> Students are generally unperturbed by the "naked machine," an electronic strip-search device being tested at airports. Business leaders over 40 are far less comfortable.

gravity; but they also consider the violation itself to be more grave.

My anecdotal perception is confirmed by empirical studies. A 2000 survey by the Pew Internet and American Life Project found that 67% of 50-to-64-year-old respondents were very concerned about consumer privacy, compared with only 47% of 18-to-29-year-olds. International studies have reached similar conclusions.

Young people's relaxed attitude toward privacy is less a matter of youth (with fewer experiences, they have less to hide) than a matter of upbringing – and is consequently likely to stay with them as they age. Their worldview has been shaped by technologies of personal exposure, including Web logs, cell phones, and digital cameras. They have grown up visiting sites like eBay and Napster, where the identities of the corporations collecting their personal information are masked by interactions with other users like themselves. Self-revelation is prized over reticence in our reality-TV-obsessed culture, because getting noticed matters more than upholding traditional norms of discretion.

Civic privacy is a different matter. Younger people are more concerned than older ones about surveillance by the state. A 2002 survey by the British government found that younger groups were less convinced than older groups of the benefits of sharing private data with the public sector. The older groups trusted government more, largely because of positive experiences with the welfare state during and after World War II. A similar generation gap exists in the United States.

Culture also influences attitudes. For example, Europeans generally worry more about corporate data surveillance, while Americans are concerned with what government is up to. Those geographic differences reflect very different histories. Europeans have traditionally been concerned about protecting the dignity of high-status individuals from a prying public. Americans, by contrast, focus on protecting the liberty of individuals against intrusions by the state. The distinctions are reflected in the regions' privacy laws.

Understanding these differences is crucial for companies as they do more business online, make more sophisticated use of their databases, and cooperate with governments. Younger consumers may be more willing than older ones to trade their personal data for a toaster; but in the United States, at least, neither group will do so if it perceives federal snoops peering over corporate shoulders. As young exhibitionists get older and become the dominant demographic, companies should worry less about collecting data for use inside their own walls and more about cooperating with government security initiatives. To sustain consumer trust, companies should push for amendments to the USA Patriot Act, for example, that would insure accountability and transparency and protect privacy (although further attacks by terrorists may make broader government surveillance widely palatable).

In other markets, where consumers are more resistant to corporate data collection, companies need stricter privacy policies. There is a widespread perception that U.S. companies are less respectful of consumer privacy than are European firms. If not countered, that perception could inhibit the global competitiveness of American corporations.

Public- and private-sector data are increasingly integrated and globalized, making it even harder for organizations to balance the tangle of privacy expectations from around the globe. As the public in different regions grows more open and more suspicious in diverse ways, a single level of optimal protection may be increasingly elusive.

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19 In Praise of Feedership

Of all the biological metaphors used in business discourse, none is more central to strategy than "survival of the fittest," with its implications of incessant rivalry and ruthless competition for scarce resources. But head-to-head competition is only a small, and not even particularly interesting, part of the struggle for survival. The familiar image – in films, literature, and one's imagination – of ferocious predators dominating a nature "red in tooth and claw" is simply not borne out by observations in bush and field. Predators' teeth and claws, fearful and fascinating though they may be, are rarely the utensils of choice at life's table. So what are? Overcome for a moment your natural revulsion and consider the lowly parasite.

The vast majority of species are parasites, exploiting the evolutionary discovery that the best way of making a living is to be closely attached to something else that is living. As much as we may resent their choice of residence, we must respect their strategic genius, for nowhere are life-sustaining warmth, nutrition, and shelter as abundantly present as in other forms of life.

In an economy, such prime real estate would carry a steep price; in biology, the price comes in the form of a coevolutionary race of innovation between parasites' ploys to gain entry and the steadily more formidable defenses of resistant hosts. As a result, both parasites and hosts are characterized by a wondrous complexity of adaptations. These adaptations are far more subtle and cunning than the relatively unimaginative ones that have evolved from predatory competition.

For an illustration of this complex host–parasite negotiation, consider the curious interaction of the fig and its parasite: the fig wasp. Squeezing through a narrow opening, the female wasp forces her way into the richly provisioned interior of the fig to lay her eggs on the developing flowers of the fruit, which will nourish the wasp larvae. The seeds thus lost and the damage due to the forcible entry represent serious costs to the fig.

So far so good for the wasp. But now consider the concessions extracted by the fig in the long process of evolutionary negotiation. The female wasp, moving about the interior of the fig depositing her eggs, fertilizes the flowers with pollen carried on her body from the fig in which she originally emerged. When her female descendants exit through the eye of the fruit, they brush against the pollen-laden male flowers near the opening and carry the precious dust to the figs in which they will build their nests.

And what of the newborn males, which presumably would carry away half of the pollen on journeys of amorous adventure and, as they have no reason to reenter and thus pollinate another fig, provide no benefit to the fig species? Their unfortunate lot is the final concession in the evolutionary bargain struck by the fig and the wasp. When the males hatch, they lack vision, wings, and all but the basic motility required to immediately seek out and mate with the new females. Having acquitted themselves of this reproductive chore, the males expire unceremoniously within the fig, never having seen the light of day and, more important, never having had a chance to waste the precious pollen of the fig.

The value of this peculiar tale – which actually isn't that unusual in the often bizarre world of parasitism – lies not in its specifics but in its suggestion of a rich new way to think about strategic interaction. The survival-of-the-fittest metaphor calls for the mobilization of all resources to deny access to intruders; parasitism, in contrast, suggests to the strategist that there may be benefits in letting down one's defenses. In business, parasitic activity – for example, the infringement or appropriation of patents, brands, and intellectual property – would long ago have become prevalent were it not for the existence of property rights. But in today's global economy, in which tangible assets are becoming less important than intangible ones, the enforcement of those rights is increasingly costly and difficult. Nature, ignorant of formal property rights and hospitable to parasitic species, offers some ideas for turning this threat into a platform for innovation.

For instance, might makers of branded luxury goods view cheap knock-off watches and handbags as "pollen" in winning the brand awareness of consumers whose income does not match their discriminating taste for fashion? Or might the firms learn some valuable insights from their imitators' low-cost production, sourcing, and distribution methods? There are no ready answers to such questions, but (for that very reason) the questions offer a chance to escape the mental tunnel created by a conception of business as being exclusively competitive or predatory and to envision entirely new ways of formulating strategy.

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20 Don't Believe Everything You Read (Except for This)

Organizational leaders are deluged with advice. There are more than 30,000 business books in print, with some 3,500 new titles published each year, and too many management-related articles, newsletters, and Web sites to count. There are not, of course, 3,500 *good* new management ideas – or even old management ideas worth elucidating in 300 pages. Much of this advice is, at best, a waste of time. At worst, it can – if followed – create more problems than it solves.

Reengineering projects, fueled in large part by a certain red-jacketed volume, have experienced an estimated failure rate as high as 70% (a statistic supplied by reengineering champions Michael Hammer and James Champy themselves). And what about all those books and articles that touted Enron's innovative business model and people-management strategies? Consultants, too, can sometimes make matters worse. Blake Nordstrom, president of the department store chain of that name, told me that his predecessor in the job spent about $60 million annually on nearly 50 consultants and consulting firms. Yet the company's results only deteriorated. In fact, things got worse as conflicting advice immobilized the organization. Nordstrom began its successful turnaround when it rediscovered its focus on customer service and the basics of retailing – a strategy it (re-)figured out for itself.

What's a poor executive to do? Here are a few simple, commonsense guidelines to separate the gold from the dross in the management-idea marketplace:

Beware anything touted as "new." In medicine and the physical sciences, discoveries invariably build upon (and their authors acknowledge) the work of others. Innovation is mostly about combining existing ideas in new ways, as product developers at IDEO will tell you, or about finding new uses for existing technologies (Viagra, remember, was originally a drug to treat blood pressure ailments). Rather than pursue "what's new," you would do better to seek "what's true." Ford Motor Company got bored with the mundane details of total quality management, experimented with IT innovations and the Internet, and lost its focus on the details of designing and making great automobiles. Meanwhile, Toyota just kept doing the same things it had always done and did them better and better. The respective results speak for themselves. Toyota's recent profits were higher than Ford's and GM's combined.

Be skeptical of "proof by anecdote." Stories are a useful way of illustrating ideas and bringing them to life, but their color may obscure black-and-white evidence of whether a practice actually worked. For instance, McKinsey's *The War for Talent* was full of compelling stories, but the management practices that were supposedly responsible for companies' financial performance were measured *after* the performance itself was measured. Temporal ordering (cause coming before effect) is a necessary, albeit insufficient, condition for establishing that one thing causes another. In addition, anecdotes may sacrifice critical detail in the interest of enhancing narrative momentum. Sometimes the things that are just too complicated to explain are the things that – to some readers anyway – would have made all the difference.

Be alert for half-truths. That is what my colleague Bob Sutton and I call ideas that are partly or sometimes right but also partly or sometimes wrong. Many ideas fall into this category, such as the importance of financial incentives and the notion that work is so distinct from the rest of life that people can't be themselves on the job. Advice is more likely to be good when it acknowledges its own downsides and suggests ways to cope with them. The risk may be worth taking, and the management approach may be useful, but in order to make sensible judgments, you need to know the whole story.

Avoid self-proclaimed gurus. Whoever first applied the term "guru" to management thinkers probably meant well: The original Sanskrit word means venerable teacher. But over the years the term became associated more with best-sellers and astronomical speaking fees than with original thinking and serious fieldwork.

Understand cognitive biases. I am not talking about the biases described in behavioral decision theory, but about even more insidious distortions. One such bias is the desire to hear (and deliver) good news; another is to prefer ideas we agree with and people who agree with us. Both of these come into play when we work with consultants. Yet as Charlie Bresler of Men's Wearhouse points out, people benefit most from constructive criticism that actually teaches them to do things better. The best management advice need not be downright painful. But like diet advice – perhaps the only subject that generates a comparable amount of verbiage – if it doesn't cause at least a bit of discomfort, it's probably not going to have much impact.

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