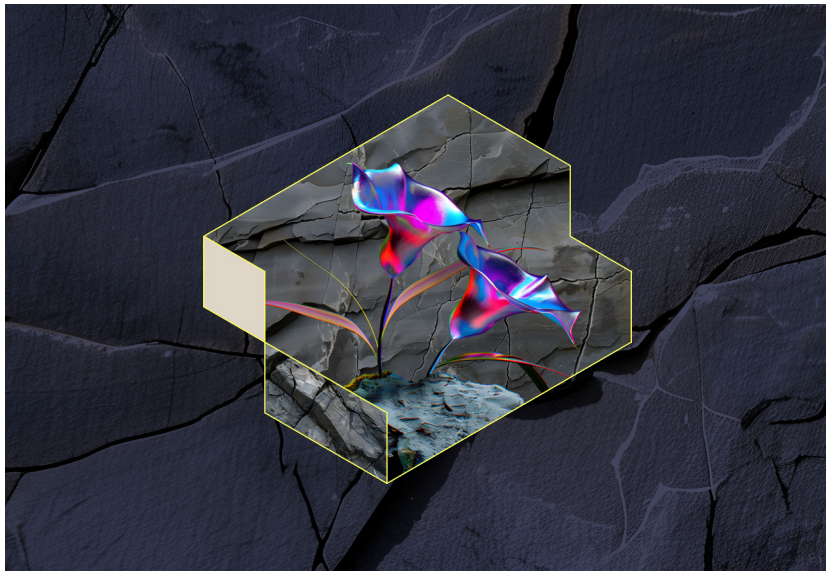
"In short, we need to learn to trust the process. Not knowing the answer can be quite daunting but this approach is the right way to go.

“Often with a piece of work, if there’s a strong idea of what the answer should be, half the work of the project can become about helping our stakeholders let go of that and embrace the unknown and the serendipity that comes with it. If you don’t allow serendipity into the room, you won’t get to as interesting a place – you might get to a more comfortable place, but again, this is all about the courage and the confidence. Humans love certainty, but, for me, the whole idea of making space is that you’re making space for the unknown and the serendipity and that’s hard, but ultimately, rewarding.”

Dickins further makes the point that the obvious and the average are important allies in these conversations: “The path to progress starts with letting yourself be obvious, because your obvious is probably not someone else’s. With this in mind, stating your obvious out loud is always a good way to inspire progress. And there’s nothing wrong with being ‘average’; we can’t all be creative superstars 24 hours a day, so it’s critical that we don’t judge ourselves too harshly too.”

Listen for questions as well as answers

The ability to listen is central to effective creative collaboration. Mullender, who now runs The Listening Institute, which aims to bring the elite level listening skills used by hostage negotiators into



“You should write down every question that you’re asked because the question is what tells you what really matters to the person in front of you”

the corporate world, is clear that listening is a craft that requires practice: “To be able to manage anyone, you need to understand them. And to understand them, you need to learn to listen. But listening is not as easy as it sounds. Listening is not a skill or an art, it’s a craft. You have to learn it and you have to practise it.”

Mullender describes listening as the number one skill in communication. And whilst the word “intelligence” is often associated with military and diplomatic circles, he is keen to make the point that intelligence is right in front of us, if we listen out for it: “In hostage negotiation or the boardroom, intelligence is information you can use to your advantage. In business, you should write down every question that you’re asked because the question is what tells you what really matters to the person in front of you. That is true understanding, and it is only gained through listening.”

He also warns against jumping in too early when a colleague, client, or customer is speaking, because by changing the subject and altering the dynamic in the room you are potentially missing out on the most vital information; if the person speaking doesn’t finish their point, you may never know what was really on their mind.

He explains that in hostage negotiation, it’s important to establish how the hostage taker truly feels immediately with this key question: “What is it you’re looking for and why is it so important to you?” Once that is established, the rest of the conversation takes shape, as opposed to starting on the wrong track, which can easily happen if the opening question is not the correct one.

The gravity of getting this wrong becomes clear when Mullender makes the point that it takes the average person just seven seconds before they move on to their next question. There is no margin for error.

Smith sees this dynamic mirrored in many of her IDEO client meetings: “When we’re conducting design research, if we bring our clients with us into the room, their job is not to look smart and be talking away – even if that usually is their job. Instead, they need to listen. It can be very hard to turn that off because generally we are rewarded in business for being critical thinkers, often by adding to what’s been said with something new and clever – but that is not listening. When I take clients out into the field like this, I tell them that at the end of it the participants should feel like they’ve had a really nice chat, but they, the client, should feel exhausted.”

Use the power of paraphrasing

Mullender argues you should summarise facts and paraphrase everything else. Effectively, summaries can help control conversations by changing the narrative and bringing people ‘back into the room’. “In a pressure situation, never assume that you know how the other person feels because you really don’t. If you walk a mile in someone else’s shoes, then you’re a mile away from them. Paraphrasing can be so powerful: Use statements that give the person permission to correct you: I feel as if, It seems to me, I sense that. That way, if you get it wrong – which you inevitably will at times – it will lead you to the right place, a place of understanding and that is exactly what you need.”

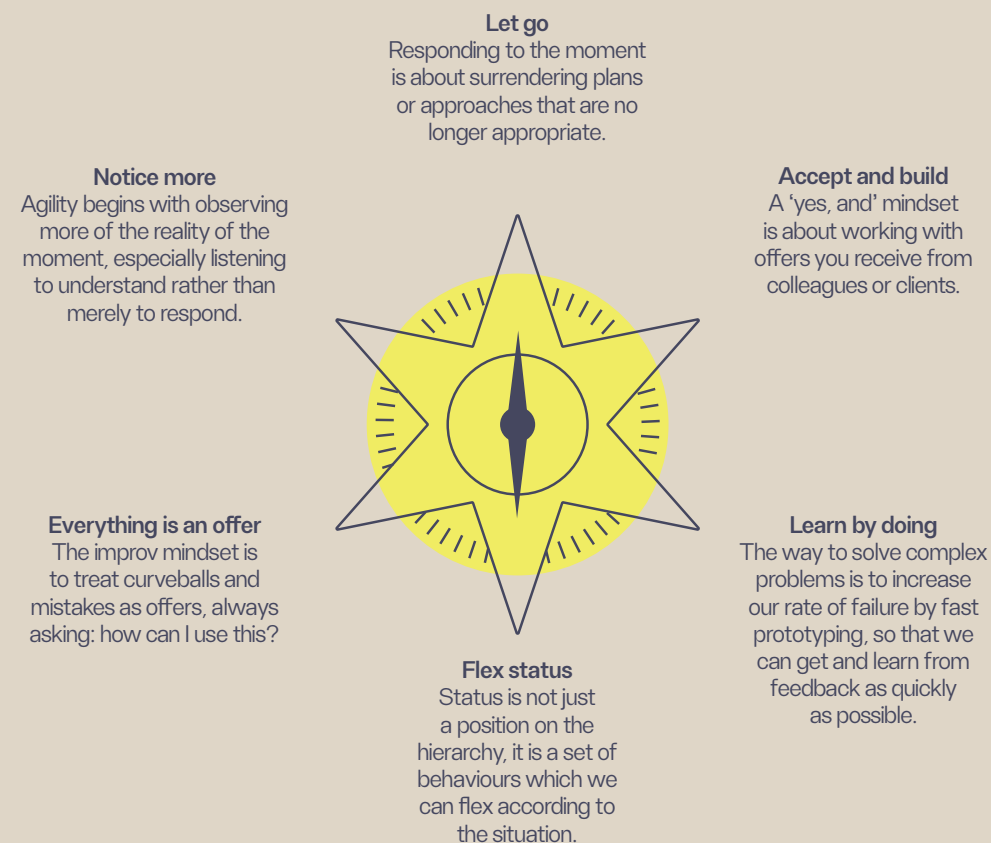
Be willing to let go

How many times have we witnessed the scenario where an individual or a group walk into a meeting with a well-defined plan of what they want to achieve, only to see that this plan is evidently not shared by the other party? When this happens, Dickins believes we need to know when to let go and recommends The Improv Compass as a helpful practical guide.

For an improviser, confidence is drawn not from knowing what is going to happen next, but from knowing that you have the mindset and skillset to handle whatever that might be. Six key concepts of improvisation make up The Improv Compass: let go, notice more, everything is an offer, flex status, learn by doing, and accept and build.

The improv compass

Improvisational theatre offers useful approaches to navigate the dynamics of the modern organisation effectively and with more confidence. For an improviser, confidence is drawn not from knowing what is going to happen next, but from knowing that you have the mindset and skillset to handle whatever that might be. Six key concepts of improvisation make up the compass.⁷ While we can’t have maps of uncertain or new terrain, we can have a compass to help us orienteer through it.



Have an ear for different types of listening

Dickins is keen to stress the importance of active listening – for both improv and for business. Whilst he acknowledges that many experts and consultants are paid to provide answers, he believes that they will only get to the right ones if they listen properly: “You may have an idea of what’s coming next, but you need to drop that agenda if you want to get the most out of the conversation. In modern business paying attention feels like magic because hardly anyone does it.”

From his experience in hostage negotiation, Mullender outlines five different types of listening: combative (only listen for disagreement); compassionate (listen sympathetically); confirmatory (listen for what they want to hear); passive (take no part, zone out); autobiographic (interpret from their values, belief and experience). Recognising where colleagues, clients and customers sit here is critical to a positive outcome.

Understand who is in the room

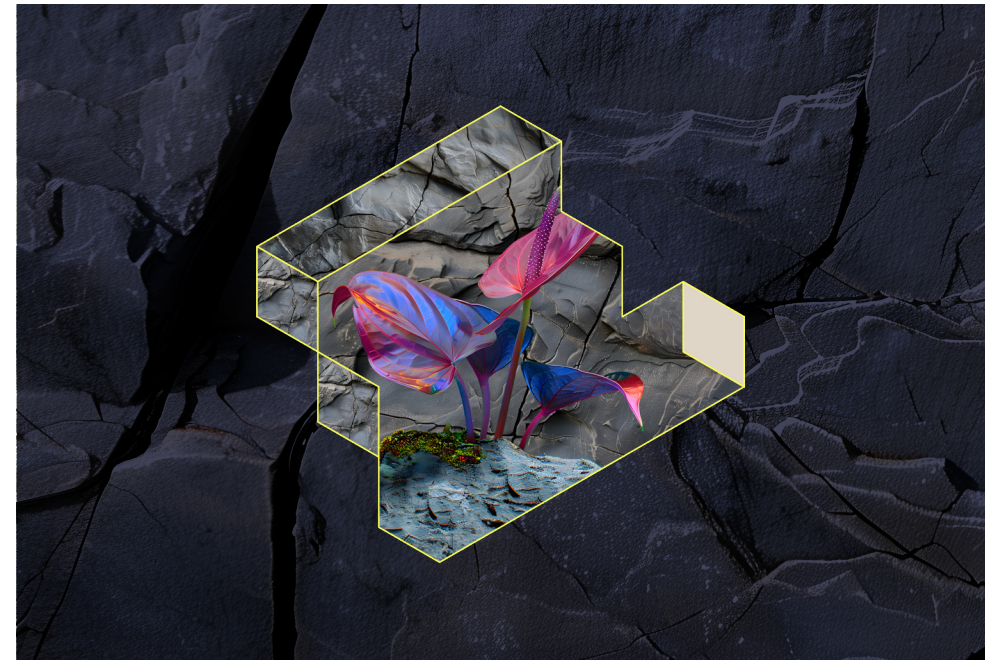
These different types only serve to reinforce the importance of who’s in the room. Dickins believes there’s an important lesson business can learn from the world of improv. He outlines a typical improv team as heads, hearts and pirates. The heads tend to set the agenda, the hearts establish the emotions and the relationship, and the pirates are there to disrupt when required.

With the right team in place, uncertainty can be seen as less of a threat – a meeting or a call may head in an unexpected direction, but if the team in the room create the space for disruption it might lead to a different – and better – outcome than originally anticipated. Getting to a positive outcome may rest on the optimum combination of divergent thinkers who tend to be open to ideas (yes, and) and convergent thinkers who tend to be closed to ideas (yes, but).

This outcome is never more critical than in a live hostage situation. As Mullender explains: “Hostage negotiators work in teams of four. Number One does the talking and none of the other three are allowed to talk; Number Two is the director, and their role is to provide ideas for Number One; Number Three keeps a record of the conversation and also provides ideas, and Number Four puts all the information and intelligence on the wall so there’s a clear picture. Four listeners, one talker – that tells you all you need to know about the importance of listening.”

Mullender reminds us that any conversation – negotiation or business – is always better when you engage with the other person’s values and beliefs. And, as you’d expect, a hostage conversation has defined models to follow. One is a five-step process – First Contact (establishing trust and likeability), Investigation, Proposal, Negotiation/Review and a second model is three steps – Listen, Understand, Influence.

Mullender wants business to bring this level of discipline to the boardroom table – listen as if your lives depend on it. There will always be challenges and there will always be mistakes, but the key is how we respond to them. Rather than playing the ‘blame game’, if we listen and suspend judgement, we can create an environment where people can express themselves more and step into courage. This environment is what we need to strive for.



Finding bravery in 2025

Moving beyond business inertia and the “same old, same old” requires bravery. As Smith points out: “The easiest thing to change is nothing”.

But according to Riel, “unwarranted confidence in the status quo” is standing in the way of many companies today. We’ve all witnessed a new, enthusiastic employee suggest a “new idea”, only to be rebuffed with the familiar refrain of “it didn’t work last time”. This lack of courage may deliver perceived security in the short-term, but it’s an attitude that opens up the door to bolder, braver competitors with a more disruptive mindset.

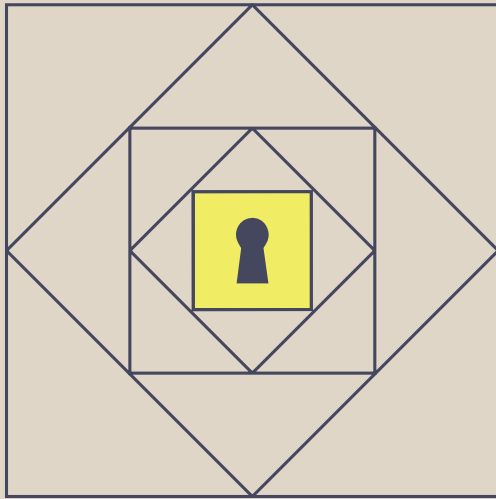
Riel expands on this point: “The status quo is sticky and predictable. Even if we know we don’t particularly like the outcome, at least we’re pretty sure what it will be. And new things are unpredictable – from a survival instinct point of view, the human brain doesn’t like things that are unpredictable. We like to sit in certainty. But the problem is, it’s false certainty.”

She quotes F. Scott Fitzgerald and believes the second line should be a mission statement for our times: “The test of a first-rate intelligence is the ability to hold two opposing ideas in mind at the same time and still retain the ability to function. One should, for example, be able to see that things are hopeless and yet be determined to make them otherwise.”

Riel believes that embracing this tension – as opposed to jumping straight to the answer – is key to an integrative thinking mindset that allows strategy to be more flexible as we consider today’s most challenging questions.

Five key questions to ask in 2025

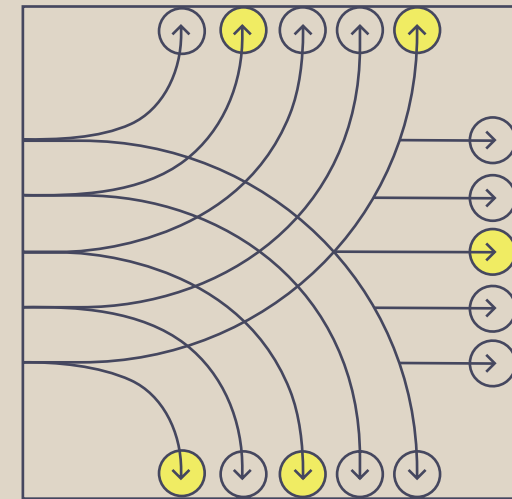
Riel acknowledges that finding the bravery and confidence to take the leap is difficult but offers five key questions that the business community should address if they want to step boldly into 2025 and beyond:



1. What is the problem worth solving?

Leaders face business problems every day, whether it's unhappy customers, a dip in market share, or employees who don't want to be in the office five days a week.

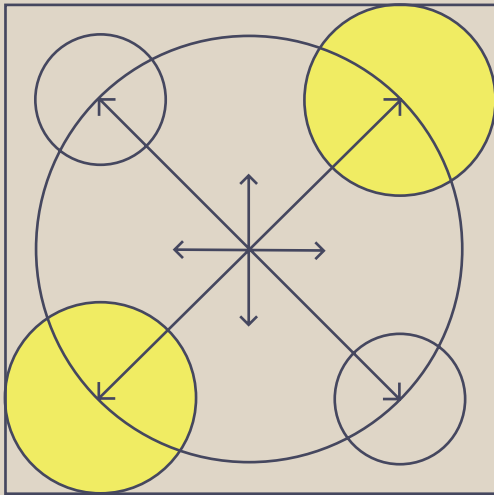
Often these problems can appear defined, closed, or limited, but what we should do is consider the open, human-centred question that feels truly motivating. From how do we solve this problem without screwing up what is working to how might we create a solution that truly solves the problem, creating new value for us and our customer? From how do we win this quarter to how might we create a future we want to live in?



2. How might we?

Design questions famously begin with these three words – it's all about reframing the challenge. These words have the power to shift perspectives in an organisation.

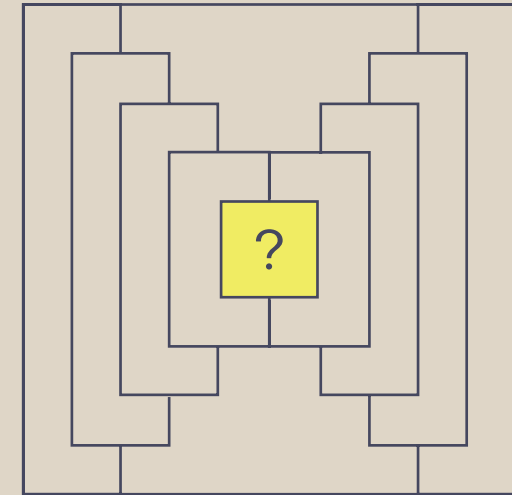
“How” is more about process, than, for example “what”; “might” can open up the possibility that there is more than one path forward, and “we” gives everyone the opportunity to get involved. Together, these three words create the space for people to explore possibilities rather than seek the right answer.



3. What else?

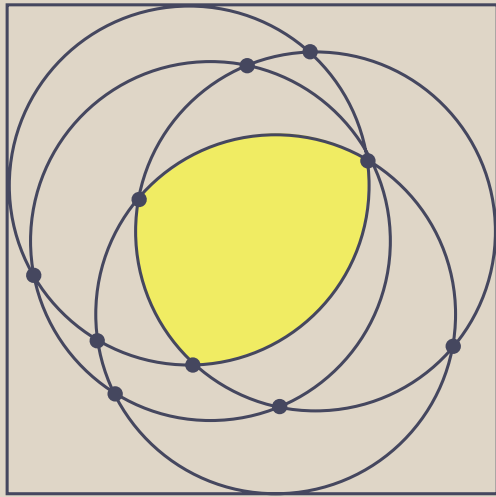
“What else?” is a permission-giving question. For example, What else haven’t we heard? What else might be worth thinking about? What else might we consider?

It’s so important to let people sit in a little discomfort or quiet to consider these questions. Again, it’s about creating space in the right places – this is how you can start to find new terrains, new opportunities and new areas that you might not otherwise consider.



4. What would need to be true?

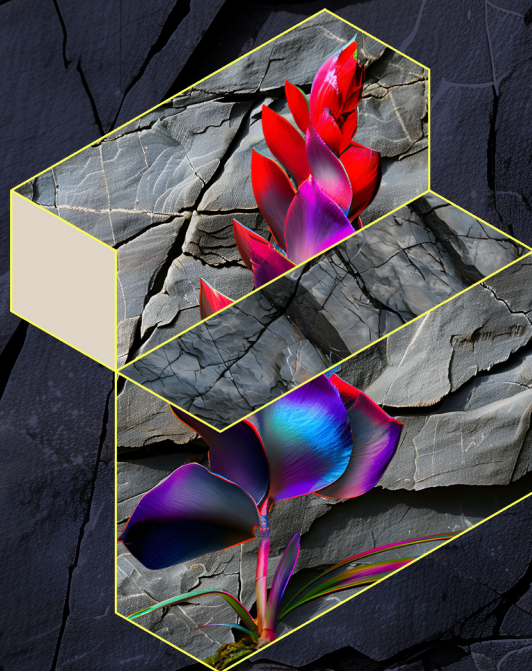
There is cognitive science that tells us to never ask people at the beginning of the meeting to say what they think the answer is; as soon as they say it out loud, they more deeply believe it’s the right answer because people don’t like to be wrong. The key is to identify a different question that might change the conversation – moving from what we believe to be true to what would have to be true completely transforms the dynamic. It depersonalises the conversation, opens your eyes to things you may not have seen before and allows us to collectively define the conditions under which we can move forward.



5. How do you see it differently?

This is about creating space for people to genuinely share dissenting perspectives. Especially for those in senior positions, it's so important to be really clear about the fact that you are seeking other perspectives and that it's not just allowable but actually positive for people to disagree with you. There are certain questions that you can ask that really help; instead of saying "Here's how I think we should do it, what do you think?" you can say "OK, here's how I think we should do it but how do others see it?" It's all about signalling the value of the alternative perspective.






As we head into another year where the only certainty is uncertainty, we hope that this guide can provide a practical and inspiring roadmap for the journey ahead.

If we want to tackle the major global issues of our time, we need to leave our bias for inaction behind and think beyond incremental improvement. It's time to take the leap.

In 2025, taking the leap starts with better listening. It may sound straightforward, but genuine active listening means having the confidence and the courage to let go of the status quo and our instinctive desire for certainty and quick answers.

At IDEO, we're in the business of human-centred design and we're constantly trying to create things that will resonate with our clients. But we can only succeed if we listen for ourselves and make space for other voices and views – for us and for all our partners, we need to trust the process and allow the space and serendipity to discover the right answer, not the fastest one. It will always be worth it.

We'll see you on the other side...

The background of the entire image is a dark, textured surface, possibly stone or a similar material, with numerous cracks and creases. The lighting is dramatic, with strong highlights and deep shadows, emphasizing the rough texture. The overall color palette is dark, ranging from deep blues to blacks.

What would need to be true?

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