

The Golden Circle



Simon Sinek remembers the last quarter of 2005 as the time he hit rock bottom. His strategy consulting business was in its fourth year. The novelty of being an entrepreneur had worn off and in its place was a nagging realisation that his working life had become intellectually, financially and emotionally unfulfilling. He was demoralised. Disillusioned. Depressed.

And then inspiration struck.

He realised that his issue was not that he didn't understand well enough what he was doing, or how to do it. His problem was that he needed to rediscover WHY. He became obsessed with the question of WHY: what was his purpose in life? What was the purpose of his business? He was convinced that finding his WHY would reconnect him with his source of energy and inspiration and enable him to succeed.

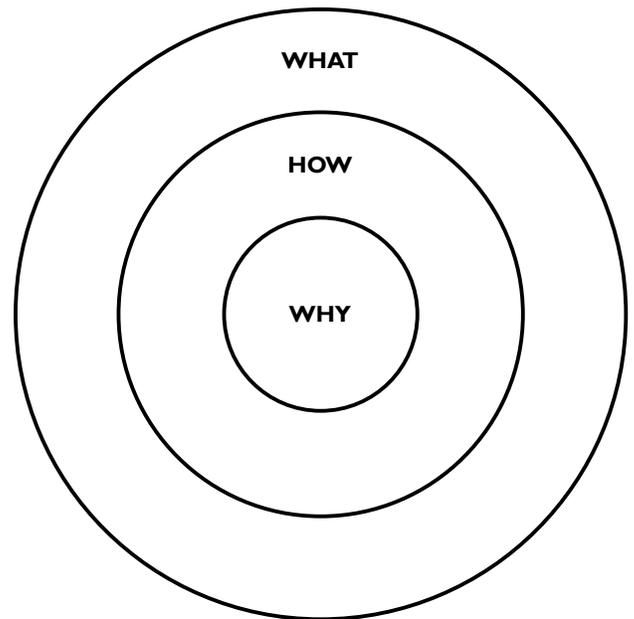
And so it did.

He published 'Start with WHY' in 2009 and it quickly became a bestseller. He gave a wildly popular TED Talk on the subject of WHY in 2010. Ernst & Young has since worked with him to translate his ideas into a proprietary methodology. He has co-founded Optimism Press with Penguin Random House. And he sits atop a sprawling media empire that spans podcasts, online learning platforms, print media, live events and Facebook communities – all focused on bringing his own WHY to life:

"To inspire people to do the things that inspire them so that, together, we can change our world."

At the heart of Sinek's thinking is his 'Golden Circle' framework, so-called because its creator believes it mirrors the Golden Ratio in terms of its truth, simplicity, beauty and ability to find order and predictability in human nature.

The Golden Circle is supposed to mirror the structure of the human brain: the WHY exists in the 'limbic brain' (Kahneman's 'System 1'), which controls feelings and decision-making. WHATs exist in the neocortex (Kahneman's 'System 2'), which controls rational thought.



Consequently, the WHY sits at the centre of the framework. It provides an organisation's emotional truth and a means for discriminating between "authentic" and "manipulative" businesses. Without a WHY, business is a soulless scramble for profit and brands provide little more than a thin veneer of respectability. Sinek's WHY is the ultimate boon for marketers in search of 'meaning'. Success lies in being able to articulate an organisation's WHY, and then ensuring that its HOWs and WHATs are appropriately aligned.

Because Sinek belongs to the generation of business thinkers who believe passionately in the power of storytelling, the weight of his literature focuses more on providing inspiration than practical advice. Eight years after inventing the Golden Circle, he teamed up with consultants David Mead and Peter Docker to add a little meat to the bone.

Without giving too much away, their approach is workshop-based and uses storytelling to reveal the WHY and HOW of a business. The WHY should be expressed as a formula that mirrors Sinek's own WHY statement above:

"To, so that"

In other words, the statement should be a simple sentence that articulates the contribution you make to others' lives and the human impact of that contribution (profit or shareholder value creation

are not considered valid outcomes here). The WHY Discovery process is a relatively straightforward matter of inviting engaged employees to tell stories about moments when they felt proudest to work for their business and to reflect on how those stories reveal the contribution their business makes to the lives of other people. Inevitably, these stories are all focused on past events. In Sinek's view, this ensures that the WHY is based on fact, rather than flimsy or vague aspirations for the future. Identifying the most inspiring themes that result from these stories is how you arrive at your WHY. And the evocative themes that are runners-up in the process collectively represent your HOW. These should be restated as verbs or described as actions, so that people can find them easier to follow. Here are Simon Sinek's HOWs:

1. Take the unconventional perspective

- See something from a different angle. Open up to doing things a different way.
- Ask, "is there another, possibly better, way of doing this?"
- Try something. If it doesn't work, try something else.

2. Keep it simple

- When things are simple, everyone can understand. If a ten-year-old can understand what you're saying, then you're good to go.
- Simple language and simple ideas are easily understood and easier to execute.

3. Silver line it

- Find something positive in every situation and in every person.

4. Share everything

- Share ideas and feelings. Invite and teach others to share too.
- Share your idea, especially if it's not perfect/ Even the "worst" ideas can be built upon.
- Others won't know how you feel or what you want until you share it.

5. Focus on the long-term

- Build something that will outlast every one of us.
- Focus on momentum and trending more than hitting arbitrary numbers and dates.

Like any framework, I've seen the Golden Circle used and abused. The reason I've included Sinek's own WHY and HOW in this article is because I think it's instructive to see how the framework has been applied by its own creator. Even though I don't completely buy into the storytelling and pseudo-science that underlies the Golden Circle, there are some strong positives to Sinek's framework:

A simple, powerful statement that contains an action as well as an outcome

Regardless of whether you want to call it a purpose, a positioning, a promise, a vision or mission statement, if you can't articulate your organisation's ambition in a succinct sentence then it's going to be difficult for your colleagues, customers or anybody else to care about it or act upon it. And it should be more than a statement of belief. It should contain some sort of a definition of the change you intend to bring about and your role in creating that change. Without this, you're at risk of navel-gazing.

A supporting set of principles to guide how your organisation should think, feel and act

I like that Sinek's HOWs are expressed clearly as actions. And that each point is accompanied by a set of clarifying behaviours that could be applied by everyone in a business, from the janitor to the General Counsel. Beyond this, Sinek's HOWs aren't too formulaic and they aren't too numerous. I'm not too fussed whether these are called HOWs, values, behaviours, brand characteristics, personality traits, or creative principles, so long as they are simply expressed and can be adopted across an organisation – regardless of role.

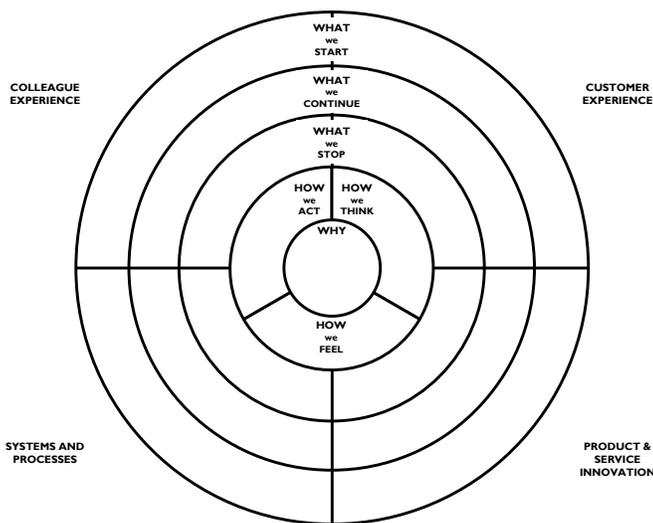
Beyond that, I wouldn't be too dogmatic in terms of the process you follow in arriving at your ambition, or your guiding principles. Storytelling is a really useful input, but I happen to disagree with Sinek's view that an organisation's ambition should be fixed or rooted in its past. I much prefer to work with brands that have a clear point of view on the future and how they want to get there. I also happen not to agree that every organisation's ambition should be interpreted as a 'purpose' in

the strictest sense. Some businesses want to make a dent in the universe. Others have more modest aims. That's fine by me. Not every brand needs to end hunger or poverty or injustice. And I'm more than happy for a business or a brand to substitute purpose for frivolity. After all, the world needs pleasure machines just as much as it needs purpose engines.

And let's not forget the WHAT.

In my experience, people in organisations rarely feel comfortable agreeing on their purpose or positioning without kicking the tyres beforehand. And one of the biggest pitfalls many people fall into is turning a positioning exercise into a purely intellectual task of finding an inspiring idea or phrase or sentence. If you get this sort of thing right, it should have fundamental and far-reaching implications for what you do: the products and services you sell; the ways in which your colleagues and customers experience your organisation; your internal structures and processes. I wouldn't recommend waiting until you've defined your WHY and HOWs before considering their practical implications for WHAT you actually do – or will do differently in future.

To this end, I often use an adapted version of the Golden Circle as a way of comparing different candidate brand positionings or purposes:



Over time, colleagues have tended to refer to this as the 'brand pizza', a term that lacks the majesty of the Golden Circle but at least feels relatively unthreatening and down-to-earth. This is usually introduced in workshop situations where we have a set of two to three candidate positioning or purpose ideas to choose from. The working group is split into teams and each team is asked to work through the implications of their chosen purpose or positioning statement:

- How would it translate into guiding principles for how the organisation should think, feel and act?
- And what does this mean practically for what the organisation would stop, continue and start doing in terms of customer and colleague experience, product and service innovation and improving its underlying systems and processes.

Brand pizza gives the teams an opportunity to try each purpose or positioning statement on for size. Once the exercise is complete, it becomes much easier to compare the candidate ideas. Sometimes, a beautifully articulated sentiment falls flat on its face the moment people begin seriously to consider its practical implications – it's frighteningly easy to come up with empty purpose statements. The opposite issue also happens; lofty ambitions flounder because the activities that would be required to deliver them would bankrupt the business.

A great, heartfelt purpose can be powerful in terms of attracting colleagues, customers and capital providers to engage with an organisation, but that's only half the story. The ability to inspire passion counts for little unless that passion can be positively, productively and profitably directed. Simon Sinek's passion lies in discovering WHY, but if you want to create a really great brand positioning, the HOW and WHAT count every bit as much.