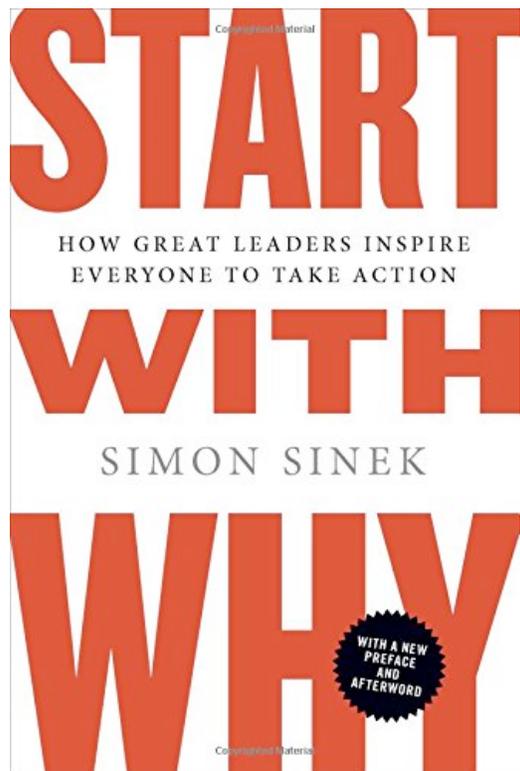




Establishing True North...Together.

Book review: *Start with Why* (by Simon Sinek)



How Great Leaders Inspire Everyone to Take Action

According to Simon Sinek, most leaders talk about WHAT they do - the products or services that make them money. Some leaders talk about the HOW - the process they use that sets them apart. *Very few* leaders talk about (or even know) their WHY - the reason the business exists in the first place (hint: it isn't money...that's a byproduct).

Sinek argues that when we start with WHY in everything that we do, we inspire action in a way that WHAT doesn't. That's because WHY engages our emotions, while WHAT engages our logical brain.

- All great and inspiring leaders of the world they all think, act and communicate in the exact same way. And it's the complete opposite to everyone else.
- The golden circle: WHAT – HOW – WHY (middle of the circle)
 - All people and organization or know WHAT they do.
 - Some know HOW they do it
 - Differencing value proposition, proprietary process or USP
 - Very few know WHY they do what they do.
 - Why does not mean to make a profit, that's just a result.
 - Why means: What's your purpose, what's your cause, what's your belief, why does your organization exist?
- The way we usually communicate is to go from the outside in. From WHAT, the most concrete thing to WHY, the most fuzzy thing.
- All great leaders and inspired organizations think, act, communicate from the inside out. From WHY over HOW to WHAT.
- People don't buy WHAT you do, they buy WHY you do it. WHAT you do simply serves as proof of what you believe.
- The goal is not make business with people who need WHAT you have, the goal is to make business with people who believe what you believe.
- Our brain is organized like the golden circle:
 - The neocortex corresponds with the WHAT level. The neocortex is responsible for our rational and analytical thought and language
 - The HOW and WHY levels make up our limbic brains. The limbic brains are responsible for our feelings like trust and loyalty, all human behavior, all decision making and has no capacity for language

- So if we communicate from the outside in, most people can understand vast amounts of complicated information like features, facts and benefits – it just doesn't drive behavior.
 - "I know what all the facts and details are, but it just doesn't feel right"
- When we communicate from the inside out we are talking directly to the part of the brain that controls behavior and we allow people to rationalize it with the tangible things we say and do.
- If you hire people just because they can do the job (the WHAT), they work just for the money. But if you hire people who believe what you believe, they work for you with blood and sweat and tears.
- The three reasons why it seems that projects fail: 1. under-capitalized, 2. the wrong people, 3. bad market conditions. But in reality it's not because of those WHATs, it's because the WHY is missing.
- The law of diffusion of innovation:
 - Distribution of the population
 - 2.5% Innovators
 - 13.5% Early Adopters
 - 34% Early Majority
 - 34% Late Majority
 - 16% Laggards
- If you want to get to the mass market (early + late majority), you first have to get over the 16% of innovators and early adopters.
- Usually it's easy to get the first 10%, those who "just get it". But how do you get the next 6% until it can tip over to the majority?
- The innovators and early adopters are more driven by what they believe in (the WHY) than the majority. The majority looks at the early adopters for confirmation.
 - Example: Standing in line to be the first who gets a new Apple product. They are not there because of the WHAT (they can get the product later with less hassle), but because of the WHY. They want to be the first, and seen by others to be the first.

- We follow those who lead not because we have to but because we want to.
- We follow those who lead not because of them but for ourselves.

HOW TO FIND YOUR WHY

By now, you should see the value of starting with WHY. But what if you don't know your WHY? How do you go about finding it?

First off, I'd recommend reading the book, and then re-read it. Even though it doesn't give much of a structure for determining your WHY, it does give some great examples. Reading about how companies like Apple communicate their WHY will help you articulate your own.

Sinek points out that "Finding WHY is a process of discovery, not invention". In other words, most of us already know our WHY at some level; we just have to find it.

Here are four ways you can go about uncovering your WHY:

1. **Look backwards.** Think about the original motivation for starting your business. What is the specific problem you wanted to solve, and why is it so important that *you* solve it? As Seth Godin would ask, "What change are you trying to make?"
2. **Look outwards.** Ask a close friend why they spend time with you. Or ask a long-time customer why they buy from you. Once they understand that you're not being insecure, their responses will give you insight into why people are drawn to you or your business. They will highlight your common beliefs.
3. **Look inwards.** According to Sinek, the best businesses have a point of view about the world, a bigger vision that they are contributing to. This doesn't need to be philanthropic, but it does need to inspire. What commonly held belief do you disagree with? What gets you up in the morning? What really matters to you?
4. **Ask 5 Whys.** A tool that we use in our strategic planning process to get at 'your why' is the 5 Why Questionnaire. The concept comes from Six Sigma – Lean Manufacturing, and is used to determine root cause of a problem.

Asking "Why?" may be a favorite technique of your three year old child in driving you crazy, but it could teach you a valuable Six Sigma quality lesson. The 5 Whys is a technique used in the Analyze phase of the Six

Sigma DMAIC (Define, Measure, Analyze, Improve, Control) methodology. It is a great Six Sigma tool.

By repeatedly asking the question “Why” (five is a good rule of thumb), you can peel away the layers of symptoms which can lead to the root cause of a problem. Very often the ostensible reason for a problem will lead you to another question. Although this technique is called “5 Whys,” you may find that you will need to ask the question fewer or more times than five before you find the issue related to a problem.

Benefits of the 5 Whys

- Help identify the root cause of a problem.
- Determine the relationship between different root causes of a problem.
- One of the simplest tools; easy to complete without statistical analysis.

When Is 5 Whys Most Useful?

- When problems involve human factors or interactions.
- In day-to-day business life; can be used within or without a Six Sigma project.

How to Complete the 5 Whys

1. Write down the specific problem. Writing the issue helps you formalize the problem and describe it completely. It also helps a team focus on the same problem.
2. Ask Why the problem happens and write the answer down below the problem.
3. If the answer you just provided doesn't identify the root cause of the problem that you wrote down in Step 1, ask Why again and write that answer down.
4. Loop back to step 3 until the team is in agreement that the problem's root cause is identified. Again, this may take fewer or more times than five Whys.

5 Whys Examples

Problem Statement: Customers are unhappy because they are being shipped products that don't meet their specifications.

1. **Why** are customers being shipped bad products?
– Because manufacturing built the products to a specification that is different from what the customer and the sales person agreed to.
2. **Why** did manufacturing build the products to a different specification than that of sales?
– Because the sales person expedites work on the shop floor by calling the head of manufacturing directly to begin work. An error happened when the specifications were being communicated or written down.
3. **Why** does the sales person call the head of manufacturing directly to start work instead of following the procedure established in the company?
– Because the “start work” form requires the sales director’s approval before work can begin and slows the manufacturing process (or stops it when the director is out of the office).
4. **Why** does the form contain an approval for the sales director?
– Because the sales director needs to be continually updated on sales for discussions with the CEO.

In this case only four Whys were required to find out that a non-value added signature authority is helping to cause a process breakdown.

Let's take a look at a slightly more humorous example.

Problem Statement: You are on your way home from work and your car stops in the middle of the road.

1. **Why** did your car stop?
– Because it ran out of gas.
2. **Why** did it run out of gas?
– Because I didn't buy any gas on my way to work.
3. **Why** didn't you buy any gas this morning?
– Because I didn't have any money.
4. **Why** didn't you have any money?
– Because I lost it all last night in a poker game.

5. **Why** did you lose your money in last night's poker game?
– Because I'm not very good at "bluffing" when I don't have a good hand.

As you can see, in both examples the final Why leads the team to a statement (root cause) that the team can take action upon. It is much quicker to come up with a system that keeps the sales director updated on recent sales or teach a person to "bluff" a hand than it is to try to directly solve the stated problems above without further investigation.

5. Let's now apply this to finding your why.
 1. Define what you do today.
 2. Then ask the following:
 1. Why is it important?
 2. Why does this matter?
 3. Why is it important?
 4. Why does this matter?
 5. Why is it important?
 6. What is your Why?
 3. 4 types of 'Why' (core purpose):
 1. Service to others
 2. Search for knowledge and truth
 3. Pursuit of beauty and excellence

If you're still not clear on your WHY, that's okay. Like your purpose, passion, or niche, your WHY will emerge over time if you let it.