

## INTRODUCTION

# THE BEGINNING OF THE JOURNEY

It is a magical night—one of those rare December evenings when the cold and the warmth mix just right to blanket everything with big, fluffy, crystalline flakes of snow. Everything looks so perfect; everything feels so silent. As the snow deepens so does the silence in the atmosphere. I could be viewing this mesmerizing winter scene from a chalet in Switzerland, but I'm not. I'm in bumper-to-bumper traffic on a Minneapolis freeway, and oddly enough, I'm enjoying every minute of it.

Being in a car at rush hour can be either a prison or a monastic retreat. It all depends on your perspective. Does it really matter that I'm going to be late? Even though I could feel stressed, I don't. I could use this time to listen to messages and catch up on calls. Instead, I welcome the opportunity to sit in the quiet, and to reflect. As I sink into a meditative state, I begin to think about my day. And, what a day it was—a rich mixture of purpose, passion, emotion, and concentrated learning.

Our coaching team finished guiding a senior executive of a major company through our *Executive to Leader Institute*®. It was an intensive, rewarding three days. We helped the client master a career-life-leadership plan by integrating a comprehensive look at his professional and personal life. In a way, we helped him to step back and observe himself just as I was observing the snowfall—clearly, objectively, and appreciatively. At the end of the last session he said, “You know, I’ve been through all sorts of assessments, coaching, and development programs. This is the first time things have really made sense to me. I’ve gotten pieces of the puzzle before, but never the whole picture. I clearly understand where I’m at, where I’m headed, and what I need to do to really enhance my effectiveness. What would my organization be like if a critical mass of leaders mastered the same sense of personal conviction and clarity I have now?”

As the snow piles up, I'm feeling very fortunate. To help people connect to their purposeful potential occasionally would be lucky. But, to coach thousands of leaders, teams, and organizations for nearly 30 years and play a role in helping people and organizations to actualize their potential is deeply rewarding. I'm feeling very blessed, when suddenly I snap out of my thoughtful state and catch a glimpse of the clock. I'm an hour late! When the heck is this snow going to let up!

---

*Give me beauty in the inward soul; may the outward and inward man be at one.*

---

— Socrates

---

*Anyone can lead, and there is no single chief executive officer. There is a problem of getting used to the idea of no single chief, but the passage of time will allay that.*

---

— Robert Greenleaf

My good fortune goes beyond playing a role in the growth and development of leaders, teams, and organizations. I've learned a great deal along the way. I've had the opportunity to peek into the human dynamics supporting sustainable success, fulfillment, and effectiveness. I've learned also that these principles are not reserved for a few exceptional leaders. They are fundamental insights available to guide and to inspire us all.

While reading this book you may think, "Is this book about leadership, or is it about personal development?" It's about both. As much as we try to separate the leader from the person, the two are totally inseparable. Unfortunately, many people tend to split off the *act of leadership* from the person, team, or organization. We tend to view leadership as an external event. We only see it as something people *do*. The view of this book is different. Leadership is not simply something we do. It comes from a deeper reality within us; it

comes from our values, principles, life experiences, and essence. Leadership is a process, an intimate expression of who we are. It is our whole person in action. Corey Seitz, Vice President Global Talent Management for Johnson & Johnson, shared this perspective with me: "The essence of leadership and executive development is growing the whole person to grow the whole leader. This means helping key people to connect their core values and core talents to their organization, to their customers, and to their lives. If leadership programs do that, then sustainable performance can be achieved, for leaders and for the organizations they serve."

*We lead by virtue of who we are.* Some people reading this book will make breakthroughs and then lead their own lives more effectively. Others will develop themselves and passionately lead major organizations to new heights. Whether we are at an early stage in our career, a mid-level manager, or a senior executive, we are all CEOs of our own lives. The only difference is the domain of influence. The process is the same; we lead from who we are. The leader and the person are one. As we learn to master our growth as a person, we will be on the path to mastery of *Leadership from the Inside Out*.

What does *mastery* of leadership mean to you? To many people it is mastery *of* something: mastery *of* the skill to be a dynamic public speaker, mastery *of* strategic planning and visioning,

mastery *of* consistent achievements and results. Instead of being seen as an ongoing, internal growth process, mastery is usually seen as mastery *of* something outside of ourselves. When you think about it, it's no wonder that our ideas about mastery and leadership tend to be externalized. Our training, development, and educational systems focus on learning about *things*. We learn *what* to think, not *how* to think. We learn *what* to do, not *how* to be. We learn *what* to achieve, not *how* to achieve. We learn about *things*, not the *nature of things*. We tend to fill up the container of knowledge but rarely consider comprehending it, expanding it, or using it more effectively. In organizations, this external pattern continues. As leaders of organizations and communities, we receive recognition for our external mastery. Our success is measured by the degree to which we have mastered our external environment. Revenue, profit, new product breakthroughs, cost savings, and market share are only some of the measures of our external competencies. Few would question the value of achieving and measuring external results. That isn't the real issue. The core questions are: Where do the external results come from? Is focusing on external achievement the sole source of greater accomplishment? Could it be that our single-minded focus on external results is causing us to miss the underlying dynamics supporting sustainable peak performance? Malcolm Forbes said, "Only a handful of companies understand that all successful business operations come down to three basic principles: People, Product, Profit. Without TOP people, you cannot do much with the others."

Our definitions of leadership also tend to be externalized. Most descriptions of leadership focus on the *outer manifestations* of leadership (i.e., vision, innovation, results, drive, etc.), instead of getting to the fundamental, *essence of leadership* itself. For years, many companies came to us with their beautiful leadership models. One day I had a meeting with representatives from one of these companies. When they walked into my office, I noticed that they were carrying an imposing, massive document. They dropped it onto my desk with a thud. When I asked them what it was, they said with obvious pride, "This is our leadership competency model." A bit taken aback by its size, I said, "Gee, it looks pretty big. How many competencies are in there?" With a knowing confidence, they said, "Eighty-four." Not sure how to respond to this, but wanting to provoke their thinking, I asked, "Have you ever met one?" The certainty in their eyes disappeared. Their faces twisted into puzzlement, and they asked, "What do you mean?" I explained. "In the whole history of civilization have you ever met anyone who has all these qualities at all times in all circumstances? In your organization have you ever met anyone with all these qualities?" They said that they hadn't, and I pressed further. "But you want everybody to have all 84 competencies all the time, right?" We went

*The essence of leadership is not giving things or even providing visions. It is offering oneself and one's spirit.*

— Lee Bolman and  
Terrance Deal

back and forth like this until finally I made my point. Companies create perfection myths about what they want or expect of leaders. Although aspiring to all those competencies may be noble, it also would be unrealistic to find all of them embodied in a real person.

We are not saying that we do not support competency models. In fact, we help companies globally build leadership competency models directly correlated to their business strategies. But when competency models are perfectionist, mythical, and

unconnected to the business needs, they are counterproductive.

As a result of seeing too many of these mythical competency models, we decided to step back and look at the most effective clients that we had coached at LeaderSource over the last 30 years. After reviewing thousands of personality assessments and 360° assessments, we challenged ourselves with the question, “What is fundamental to the most effective, results-producing leaders that supports their various competencies or styles?” Three patterns became clear:

1. **Authenticity:** Well-developed self-awareness that openly faces strengths, vulnerabilities, and development challenges.
2. **Influence:** Meaningful communication that connects with people by reminding self and others what is genuinely important.
3. **Value Creation:** Passion and aspiration to serve multiple constituencies—self, team, organization, world, family, community—to sustain performance and contribution over the long term.

Continuing to evaluate and test these emerging principles over the next 18 months, we landed on what we think is an essential definition of personal leadership:

**Leadership is authentic influence that creates value.**

The implications of this definition are potentially far-reaching. From this new perspective, leadership is not viewed as hierarchical; it exists everywhere in organizations. The roles of leadership change, but the core process is the same. Anyone who is authentically influencing to create value is leading. Some may influence and create value through ideas, others through systems, yet others through people, but the essence is the same. Deep from their

core, leaders bring forward their talents, connect with others, and serve multiple constituencies.

Reacting to this definition of leadership, John Hetterick, former President of Tonka and CEO of Rollerblade, told me, “This definition of leadership speaks to me. The single biggest performance issue organizations face is inspiring leadership at all levels.”

Using this definition, we acknowledge that there are an infinite number of ways to manifest leadership. There are as many styles of leadership as there are leaders. Viewing leadership from this vantage point, we will be exploring three essential questions to enhance our leadership effectiveness:

- How can we enhance our *authenticity* as a leader?
- How can we extend the *influence* we have?
- How can we create more *value*?

*Leadership from the Inside Out* is about our ongoing journey to discover and develop our purposeful inner capabilities to make a more positive contribution to the world around us. Bill George, former Chairman and CEO of Medtronic, shares this view: “As leaders, the more we can unleash our whole capabilities—mind, body, spirit—the more value we can create within and outside of our organizations.”

Mastery of *Leadership from the Inside Out* is not merely a function of achieving things. It is principally about achieving one thing—consciously making a difference by fully applying more of our potential. This does not mean that we only lead from the inside-out. On the contrary, we lead just as much—and sometimes more—from the outside-in. Leadership involves a constant dynamic between the inner and the outer. We are emphasizing the inside-out dynamic because too often it is overlooked. We tend to focus too much on the outside. We are in a continuing flow, a dynamic relationship with ourselves and our constituencies—the marketplace, our customers, our employees, and our personal relationships. Ultimately, we want a balance of leading from the inside-out and the outside-in. Our decisions and actions are in a dynamic loop from us to others and back again. To practice leadership at the highest level, we need to take responsibility—personal and social responsibility. We need to be equally vigilant about the “I” and the “We” of effective leadership. Daniel Goleman’s work on emotional intelligence precisely identified this inner-outer/outer-inner dynamic as the two interactive qualities of emotional intelligence: awareness of self and awareness of others.

*There is but one cause of human failure and that is a man's lack of faith in his true Self.*

— William James

The purpose of this book is to help you master seven ways to lead more effectively. I will do this by sharing our\* distilled insights from working with thousands of leaders. Although the subsequent chapters will elaborate, there are a few essential themes, which consistently surface as we help people to master their leadership effectiveness:

- As the person grows, the leader grows. The missing element in most leadership development programs is actually the “Master Competency” of *growing the whole person to grow the whole leader*.
- Most definitions of leadership need to be balanced from the inside-out, moving from viewing leadership only in terms of its external manifestations to seeing it also from its internal source. To balance leading from the inside-out and from the outside-in gets to the essence of genuine leadership development.
- Helping leaders to connect with their core talents, core values, and core beliefs is central to effective leadership development.
- Leaders who learn to bring their core talents, core values, and core purpose to conscious awareness experience dramatic, quantum increases in energy and effectiveness.
- Leaders who integrate personal power and results power with relational power accelerate their leadership effectiveness.
- Leaders who work on achieving congruence—alignment of their real values and their actions—are more energetic, resilient, effective, and interpersonally connected.
- Transforming leadership development programs from a series of fragmented, content-driven events to an integrated, inside-out/outside-in growth process greatly enhances leadership, team, and organizational excellence.

Kevin Wilde, Chief Learning Officer for General Mills, who was named “CLO of the Year” by *Chief Learning Officer* magazine, put it this way, “Ultimately, leadership development has to integrate the depth of the inner self-awareness work with the breadth and complexity of external marketplace and cultural dynamics. Enduring leadership development brings together both of these inner and outer realities.”

\* Since much of the work we do at LeaderSource and the *Executive to Leader Institute* involves integrated teams of coaches working together to impact individual and organizational effectiveness, I cannot accurately write about the work without saying “our,” “we,” and so forth.

*Leadership from the Inside Out* involves clarifying our inner identity, purpose, and vision so that our lives thereafter are dedicated to a more conscious, intentional manner of living and leading. This inner mastery directs our diverse intentions and aspirations into a purposeful focus where increased effectiveness is a natural result. As we move to a more fulfilled manner of living and leading, a focus on purpose replaces our single-minded focus on external success. However, our purpose cannot stay “bottled up” inside; we feel compelled to express it. This purposeful intention and action serves as the energetic, inspired basis for enhanced leadership effectiveness and achievement. Unfortunately, I’ve lost track of the number of times I’ve met with a CEO, business owner, or corporate executive who had lost connection to this inner core of success.

John, a business owner, approached me a while ago. By all external measures he was a great success. He had a thriving business. He recently built a new facility to house his expanding operations. But something was missing. When he sat down with me, he opened up immediately by saying, “You know, everyone thinks I’m a big success. My neighbors think I’m successful. My friends think I’m successful. My family thinks I’m successful. My employees around the globe think I have it all together. But you know what? I’m miserable. I’m unhappy in what I’m doing. *My whole life I’ve been just successfully reacting to circumstances.* I got my degree and that defined my first job, and that first job defined my second job, and so on. And before I knew it I had this business, a family, and a mortgage. Recently I ‘woke up’ and said to myself, ‘Is this me? Is this my life, or just a series of circumstances I’ve successfully reacted to?’ I’m not sure what to do, but I have this sense of urgency that I need to take my life back.”

From a development perspective, many leaders of organizations today are like John. We are like naturally gifted athletes who have mastered our external performance capabilities but have neglected the inner dynamics supporting our success and fulfillment. What happens to natural athletes who become coaches? They often have an extremely difficult and frustrating time. Why? Most often it is because they have not comprehended from the inside-out how they became great. As a result, it is challenging to mentor others to greatness, and it is equally challenging to be consciously aware of how to replicate their own success in the future. This is why most significant growth and development needs to begin with self-leadership, mastery of oneself.

When we define our identity and purpose only in terms of external results, the circumstances of our lives define us. In this externally driven state of identity, life is fragile, vulnerable, and at risk. Everything that happens to us defines who we are. We are success. We are failure. We become our circumstances. Life defines us. Our core identity and passionate

*Try not to become a man of success. Try to become a man of value.*

— Albert Einstein

purpose are overshadowed by the events of our lives. Success may even be present, but mastery has escaped us. Unintentionally, we have chosen to “major” in the “minor” things of life. Can we lead when we don’t see beyond the external circumstances surrounding us?

*For this is the journey that men make: to find themselves. If they fail to do this, it doesn’t matter much what else they find.*

— James Michener

Bill, a senior executive in a global company based in Europe, was caught in this external trap, but he didn’t know it. His career had been a fast and consistent ascent to the top. He had the “right degree,” his background was with the “right companies,” and his results were always outstanding. However, his single-minded pursuit of success had great costs. Without intending to, he left a wide wake of people in his path to success. As a result, he had few close supporters and team morale was low. At earlier stages in his career, this was not an issue. As he advanced, it became an increasing problem. One day his boss approached him and said, “Bill, your results are outstanding, but we need more than that. The way you’re getting results is starting to diminish your effectiveness here.” Bill was shocked. A flood of thoughts came to mind: “What do you mean my results are not enough? Since when has my style been an issue?” Am I missing something here?” Bill’s externally built facade of success was being questioned by his boss and by Bill himself. This jolt was exactly what he needed to foster his development to the next level.

After a few days, Bill arrived in my office for leadership coaching. The shock of his boss’s comments and his need to reconcile them with his limited self-understanding had put him in a reflective mood. “I’ve been avoiding this. If I’m honest with myself, I know I have to do some work. Not the type of work I’m accustomed to, but work on me. But I’m totally at a loss. My whole life has been focused on achieving at all costs: getting the grades in school, winning in sports, getting results in business. When I’m faced with changing, doing things differently, growing . . . whatever you call it, I’m lost. I’m even beginning to wonder what’s really important to me anymore. My life has been invested in getting results. Now that’s not enough? What do I do?”

After a couple of months of intensive work, Bill began to turn his life inside-out. He started to sort out what was really important to him. He began leading more from his core values.



He built more relationships with people. He started to master the power of inner-driven, purposeful leadership. His team environment responded to his newfound sense of service. His boss, co-workers, friends, and family all felt that something significant, something of real substance, had begun.

It's important to note that we didn't try to change Bill by taking him through some sort of "charm school." We helped him to wake up. He woke up to his identity. He woke up to the influence he was having on people. He woke up to his values and purpose. He woke up to his vision. He woke up to how others perceived him. This inside-out and outside-in mastery authentically reconnected him to himself, to others, and to the world around him. It was there all the time, but he needed to connect to it. Like Bill, we all fall into a metaphorical slumber at times. Rarely questioning where we are going and why, we go about our business and relationships day after day. Unfortunately, it often takes a traumatic event—a death, a termination, a divorce, a disease, or even a global crisis—to bring us out of the depths of our deep sleep. But why wait for a shocking wake-up call? Why not make a more conscious choice to awaken to new potentialities now?

## REFLECTION

### CONSCIOUS WAKE-UP CALL

Go to your favorite spot to sit. Get comfortable. Close your eyes but don't lie down. (Remember, this is an awakening exercise, so our goal is to wake up, not to sleep!) Listen to your internal dialogue and chatter: "This is a dumb exercise!" "Why did I buy this book?" "I'm hungry." "I'm tired." "I'm worried about . . ." Observe the dialogue in a non-judging way. Don't mind your thoughts and feelings; just let them be there and pass in and out. Let your thoughts settle down. This will happen naturally in your non-judging state.

Start to listen. Listen for your inner voice, not the one in your head with the dialogue and thoughts. Listen for the one in your gut, the impulse that speaks to you through feelings, inspirations, intuitions, and possibilities.

From that place, ask questions and listen: "What is really important to me? Is this the life I want to live? How do I really want to live my life? What gives passion, meaning, and purpose to my life? How can I make even more of a difference? How can I live connected to these inner values?" Pause deeply. Let the questions and answers come to you easily and spontaneously.

Some people prefer doing this while listening to gentle music, others while walking; there are many ways to open up to this state. Use whatever way works for you and practice it regularly. There are endless layers to explore. If you're a bit uncomfortable or embarrassed at first, don't worry about it. Over time you will settle into it, and your discomfort will pass.

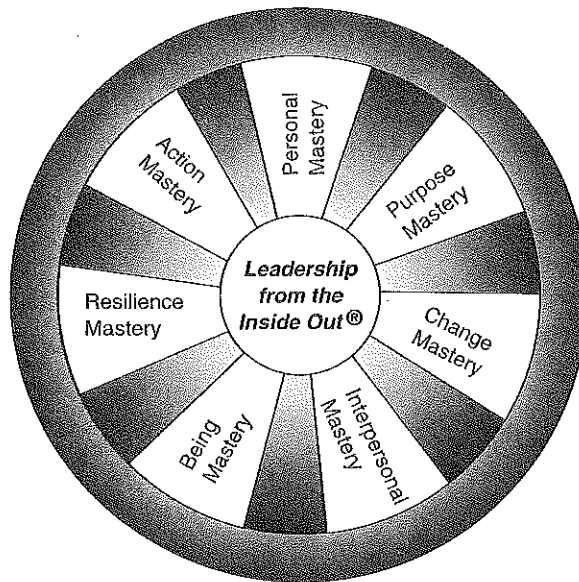
When was the last time you woke up in the morning feeling thankful, fulfilled, and happy to be alive? On these days, the sun seemed brighter, your sense of self stronger, your life's purpose clearer, and your mental and physical energies more abundant. These moments did not happen by accident. Several aspects of your life "came together." Your self-recognition, sense of purpose, relationships, career, health, and lifestyle were all "more alive" at these times. As a result, you found yourself thinking, feeling, leading, and achieving in a more positive and energizing way.

For at least a brief period of time, each of us experiences these masterful moments. How can we experience them on a more consistent basis? Unfortunately, there is not a simple answer. There are no quick-fix programs in leadership development. Programs that take shortcuts may get some immediate results by temporarily masking acute symptoms, but the chronic situation remains. Over time, the person returns to an even more difficult condition. "Quick fixes" may be quick, but they don't fix anything. The people I've worked with over the years are looking for something more—mastery of excellence over the long haul.

These people are not interested in getting "psyched-up" by a motivational speaker; they are interested in substance, results, process, and research-based solutions. They want to reach a deeper, more comprehensive level to master their lives as a whole.

Knowingly or unknowingly, we attempt to master personal and professional situations according to how we *interpret* our experiences. We filter our experiences through our unique belief system and create our personal reality. For instance, if we were in a totally dark room, we could attempt to gain mastery by interpreting it in a variety of ways:

- We could curse the darkness and become very effective at blaming it for all our problems;
- We could struggle and strain, trying with all our might to force the darkness out of the room;
- We could accept the darkness as a natural part of our existence and even create an elaborate belief system around our particular dark experience;
- We could pretend the darkness does not exist and maybe even convince ourselves that the room is actually full of light;
- Or we could take the advice of people who have been in this room before: "Turn on the light switch and dispel the darkness."



*Leadership from the Inside Out* is about lighting the pathways to our growth and development. It is not about ignoring negativity, convincing ourselves it does not exist, or pretending things are fine when they are not. Joseph Campbell, in *The Power of Myth*, described how effective, heroic people acknowledged and faced both the darkness and the light. They learned to acknowledge both realities as part of the whole. But, as Campbell emphasized, “Although they stand at the neutral point between darkness and light, they always leaned into the light.” *Leadership from the Inside Out* will help you to face your toughest challenges and lean into the light.

*Only that day dawns to  
which we are awake.*

— Henry David Thoreau

After years of helping leaders and teams to enhance career, life, and organizational effectiveness, we have identified seven practices for mastery of *Leadership from the Inside Out*. These practices are not stages of development arranged in a sequential or hierarchical order. Rather, they are an ongoing, interrelated growth process in which the practices are illuminating one another. When arranged together, we can think of them as an integrated whole, with each practice supporting progress toward a more fulfilling destination: making an enduring difference from within.

Now it’s time to begin our journey. Each of the following chapters offers you pragmatic torches to illuminate your pathways to *Leadership from the Inside Out*.