

## **START WITH WHY BY SIMON SINEK | BOOK SUMMARY**

There are leaders and there are those who lead. Start With Why is about a naturally occurring pattern, a way of thinking, acting and communicating that gives some leaders the ability to inspire those around them. The more organisations and people who learn to also start with WHY, the more people there will be who wake up feeling fulfilled by the work they do.

Those who are able to inspire give people a sense of purpose or belonging that has little to do with any external incentive or benefit to be gained. Those who truly lead are able to create a following of people who act not because they were swayed, but because they were inspired. For those who have an open mind for new ideas, who seek to create long-lasting success and who believe that your success requires the aid of others, I offer you a challenge. From now on, start with Why.

### **PART ONE: WORLD THAT DOESN'T START WITH WHY**

Chances are, you're selling a product that someone else is selling, with similar features, at a similar price. So how do we attract customers? Usually, when asked why your customers shop with you, you say it's because of your features or price. So in other words, we have no idea. It's the same with our employees.

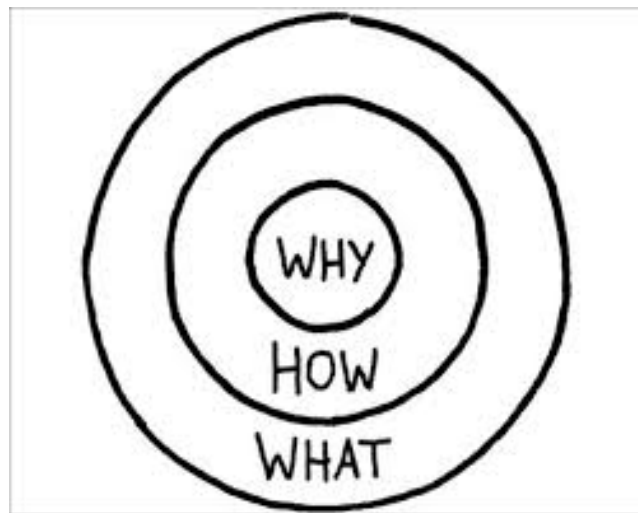
- There are two ways to influence behaviour: inspire or manipulate.
- We manipulate the whole time – sales, promotions etc... Manipulation works!
- Prices, promotions, fear, aspirations, novelty and peer pressure are all used to manipulate and motivate a purchase.
- All of these techniques work, but none of them are sustainable. They are short term wins and don't encourage loyalty.
- In terms of leadership, they can help you reach the top, but they won't make people follow you.
- "Leadership is the ability to rally people not for a single event, but for years. In business, leadership means that customers will continue to support your company even when you slip up."
- "There is a big difference between repeat business and loyalty. Repeat business is when people do business with you multiple times. Loyalty is when people are willing to turn down a better product or a better price to continue doing business with you. Loyal customers often don't even bother to research the competition or entertain other options. Loyalty is not easily won. Repeat business, however,

- is. All it takes is more manipulations.”
- All of this manipulation has a cost and isn't sustainable.

## PART TWO: AN ALTERNATIVE PERSPECTIVE

### The Golden Circle

“There are a few leaders who choose to inspire rather than manipulate in order to motivate people. Whether individuals or organisations, every single one of these inspiring leaders thinks, acts and communicates exactly the same way. And it's the complete opposite of the rest of us. Consciously or not, how they do it is by following a naturally occurring pattern that I call The Golden Circle.”



- “The Golden Circle shows how these leaders were able to inspire action instead of manipulating people to act.”
- WHAT: Every company in the world knows what they do. i.e. They can describe their product or service.
- HOW: Some companies know how they do what they do. They know how they're different i.e. A unique selling point.
- WHY: Very few companies know why they do what they do (and it's not to make money, this is a result). Why do you get out of bed in the morning, what is the company's purpose, and why should anyone care?
- Normal companies communicate to their from the outside in and then have some call to action: this is what we do, and this is how we do it. e.g. If Apple was like everyone else, they would sound like this: "We make great computers,p.
- They're beautifully designed and easy to use. Wanna buy one?"
- Inspiring companies start with why. There's no trickery or manipulation, they just reverse the order of the information. e.g. In everything that we do, we

believe in challenging the status quo and thinking differently. The way we do this is to design products that are beautifully designed and easy to use. We just so happen to make great computers. Wanna buy one?

- In fact, to they're not really reversing here information because they start with why all the time. They think and communicate differently.
- The 'why' engages us emotionally while the 'what' and 'how' serve as the evidence of the belief.
- Other companies can copy what you do or how you do it. But they will never be the same if they don't start with why.
- People don't buy 'what' you do, they buy 'why' you do it.
- "5GB MP3 player" vs "1,000 songs in your pocket".
- "The problem was, they advertised their product as a "5GB mp3 player." It is exactly the same message as Apple's "1,000 songs in your pocket." The difference is Creative told us WHAT their product was and Apple told us WHY we needed it."
- "Only later, once we decided we had to have an iPod, did the WHAT matter—and we chose the 5GB version, 10GB version, and so on, the tangible details that proved we could get the 1,000 songs in our pocket. Our decision started with
- WHY, and so did Apple's offering."
- Dell defined itself by what they did; make computers. So when they tried making MP3 players, they flopped, because people didn't feel like they could buy an MP3 player from a computer company. But Apple, who defines itself by why they do it, was able to make an MP3 player, phones and tablets.
- When you start with why, features and what you do doesn't matter as much. You're goal is to attract people who believe in your why. You don't need the how to differentiate from competition. "It's not a debate about better or worse anymore, it's a discussion about different needs. And before the discussion can even happen, the WHYS for each must be established first."
- Let's imagine a company a company in the late 1800s that makes trains and railroads. If they define themselves by what they do, they would continue making trains and ignore the development of aircraft and die out. It they define themselves by why they do it; to transport mass amounts of people, maybe they would have lead the development of the airplane and be a major airline today.

### **This is Not Opinion, This is Biology**

As humans, we crave a sense of belonging. It's in our DNA and we do this to survive (because we had to in the dinosaur days). This feeling comes from having a common set of beliefs and values. Now when a company starts with what, yes, there may be a sense of appeal. But when they start with why, and we share their beliefs, we feel this sense of belonging and their product becomes a symbol of our beliefs.

- “The power of WHY is not opinion, it’s biology. If you look at a cross section of the human brain, from the top down, you see that the levels of The Golden Circle correspond precisely with the three major levels of the brain.”
- The neocortex corresponds to the what. This is where relational thought and analytical thinking comes from.
- The limbic brain corresponds to the how and why. This is where feelings and emotion comes from and is also where decisions are made. This part of the brain has no control over language, that’s why it can be hard to describe our feelings.
- Because we can’t put these feelings into words, we are forced to rationalise decisions with the evidence we have (the ‘what’).
- When you communicate from the outside – in, you can give all the facts and figures, but you haven’t engaged the decision making part of the brain. That’s why people get the feeling of something ‘not feeling right’ even though something feels rational.
- When you communicate from the inside – out, you’re talking directly to the part of the brain that controls decision making. Then the language part of the brain, the neocortex will rationalise the emotion or feeling for us.
- “Gut decisions” and “thinking from the heart” actually all happens in the limbic brain.
- “Companies that fail to communicate a sense of WHY force us to make decisions with only empirical evidence. This is why those decisions take more time, feel difficult or leave us uncertain.”
- Even the saying ‘winning hearts and minds’ and not ‘minds and hearts’ is our brains telling us to start with why.
- The limbic brain is so powerful, that it often out ways rational thought. This is where innovation comes from and it’s why we take risks that seem illogical. This is why people will pay more money for a Mac even though it’s softer less powerful than a cheaper PC. They do it for themselves because the Mac is a symbol of who they are and how they like to be seen. Think about it – that’s why the Apple logo is upside down to the user and the right way round for everyone else...

### **Clarity, Discipline & Consistency**

- “Starting with WHY is just the beginning. There is still work to be done before a person or an organisation earns the right or ability to inspire. For The Golden Circle to work, each of the pieces must be in balance and in the right order.”
- Clarity of WHY – If a leader can’t clearly explain why the organisation does what it does, how can anyone be inspired by this. The why must be clearly articulated.
- Discipline of HOW – Finding your why is the easy part. Holding yourself true to this and sticking to how you achieve your why is the hard part. It requires discipline.
- Consistency of WHAT – Why is just a belief. The how is how you achieve the

belief and what you say and do is the proof of your belief. If you are consistent with what you say and do, you will become more authentic. This builds trust and loyalty. If you have no why, it's almost impossible to build this authenticity, as you have no beliefs to prove.

- "It is a false assumption that differentiation happens in HOW and WHAT you do. Simply offering a high-quality product with more features or better service or a better price does not create difference. Doing so guarantees no success.
- Differentiation happens in WHY and HOW you do it."
- "The Golden Circle provides a way to communicate consistently with how individuals receive information. For this reason an organisation must be clear about its purpose, cause or belief and make sure that everything they say and do is consistent with and authentic to that belief. If the levels of The Golden Circle are in balance, all those who share the organisation's view of the world will be drawn to it and its products like a moth to a light bulb."

### **PART THREE: LEADERS NEED A FOLLOWING**

As members of the human race, we are attracted to those who have the same values and beliefs as us i.e. We are attracted to cultures where our values and beliefs align with it. When we believe the same things, trust emerges. This is what allowed us to leave our families behind to go and hunt, knowing they would be protected by the people who share our beliefs. When we recruit employees, we should recruit people who believe what we believe so that we can trust one another, instead of hiring purely based on skills and experience. In order for leaders to build a following, they must be trusted.

#### **The Emergence of Trust**

- "Trust is not a checklist. Fulfilling all your responsibilities does not create trust. Trust is a feeling, not a rational experience. We trust some people and companies even when things go wrong, and we don't trust others even though everything might have gone exactly as it should have."
- "You have to earn trust by communicating and demonstrating that you share the same values and beliefs."  
"You have to talk about your WHY and prove it with WHAT you do. Again, a WHY is just a belief, HOWs are the actions we take to realise that belief, and WHATs are the results of those actions. When all three are in balance, trust is built and value is perceived."
- When you hire people who believe what you believe, success just happens.
- "You don't hire for skills, you hire for attitude. You can always teach skills."  
(attitudes that align with your culture).

- “The goal is to hire those who are passionate for your WHY, your purpose, cause or belief, and who have the attitude that fits your culture”.
- “Great companies don’t hire skilled people and motivate them, they hire already motivated people and inspire them. People are either motivated or they are not. Unless you give motivated people something to believe in, something bigger than their job to work toward, they will motivate themselves to find a new job and you’ll be stuck with whoever’s left.”
- Figure out why your good employees are good fits, then develop systems to find more of them.
- “Great companies don’t hire skilled people and motivate them, they hire already motivated people and inspire them. People are either motivated or they are not. Unless you give motivated people something to believe in, something bigger than their job to work toward, they will motivate themselves to find a new job and you’ll be stuck with whoever’s left.”
- We trust people who will fit in our communities. If you think of hiring a baby sitter, you’re more likely to hire a local teen than an old, more experienced person who is new in town. Because they are part of your community, you trust them. Why is it that we take the opposite approach in business?
- “Only when individuals can trust the culture or organisation will they take personal risks in order to advance that culture or organisation as a whole. For no other reason than, in the end, it’s good for their own personal health and survival.”
- “Great organisations become great because the people inside the organisation feel protected. The strong sense of culture creates a sense of belonging and acts like a net. People come to work knowing that their bosses, colleagues and the organisation as a whole will look out for them.”

### **How a Tipping Point Tips**

- “According to the Law of Diffusion, mass-market success can only be achieved after you penetrate between 15 percent to 18 percent of the market. That’s because the early majority won’t try something new until someone else has tried it first.”
- “The ability to get the system to tip is the point at which the growth of a business or the spreading of an idea starts to move at an extraordinary pace. It is also at this point that a product gains mass-market acceptance.”
- “The goal of business then should not be to simply sell to anyone who wants what you have—the majority—but rather to find people who believe what you believe, the left side of the bell curve. They perceive greater value in what you do and will happily pay a premium or suffer some sort of inconvenience to be a part of your cause.”
- “It is the percentage of people who share your beliefs and want to incorporate

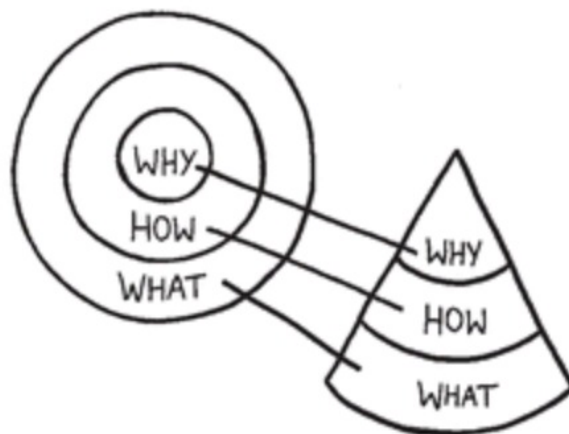
your ideas, your products and your services into their own lives as WHATs to their own WHYs.”

- “Get enough of the people on the left side of the curve on your side and they encourage the rest to follow.”
- “You don’t just want any influencer, you want someone who believes what you believe. Only then will they talk about you without any prompts or incentives. If they truly believe in what you believe and if they are truly on the left side of the curve they won’t need to be incentivised; they’ll do it because they want to. The entire act of incentivising an influencer is manipulative. It renders the influencer completely inauthentic to his or her group.”

## **PART FOUR: HOW TO RALLY THOSE WHO BELIEVE**

### **Start with Why, But Know How**

The Golden Circle is actually a birds eye view of a cone which represents the three-dimensional structure of organisations.



- When you have a beliefs, a why, your what is just one of the ways of bringing that why to life. Often people don’t know what they’re going to do. They know what they believe, and they find their what along the way. e.g. Simon Sinek believes in inspiring others. Writing a book is just one way of doing this.
- “The leader sits at the top of the cone—at the start, the point of WHY—while the HOW-types sit below and are responsible for actually making things happen. The leader imagines the destination and the HOW-types find the route to get there.”
- WHY-types are optimists and see things others can’t. They are visionary and see how they think the world should be. HOW-types are more in the here and now.

They're more rational and can get things done. Each type needs the other.

- When you look at any billion dollar company, it is usually characterised by a partnership between a Why and How type person. e.g. Steve Jobs was the visionary behind Apple, but Steve Wozniak was the how who made it happen.
- This relationship defines the difference between a vision and a mission statement. The vision is the purpose, whereas the mission is how the company will work towards its vision.
- "It's no coincidence that the three-dimensional Golden Circle is a cone. It is, in practice, a megaphone. An organisation effectively becomes the vessel through which a person with a clear purpose, cause or belief can speak to the outside world. But for a megaphone to work, clarity must come first. Without a clear message, what will you amplify?"
- Companies like Apple and Virgin innovate in any industry they like. They're not companies, more like social movements. They create change.

### **Know Why. Know How. Then What?**

- "Put bluntly, the struggle that so many companies have to differentiate or communicate their true value to the outside world is not a business problem, it's a biology problem."
- "We use symbols. We create tangible things for those who believe what we believe to point to and say, "That's why I'm inspired." If done properly, that's what marketing, branding and products and services become; a way for organisations to communicate to the outside world. Communicate clearly and you shall be understood."
- "If WHAT you do doesn't prove what you believe, then no one will know what your WHY is and you'll be forced to compete on price, service, quality, features and benefits; the stuff of commodities"
- "It is not just WHAT or HOW you do things that matters; what matters more is that WHAT and HOW you do things is consistent with your WHY. Only then will your practices indeed be best"
- The celery test – imagine a range of friends say: you know what you need in your business: Oreos, rice milk, M&Ms and celery. You go to the supermarket and buy them all and you end up spending more than you need to. Plus, people in the queue are confused by you as you have such a mix of products. Instead, if you go to the supermarket and you believe in healthy living, you only buy the rice milk and celery. As a result, you spend less money and the people in the queue can clearly see what you stand for. Your why allows you to filter people's advice and new information you receive. i.e. It has to pass the celery test.

## **PART FIVE: THE BIGGEST CHALLENGE IS SUCCESS**



### **When Why Goes Fuzzy**

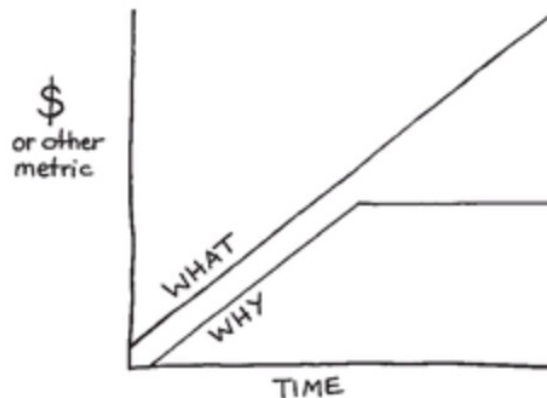
Walmart began with the intention, the why, to help and serve people. They did this using a discounting method of selling goods. However, along the way, they lost sense of their why and forgot their purpose. They stopped caring about their employees. No one could explain what happened, it's a feeling in the part of the brain why has no capacity for language. So we blame size and money.

- Simon recalls attending the Gathering of Titans where America's most successful entrepreneurs gather together. 80% has achieved their financial goals! although 80% didn't feel successful. As their companies had grown, they had lost a sense of their why. They still knew what they did and how they did it, but their why had gone fuzzy. And of course, this was difficult to put in to words.
- "Achievement is something you reach or attain, like a goal. It is something tangible, clearly defined and measurable. Success, in contrast, is a feeling or a state of being. "She feels successful. She is successful," we say, using the verb to be to suggest this state of being". "In my vernacular, achievement comes when you pursue and attain WHAT you want. Success comes when you are clear in pursuit of WHY you want it."
- "More importantly, some people, while in pursuit of success, simply mistake WHAT they achieve as the final destination. This is the reason they never feel satisfied no matter how big their yacht is, no matter how much they achieve." "For great leaders, The Golden Circle is in balance. They are in pursuit of WHY, they hold themselves accountable to HOW they do it and WHAT they do serves as the tangible proof of what they believe."

### **Split Happens**

For all organisations that go through the split, they are no longer inspired by a cause greater than themselves. They simply come to work, manage systems and work to reach certain preset goals. There is no longer a cathedral to build. The passion is gone and inspiration is at a minimum. They are focused too much on the how and what.

## The Biggest Challenge Is Success



- “The volume of the megaphone comes solely from growth of WHAT. As this metric grows, any company can become a “leading” company. But it is the ability to inspire, to maintain clarity of WHY, that gives only a few people and organisations the ability to lead. The moment at which the clarity of WHY starts to go fuzzy is the split.”
- Use the school bus test. If the founder were to get hit by a bus and die, would the business be effected? The challenge isn’t to cling on to the leader forever, but to find a way of keeping the vision alive and clear.
- Most organisations today use very clear metrics to track the progress and growth of WHAT they do—usually it’s money. Unfortunately, we have very poor measurements to ensure that a WHY stays clear. Instead of measuring revenue, measure things like positive customer feedback and work-life balance e.g. Clocking out before 5:30pm.
- “Great second or third CEOs don’t take the helm to implement their own vision of the future; they pick up the original banner and lead the company into the next generation”

## PART SIX: DISCOVER WHY

### The Origins of a Why

- “The WHY does not come from looking ahead at what you want to achieve and figuring out an appropriate strategy to get there. It is not born out of any market research. It does not come from extensive interviews with customers or even employees. It comes from looking in the completely opposite direction from where you are now. Finding WHY is a process of discovery, not invention.”
- “Learning the WHY of a company or an organisation or understanding the WHY of any social movement always starts with one thing: you.”

- An organisations why comes from the founder and their beliefs. This is often something they believe long before their organisation exists. It's a cause that drives them constantly.

### **The New Competition**

- “When you compete against everyone else, no one wants to help you. But when you compete against yourself, everyone wants to help you.”
- “Those who forget WHY they were founded show up to the race every day to outdo someone else instead of to outdo themselves.”

“Leadership requires two things: a vision of the world that does not yet exist and the ability to communicate it.”