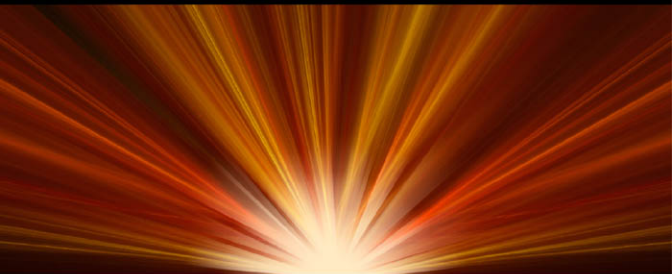


THE BESTSELLING CLASSIC

Second Edition, Revised and Expanded

LEADERSHIP FROM THE INSIDE OUT



Becoming a Leader for Life

KEVIN CASHMAN

AUTHOR OF AWAKENING THE LEADER WITHIN

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More Praise for *Leadership from the Inside Out*

“Research on leadership is clear: leaders must move from task-specific expertise to personal, interpersonal, and strategic excellence to succeed. Cashman’s *Leadership from the Inside Out* gives you both deep and pragmatic practices to help make this crucial leadership transition.”

—Kenneth R. Brousseau, PhD, CEO, Decision Dynamics LLC

“Kevin Cashman knows people can change, but to really improve the outside, every person needs to understand what’s on the inside. This book walks you through a step-by-step process of self-discovery. Anyone who is serious about personal improvement should contemplate the questions posed by this book.”

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“Kevin Cashman’s message of staying resilient is critically relevant in today’s high-change, high-stress marketplace. *Leadership from the Inside Out* provides a set of tools for managing energy and personal engagement, crucial to stay ahead of the game of leading and living.”

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“Sooner or later, every leader who would like to lead more effectively finds himself blocked. Kevin Cashman’s book illuminates how we can find the means within ourselves to identify and remove these barriers in order to fulfill our leadership destiny.”

—J.P. Donlon, Editor-in-Chief, *Chief Executive*

“As leaders, we all need to grow from technical-functional expertise to personal-interpersonal excellence. *Leadership from the Inside Out* shows us impactful ways to take this journey with integrity and respect for all those we serve.”

—Juergen Brokatky-Geiger, PhD, Head of Human Resources, Novartis International AG

“Bolstered by strong science and the refined art of leadership development, few books so clearly bring the many aspects of our lives into alignment. Whether you’re taking your own talent or that of others to the next level, *Leadership from the Inside Out* provides an abundance of tools for authentic, long-term success.”

—Ana Dutra, CEO, Leadership Development Solutions, Korn/Ferry International

“No matter your professional arena, self-understanding and team trust are key to enduring success. *Leadership from the Inside Out* has brought out the best in our team, showing how our far-reaching talents, values, and experiences all directly fuel performance.”

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"*Leadership from the Inside Out* captures the latest research, the best development model, and the most comprehensive leadership practices to pragmatically and positively impact leadership effectiveness. It has been the foundation for a decade of effective and life-changing coaching with executives around the world."

—Dee Gaeddert, PhD, President, Lominger International, a Korn/Ferry Company

"From the moment I read the first draft of this book, I knew Kevin Cashman had created a classic. His timeless book continues to stand out in a crowded field of leadership literature because it is both principled and practical. Buy it, read it, and apply it to progress."

—Ken Shelton, Editor, *Executive Excellence*

"Cashman is perfecting the wisdom first conveyed a decade ago: there is a concomitant relationship between our internal selves and our external results. *Leadership from the Inside Out* masterfully bridges the gap between our too severed business lives and personal lives."

—Arvinder Dhesi, Group Talent Management Director, Aviva

"Cashman's second edition of *Leadership from the Inside Out* blends the latest research and the latest tools to give global leaders what they need in today's competitive marketplace. A must-read for the global leader of today!"

—Lawrence P. Clark, PhD, Director, Korn/Ferry Institute

"Kevin Cashman's integrated leadership approach inspired my personal and professional transformation. The tools encouraged and still guide me to honor all parts of my self, to connect authentically with others, and to lead with an enriched sense of service."

—Pablo Gaito, Global Leader, Learning & Development, Cargill, Inc.

"A prosperous business relies not only on the design plan from top management but on the strengths and interconnectivity of its many individual parts. *Leadership from the Inside Out* boils down the fundamental elements of understanding human capital and has given us strategic capacity to incubate talent from within."

—Richard P. Kearns, Chief Administrative Officer, Zurich Financial Services

"*Leadership from the Inside Out* is one of the leadership classics. While it was one of the first business books to capture the crucial link between personal growth and leadership development, it is as relevant today as it was a decade ago. If you read the first one, then you will like this new edition even more!"

—Kevin Wilde, Chief Learning Officer, General Mills, Inc.

"*Leadership from the Inside Out* is a major paradigm shift in leadership development. It gives you the tools to go directly to the heart of all significant leadership transformation: growing as a person to grow as a leader."

—Paul Walsh, CEO, Diageo, and former Chairman and CEO, The Pillsbury Company

“*Leadership from the Inside Out* serves as an important wake-up call for those who are ready to unleash the power of authentic leadership.”

—Ken Melrose, University of St. Thomas Holloran Endowed Chair in the Practice of Management; former Chairman and CEO, The Toro Company; and author of *Making the Grass Greener on Your Side: A CEO's Journey to Leading by Serving*

“True adventure always involves the exploration of one's innermost spirit. *Leadership from the Inside Out* is a compass that helps you navigate this hidden domain as a means to bring out full leadership capacity with honesty and renewed energy.”

—Ann Bancroft, polar explorer (first woman to reach the North and South Poles) and Founder, Ann Bancroft Foundation

“If you want personal transformation, then buy *Leadership from the Inside Out*. It will guide you through the unexplored territories we often miss in our frenetic-paced business world.”

—Trudy Rautio, Executive Vice President and CFO, Carlson Hospitality Worldwide

“*Leadership from the Inside Out* is a testament to the too often forgotten reality that leadership success comes from living your deepest purpose and values as you earn followers, starting with the person in the mirror.”

—Vance Caesar, PhD, leadership coach and mentor, The Vance Caesar Group, and Professor, Pepperdine University

“In the dozen years I have known Kevin Cashman, he has consistently made his work a masterpiece in the art of leading on purpose. His new edition is an intriguing guide to this art, and it inspires us to take it to the next level.”

—Richard J. Leider, Founder, The Inventure Group; author of *The Power of Purpose*; and coauthor of *Repacking Your Bags* and *Something to Live For*

“Authentic leadership lies at the intersection of our deepest spiritual values and our greatest personal gifts. Cashman's new edition of *Leadership from the Inside Out* invites you to live at this important crossroads by cultivating the habits and skills needed to enrich your professional life while fostering opportunities for rich and satisfying personal development.”

—Brother Dietrich Reinhart, OSB, President, Saint John's University, Collegeville, Minnesota

“Breakthroughs in neuroscience and the plasticity of the brain directly connect to *Leadership from the Inside Out* principles and coaching model. The book gives us the tools we need for leaders to grow and develop.”

—Marcelo Montero, President, Health and Nutrition, Cargill, Inc.

“*Leadership from the Inside Out* is a resource that spans the ages, integrates multiple disciplines, has experiential validity, and includes proven practical applications. Using (not just reading) this book is a transformative, peak experience.”

—Robert Hayles, PhD, Consultant, QED Consulting; former Vice President of Human Resources and Diversity, Pillsbury; former Chairman of the Board, American Society for Training and Development; and coauthor of *The Diversity Directive*

“Some books are noteworthy in and of themselves. Others serve as signs that something important is happening in the world. Kevin Cashman’s *Leadership from the Inside Out* meets both criteria. Throw in the fact that it is well-designed for reading and for doing the exercises throughout, and you have a real mind-opener.”

—Perry Pascarella, Contributing Editor, *American Management Review*; former Editor-in-Chief, *Industry Week*; and author of *Leveraging People and Profit*

“*Leadership from the Inside Out* is full of practical inspiration and demonstrates why Kevin Cashman is regarded as a world authority on effective leadership. If you want people clamoring to be on your team, read this book!”

—David McNally, CPAE, author of *Even Eagles Need a Push* and coauthor of *Be Your Own Brand*

“With hundreds of books to choose from on the topic of leadership, it is unusual to come across one, *Leadership from the Inside Out*, that has the potential to make a meaningful change in your life.”

—Larry Perlman, former Chairman and CEO, Ceridian Corporation

“Authenticity is the single most important quality of leadership. In *Leadership from the Inside Out*, Cashman not only captures the essence of inner-driven, intentional leadership, he gives both seasoned and emerging leaders a road map to navigate the challenges of personal and professional growth.”

—Bob Kidder, Chairman and CEO, 3Stone Advisors LLC; former CEO, Borden Capital; and former CEO, Duracell

“*Leadership from the Inside Out* is an inspiration to lead from a deep knowledge of one’s core purpose, creating value with true authenticity.”

—Deborah Dunsire, MD, CEO and President, Millennium Pharmaceuticals

“The challenge of leadership is to inspire an obligation for people at all levels of an organization to step forward and lead. *Leadership from the Inside Out* gives you the practical steps to develop leaders in every nook and cranny of your organization.”

—Chuck Feltz, former President and Chief Operating Officer, Lifetouch National School Studios, and former President, Deluxe Financial Services

LEADERSHIP

FROM THE INSIDE OUT

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LEADERSHIP

FROM THE INSIDE OUT

Becoming a Leader for Life

SECOND EDITION

KEVIN CASHMAN



BK

Berrett-Koehler Publishers, Inc.
San Francisco
a BK Business book

Leadership from the Inside Out

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*This book is dedicated to those value-creating
leaders with the courage to commit to
authentic personal transformation and the
passion to serve the world
around them.*

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WHY A NEW EDITION?

It has been a decade since the original writing of *Leadership from the Inside Out*. As I step back to consider its impact, I find it very humbling and fulfilling to know that the book has been integrated into the curricula at more than 100 universities, became a number one business bestseller, and is influencing numerous leadership programs with its concepts. I ask myself, “Why did the book catch on?” Was it simply because it was one of the first leadership books to connect personal growth to leadership effectiveness? Perhaps. But, on deeper examination, I think its resonance was built on the foundation of timeless, enduring principles of human development and life effectiveness. These principles, including authenticity, courage, and purpose, are not simply values that are *nice to have*. They are enduring principles, deeply woven into the fabric of life, that produce tangible, measurable cause-and-effect relationships. They serve both parties, people on each side of the dynamic equation, and they tend to sustain their life-enriching impact for the long term. These time-tested principles are not fleeting fads, ephemeral fixes, or charm-school interventions. They are fundamental to who we are as human beings and essential to our effectiveness as leaders.

For almost 30 years, we—LeaderSource—have based our coaching, leadership development, and team-building practice on these same principles. Since writing the original *Leadership from the Inside Out*, it is extremely satisfying to see the mounting research from authoritative sources, which has finally caught up with and validated many of these principles. What we have known for years from working in the trenches with our clients is now being recognized and confirmed by highly credible, independent research. Jim Collins, in *Good to Great*, has validated the principles of authenticity and enduring value creation with his research on “Level 5 Leadership.” John Zenger and Joseph Folkman, in *The Extraordinary Leader*, confirmed through their analysis of nearly 400,000 360° assessments that balancing people effectiveness with results orientation produces quantum leaps forward in leadership effectiveness. Daniel Goleman, in his work on emotional intelligence, clearly articulated how deepening personal awareness and interpersonal connection produces more sustainable leadership results. Lominger International and the Center for Creative Leadership’s research has shown us that Learning Agility is a greater predictor of potential than raw intellectual intelligence. A study by the American Society for Training and Development (ASTD) demonstrated a 72 percent improvement in learning when coaching follows training. Korn/Ferry

International and Decision Dynamics, through their *Styleview™ Decision Styles* assessment tool and study of 1.2 million leaders, have shown how effective leaders must move from task-focused decisive content to strategic and collaborative context to get to the top. It is no longer possible to discount these principles as *soft*; they produce measurable results, and they are essential to substantial leadership, team, and organizational success.

In this updated version of *Leadership from the Inside Out*, we share more of this well-founded, corroborative research, as well as our new learning. Since our last writing, we have worked with thousands of leaders in more than 60 countries. We have coached hundreds of CEOs and senior-level executives worldwide at our *Executive to Leader®* and *Chief Executive Institutessm*. We have custom designed leadership programs for thousands more high potential leaders. We have taken scores of senior leadership groups through transformational team programs. Additionally, we have merged with Korn/Ferry International and now have 80 offices in 40 countries. We have abundant fresh perspectives to share. In the original book, we focused heavily on personal awareness and personal leadership development. While our continuing work has validated that personal awareness is essential to leadership effectiveness, it is not sufficient alone to make a lasting impact. In this edition, we go deeper and broader by expanding our coaching model with equal emphasis on Building Awareness, Building Commitment, and Building Practice, which measurably strengthens the effectiveness of your team and organization. We still hope to inspire profound moments of personal insight, but we also want to guide you into enduring, transforming practice. By the time you finish this book, our goal is for you to have had an integrated coaching and leadership development experience.

In the last several years, we have expanded and integrated our consulting practice to balance personal leadership, team leadership, and organizational leadership. At the core of these levels of leadership is the distinction we make between managers and leaders. *Managers improve what is; managers enhance what is; managers move forward what is. Leaders go beyond what is.* Indeed, if the experience of leadership is like being at the edge of an unfamiliar chasm, the act of leadership is building a bridge across that chasm. What is the bridge, then, from the known area of management to the unknown area of leadership? How do we build that bridge? This book answers those questions and offers the tools that will help you and your organization to *transcend what is*, to grow to the next level of personal, team, and organizational success.

If you have read the original *Leadership from the Inside Out*, you will find this new edition immensely enhanced by what we have learned in the marketplace during the last several

years. We have integrated our dynamic leadership principles with this learning to increase their meaning and accessibility in your day-to-day leadership practices. Chapters such as Purpose Mastery, Interpersonal Mastery, Change Mastery, Resilience Mastery, and Action Mastery are even more relevant than their originals. Compelling, new stories and salient research illustrate the transformative difference coaching has made in the lives of individuals and their organizations. This book gives you a more comprehensive set of tools to apply consciously your personal, team, and organizational leadership capabilities. In fact, what we have done is create a more current representation of our principles while fostering a virtual coaching experience. I hope that once you read this book and engage in mastery of the principles and coaching practices, you will want to share it with all the leaders in your life.

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HOW TO USE THIS BOOK

. . . from the Inside-Out

Leadership from the Inside Out guides you through a reflective journey to grow as a whole person in order to grow as a whole leader. We will not simply analyze the *external act* of leadership, breaking it down into a simplistic formula of “ten easy-to-follow” tips. However, you will gain some deep insights and practices to enhance your effectiveness as a leader for life.

You need not rush. As a matter of fact, I encourage you to set aside the urge to plow through the pages. Instead, when a thought or feeling surfaces, pause. Close the book, put up your feet, and explore the insight. If you want to capture a breakthrough, jot it down in the space provided or in your own notebook. Instead of just reading the book, experience it, digest it, and integrate it into your life.

You’ve probably read all sorts of personal and professional development books before; treat this one differently. Savor it as you would a walk with an old friend on a calm, sunny afternoon. There is no need to hurry, to anticipate, or to reach the end of your journey. On the contrary, your true reward is in pausing frequently and enjoying the experience itself.

On days you feel like taking a short walk, just skim the quotes. You’ll find one or two that speak to your needs that day.

If you are ready to begin, let’s walk together down the pathways to mastery of *Leadership from the Inside Out*.

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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?

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.

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

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*.

PERSONAL MASTERY

Leading with Awareness and Authenticity

I once heard a poignant story about a priest who was confronted by a soldier while he was walking down a road in pre-revolutionary Russia. The soldier, aiming his rifle at the priest, commanded, “Who are you? Where are you going? Why are you going there?” Unfazed, the priest calmly replied, “How much do they pay you?” Somewhat surprised, the soldier responded, “Twenty-five kopecks a month.” The priest paused, and in a deeply thoughtful manner said, “I have a proposal for you. I’ll pay you fifty kopecks each month if you stop me here every day and challenge me to respond to those same three questions.”

How many of us have a “soldier” confronting us with life’s tough questions, pushing us to pause, to examine, and to develop ourselves more thoroughly? If “character is our fate,” as Heraclitus wrote, do we step back often enough both to question and to affirm ourselves in order to reveal our character? As we lead others and ourselves through tough times, do we draw on the inner resources of our character, or do we lose ourselves in the pressures of the situation?

BREAKING FREE OF SELF-LIMITING PATTERNS

Joe Cavanaugh, Founder and CEO of Youth Frontiers, in one of his powerful retreats on character development, tells a moving story about Peter, an elementary school student who suffered burns on 90 percent of his body. Peter’s burns were so severe that his mouth had to be propped open so it wouldn’t seal shut in the healing process. Splints separated his fingers so his hands wouldn’t become webbed. His eyes were kept open so his eyelids wouldn’t cut him off from the world permanently. Even after Peter endured one year of rehabilitation and excruciating pain, his spirit was intact. What was the first thing he did when he could walk? He helped console all the other patients by telling them that they would be all right, that they would get through it. His body may have been horribly burned, but his strength of character was whole.

Eventually, Peter had to begin junior high at a school where no one knew him. Imagine going to a new school at that age and being horribly disfigured. Imagine what the other kids

*Courage is the ladder on
which all other virtues
mount.*

— Claire Booth Luce

would say and how they would react. On his first day in the cafeteria everyone avoided him. They looked at him with horror and whispered to one another. Kids got up and moved from tables that were close to him. One student, Laura, had the courage to approach him and to introduce herself. As they talked and ate, she looked into Peter's eyes

and sensed the person beneath the scarred surface. Reading her thoughts, Peter, in his deep, raspy, smoke-damaged voice, said, "Everyone is avoiding me because they don't know me yet. When they come to know me, they'll hang out with me. When they get to know the real me inside, they'll be my friends." Peter was right. His character was so strong that people eventually looked beyond the surface. People loved his spirit and wanted to be his friend.

When I consider Peter's situation, I'm not so sure that I would be able to come through his experiences with the same courage. But that's the beauty of Personal Mastery. Peter was challenged to awaken his extraordinary strength and to walk down his particular path. It was his path to master, not yours, not mine. Somehow his life had prepared him to walk that path with dignity. Although usually under less dramatic conditions than Peter's, each of us is challenged to master our own unique circumstances. *Each of us is being called to lead by authentically connecting our own life experiences, values, and talents to the special circumstances we face.* Our ability to rise to the challenge depends on our understanding of our gifts, as well as how prepared we are to take the journey with grace and contribution.

INTEGRATING ALL OF LIFE'S EXPERIENCES INTO A MEANINGFUL CONTEXT

Personal Mastery is not a simplistic process of merely affirming our strengths while ignoring our

*There is nothing noble in
being superior to your fellow
men, true nobility is being
superior to your former self.*

— Lao Tzu

weaknesses. It is, as Carl Jung would explain it, "*growth toward wholeness.*" It is about acknowledging our talents and strengths while facing our underdeveloped, hidden, or shadow sides of ourselves. It is about honestly facing and reconciling all facets of self. Personal Mastery involves appreciating the rich mixture of our life experiences and how they dynamically form our unique existence. Peter Senge, in *The Fifth Discipline*, wrote, "People with a high level of personal mastery are acutely aware

of their ignorance, their incompetence, their growth areas, and they are deeply self-confident. Paradoxical? Only for those who do not see the journey is the reward."

Research by Lominger International, a Korn/Ferry Company, indicates that defensiveness, arrogance, overdependence on a single skill, key skill deficiencies, lack of composure, and unwillingness to adapt to differences are among the “top ten career stallers and stoppers.” A research study by Kenneth Brousseau, CEO of Decision Dynamics, Gary Hourihan, Chairman of Korn/Ferry’s consulting division, and others, published in the February 2006 edition of the *Harvard Business Review*, connects the significance of personal growth—an evolving decision-making and leadership style—to leadership and career advancement. This global research, with its extraordinarily high degree of statistical credibility, which used the *Styleviewrsm Decision Styles* assessment tool on 180,000 individuals in five levels of management from entry level to the top, shows that if people don’t develop, they do not advance.

DEEPENING AUTHENTICITY FOR SUSTAINABLE LEADERSHIP

Of all the principles supporting sustainable leadership, authenticity may be the most important. It also can be the most challenging. Most people never realize that it’s an area of their lives that needs attention. In almost three decades of interacting with thousands of leaders, I’ve yet to meet an executive for coaching who comes to me lamenting, “I’m having real trouble being authentic.” If authenticity is so important, why don’t we recognize it as an issue? The answer is both simple and profound: *We are always authentic to our present state of development.* We all behave in perfect alignment with our current level of emotional, psychological, and spiritual evolution. All our actions and relationships, as well as the quality and power of our leadership, accurately express the person we have become. Therefore, we conclude that we are “authentic,” because we are doing the best we can with the information and experience that we have at this time.

There is a big hitch, however. While we are true and authentic to our current state of development, *we are inauthentic to our potential state of development.* As Shakespeare wrote so eloquently in *Hamlet*, “We know what we are, but not what we may be.” As humans and as leaders, we have an infinite ability to grow, to be and to become more. Our horizons are unlimited. If there is an end-point to growing in authenticity, I certainly have not seen it. In *The Developing Mind: How Relationships and the Brain Interact to Shape Who We Are*, Daniel J. Siegel explains that the mind is shaped continually throughout life by the connection between the neurophysiological processes of the brain and interpersonal relationships. “When we examine what is known about how the mind develops, we can gain

Dig inside. Inside is the fountain of good and it will forever flow if you will forever dig.

— Marcus Aurelius

important insights into the ways in which people can continue to grow throughout life.” He goes on to say, “We can use an understanding of the impact of experience on the mind to deepen our grasp of how the past continues to shape present experience and influence future actions.”

To deepen authenticity, to nourish leadership from the inside-out, takes time and attention. In today’s world, the amount of distraction and busyness we all experience keeps us from undertaking the inward journey and engaging in the quiet reflection required to become more authentic human beings. By middle life, most of us are accomplished fugitives from ourselves. John Gardener writes:

Human beings have always employed an enormous variety of clever devices for running away from themselves. We can keep ourselves so busy, fill our lives with so many diversions, stuff our heads with so much knowledge, involve ourselves with so many people and cover so much ground that we never have time to probe the fearful and wonderful world within.

To penetrate the commotion and distraction of our lives, to explore the depths of ourselves is the prerequisite for self-awareness and authenticity. So what is authenticity? Based on our experience coaching leaders over the years, we define authenticity as the continual process of building self-awareness of our whole person—strengths and limitations. As a result of this awareness, more often than not, the authentic person’s beliefs, values, principles, and behavior tend to line up. Commonly referred to as “walking the talk,” authenticity also means being your talk at a very deep level.

Another prominent feature of highly authentic individuals is openness. Whether they come to authenticity naturally or work hard to attain it, the most real, genuine, sincere people tend to be open to both their capabilities and their vulnerabilities. They have an inner openness with themselves about their strengths as well as their limitations. They know who they are and don’t apologize for their capabilities. They also have an outer openness with others about their whole selves. They try neither to cover up their weaknesses nor to “hide their light under a bushel.” They have managed to avoid the pitfall that Malcolm Forbes elucidates, “Too many people over-value what they are not and under-value what they are.” Self-compassion, being open and receptive to our vulnerabilities, is an important aspect of

authenticity. By acknowledging our own vulnerabilities and appreciating our whole selves, we can truly be compassionate to others. As David Whyte, poet and author of *The Heart Aroused*, has written, “We need to learn to love that part of ourselves that limps.”

In *Good to Great: Why Some Companies Make the Leap . . . and Others Don't*, Jim Collins' research points out the interesting duality in “Level 5 Leaders,” who were both modest and willful, humble and fearless, vulnerable and strong, interpersonally connected and focused—in short, leaders we would say “had grown toward wholeness” and authenticity. Their “compelling modesty,” as Collins puts it, their authenticity as we would term it, draws people to come together to achieve.

Authentic people—people on the path to personal mastery—value all of who they are. A dual awareness of their own strengths and vulnerabilities allows authentic leaders to focus on the team, organization, and marketplaces, not on themselves. Personal Mastery allows us to transcend our egos and move into authentic service and authentic contribution. As Collins elaborates, “Level 5 leaders channel their ego away from themselves and into the larger goal of building a great company. It's not that Level 5 Leaders have no ego or self-interest. Indeed they are incredibly ambitious, but their ambition is first and foremost for the contribution, not for themselves.” Level 5 Leaders—authentic leaders—see their purpose beyond their limited selves as passionate instruments of service and contribution. Authentic leaders understand that if our lives do not stand for something bigger than ourselves, our leadership lacks purpose. Deepak Chopra wrote:

To be authentic, you have to be everything that you are, omitting nothing. Within everyone there is light and shadow, good and evil, love and hate. The play of these opposites is what constantly moves life forward; the river of life expresses itself in all its changes from one opposite to another. As we discover and accept these opposites within ourselves, we are being more authentic.

In Daniel Goleman's extensive research on emotional intelligence in the workplace, Goleman cites self-awareness, “attention to one's own experience or mindfulness,” as the primary competence in his framework for managing ourselves, a prerequisite for managing others. In *Primal Leadership: Learning to Lead with Emotional Intelligence*, he and his co-authors, Richard Boyatzis and Annie McKee, assert, “A leader's self-awareness and ability to accurately perceive his performance is as important as the feedback he receives from others.” The flow of crucial information comes from the inside-out and from the outside-in.

What you bring forth out of yourself from the inside will save you. What you do not bring forth out of yourself from the inside will destroy you.

— St. Thomas

Although the world may be headed toward a time when top-down, authoritarian leadership will be outmoded, I have seen authoritarian leaders with substantial authenticity outperform leaders who strove to be collaborative, yet lacked authenticity. I've seen leaders low in charisma and polish get in front of a group and stumble around a bit, but their personal authenticity and substance were so tangibly established that they inspired the group members and moved them to a new level of excellence. Could such leaders benefit

from working on their style of presentation? Certainly. But how much would it really matter, compared with their trust-inspiring authenticity? "The individual who does not embody her messages will eventually be found out," warns Howard Gardner in *Leading Minds*. "Even the inarticulate individual who leads the exemplary life may eventually come to be appreciated."

EXPLORING BELIEFS

One of the most effective ways to take this journey to a more integrated, complete understanding of ourselves is to explore deeply our personal belief system. Few psychological dynamics are as fundamental as our beliefs. Beliefs literally create our reality; they are the lenses or filters through which we interpret the world. Some of these "lenses" focus and open up new horizons; others dim our view and limit possibilities. Beliefs are transformational. Every belief we have transforms our life in either a life-enriching or life-limiting way.

One of the most dramatic examples of the transformational power of beliefs comes from heavyweight fighter George Foreman. In the 1970s, Foreman was renowned for being one of the toughest, nastiest human beings on the planet. Angry and antisocial, he often came across as a tough, mean, uncommunicative person, not at all the person you see today. He was not known for social graces, self-awareness, or his big smile. Immediately following his surprising loss to Jimmy Young in Puerto Rico, George went to his dressing room, lay down on the training table, and reportedly had an overwhelming spiritual experience. After that experience, George changed. He changed his entire life, everything: his personality, his relationships, his life purpose. He transformed them all into a more life-affirming direction.

George peeled the onion of his personality and the delightful, humorous, self-effacing "George" came forward. The important thing to note here is not whether George Foreman

actually had a spiritual revelation. Many medical professionals said he suffered from severe heat exhaustion, and that's what caused his "experience." That's not the issue. The key principle is that George Foreman believed he had a spiritual transformation and the belief changed his life. What we believe, we become.

Through my years of coaching people, I have observed consistently two distinct types of belief systems operating in people: *Conscious Beliefs* and *Shadow Beliefs*. Conscious Beliefs are the explicit, known beliefs we have. When asked about these beliefs about ourselves, about other people, or about life in general, we can articulate many of them. Even though it may take some effort to access and to clarify some of these beliefs, they are accessible to us on an everyday level. Examples of Conscious Beliefs someone might have are: "I believe in treating people with respect; I fear trying new things; I am creative and resilient; many people are untrustworthy; hard work brings results." Although we can access these beliefs on a conscious level, this does not mean we are always aware of them. We can, however, become more aware of Conscious Beliefs and whether or not we are living in accordance with these beliefs.

Recently, we guided the chairman of the board of a fast-growing public company through the process of bringing his beliefs into conscious awareness. As a result, the 60-year-old chairman remarked, "Most people probably think I had this all figured out. What I discovered is that my beliefs were operating, but not consciously enough. After more than 30 years in leadership roles, I realize that unknowingly I've been holding back crucial aspects of myself, critical to continued leadership success. Once I saw it in my work, it was easy to see that I was doing the same thing at home with my family."

Elena was an executive in a global service firm in the United Kingdom. Her intelligence, energetic work ethic, results orientation, and excellent relationship skills had supported her pattern of success. She prided herself on how connected the people on her team were with her and each other. In meetings, team members conducted themselves respectfully, and they rarely engaged in conflict. One day during a one-on-one with her boss, Elena was taken aback when her boss said, "Elena, you've been on the team for a while now, and you never disagree with me. I don't really know if you are really invested in all these new changes we're making, or if you are just going along with them. You're too nice! I need you to step forward more powerfully and challenge me." Ingrained in Elena from a young age was the fear of rejection, which operated with the belief that being liked and accepted was the only way to really connect with people. Elena's boss encouraged her to see that speaking up, being more open, is not only more

To leave our self-defeating behaviors behind, we must use our conscious minds to undermine the destructive but unconscious beliefs that cause us to defeat ourselves.

— Milton Cudney and
Robert Hardy

respectful but also more authentic. After working with Elena for a while, we were able to help her break free of Shadow Beliefs around rejection and see that fostering more open discussions, even constructive conflict, surfaces not only unspoken issues but also innovation. As we believe, so shall we lead.

Although we access Conscious Beliefs somewhat easily, Shadow Beliefs are subtler and much more challenging to uncover. Doing so, however, is crucial to high performance. Taken from the Jungian concept of shadow, Shadow

Beliefs are those beliefs that are manifestations of hidden, unexplored, or unresolved psychological dynamics. A Shadow Belief is cast when we don't want to deal with something. When we hold onto a type of "secret," a lack of awareness, we hold onto a Shadow Belief within us.

*Personality can open doors.
Only character can keep
them open.*

— Elmer Letterman

We all have Shadow Beliefs. If we don't think we do, then the shadow is probably operating at precisely that moment by obscuring a view of a portion of ourselves. Jeffrey Patnaude, in his work *Leading from the Maze*, writes, "The leader must be awake and fully alert. Like a nighttime traveler attuned to every sound in the forest, the leader must be

aware of all possibilities lurking in the shadows. For we can neither challenge nor transform what we cannot see."

On a personal level, some of my Shadow Beliefs have to do with exceptionally high standards for others and myself. From a young age, I evaluated myself by this external, often critical, yardstick. As a result, I developed a series of Shadow Beliefs: "I'm never quite good enough; I have to work twice as hard to be valued; if something is not exceptional, it is not worthwhile; I am afraid to fail." As you can see, these beliefs have some value. They have fueled a drive to achieve. On the other hand, some of these same beliefs cast a shadow on my behavior and relationships at times. However, when I am actively committed to fostering my awareness of these shadows, I've been able to shed some light on them and hopefully minimize their limiting influence on others and me.

Transforming Shadow Beliefs to Conscious Beliefs is crucial to Personal Mastery. This is not to say we don't struggle continually with them. We do. The difference is we consciously engage them vs. unconsciously being driven by them. What happens to us if we don't deal with Shadow Beliefs? We pay a high price. Addictive behaviors, difficulty in relationships, achievement overdrive, imbalanced lifestyles, and health problems can be some of the costs associated with them. Shadow Beliefs are not scary; not dealing with them is.

While I was coaching Steven, the president of a multibillion-dollar international firm based in Latin America, a Shadow Belief that was limiting him surfaced. Let me preface this story by explaining that Steven was not referred to us because he had any "issues." He was wildly successful in his current role. His consumer products firm was number one in revenue and market share globally for four consecutive years. In fact, it was his success that was starting to be a problem for him. He had this nagging anxiety—"Can I continue to top my past achievements?" Each time we would explore future plans, he would conjure up all sorts of disaster scenarios. As I got to know him better, I understood that he had internalized a hidden belief that no matter how hard he worked or what he achieved, it could all go away tomorrow. On one level this Shadow Belief served him well; it gave him the drive to achieve many goals. However, because he wasn't aware of it, his fear of failure was actually inhibiting him from risking new experiences and new learning. It also was squeezing the life out of his team, which was totally inconsistent with his values and intentions. Finally I asked Steven, "You don't get it, do you?" Surprised, he looked at me and said, "Get what?" I responded, "Steven, look at your life. You succeed in all areas of your life: your career, your family, your relationships. What evidence do you have that you are going to fail at your next endeavor?" It was a defining moment for Steven. He saw the shadow and brought it into the light. He moved from trusting his fear to trusting his contributions. He brought a Shadow Belief into the Conscious Belief arena. Before that moment he wasn't aware of its presence. It had been controlling him, and now he was beginning to take control of it. A few months later, describing his experience, he said, "This one insight has opened a doorway for me. It has given me the peace of mind to trust myself and to lead from who I am. I now know that no matter what I attempt, I will make it a success, and if not, I will adapt, learn, and somehow make it work."

REFLECTION

CONSCIOUS BELIEFS

Take a few minutes to explore some of your Conscious Beliefs—the self-conversations we have that reveal what we hold to be true, important, and of value.

- What do you believe about yourself?
- What do you believe about other people?
- What do you believe about your teams?
- What do you believe about life?
- What do you believe is your impact or influence on others?
- What do you believe about leadership?

SEVEN CLUES THAT BRING SHADOW BELIEFS TO LIGHT

How often have you heard the expression that “an overdeveloped strength can become a weakness”? Although there is truth to this statement, there is also a deeper underlying dynamic. Why do some strengths turn into weaknesses? Usually because some Shadow Belief is operating. Leaders either shed light or cast a shadow on everything they do. The more conscious the self-awareness, the more light leaders bring. The more limited the self-understanding, the bigger the shadow a leader casts. Let’s say we have a Shadow Belief that “we only have value if we are doing and achieving.” If we are unaware of this Shadow Belief, our drive and determination will soon turn into workaholicism and lack of intimacy, with profound negative implications for our health and relationships. Let’s say we have intelligence and self-confidence as strengths

combined with a Shadow Belief that “we always have to be right.” Without sufficient awareness, our self-confidence will turn into arrogance, abrasiveness, and self-righteousness. Here are some other examples of how shadows can potentially turn strengths into weaknesses:

*The ideal is in thyself; the
impediment, too, is in thyself.*
— Thomas Carlyle

STRENGTH	+	SHADOW BELIEF	=	WEAKNESS
Energy		"I can never give up."		Mania
Charm		"I must succeed no matter what."		Manipulation
Conscientiousness		"I can always do better."		Compulsiveness
Focus		"I must know every detail to feel comfortable."		Rigidity/Lack of Trust
Courage		"I must always achieve more."		Foolhardiness
Presence		"I must always be seen as exceptional."		Narcissism/Self-Focus

Since our shadows are often hidden successfully from our own view, how can we bring them to light? Over the years, we’ve developed seven clues to indicate if a shadow may be operating:

- *Shadow Clue One:* If other people often give us feedback inconsistent with how we see ourselves, a shadow is present.
- *Shadow Clue Two:* When we feel stuck or blocked with a real loss as to what to do next, a shadow is holding us back.
- *Shadow Clue Three:* As strengths become counterproductive, some hidden dynamics need to surface.
- *Shadow Clue Four:* When we are not open to new information, new learning, or other people’s views, a shadow is limiting us.
- *Shadow Clue Five:* If we react to circumstances with emotional responses disproportionate to the situation, we are right over the target of a Shadow Belief.
- *Shadow Clue Six:* When we find ourselves forcefully reacting to the limitations of others in a critical, judgmental way, we are often projecting our shadow onto others.
- *Shadow Clue Seven:* If we often experience pain, trauma, or discomfort in our body, a shadow may be attempting to rise to the surface to seek reconciliation. Listen to the wisdom of your body as you look to uncover Shadow Beliefs.

Craig, an executive I worked with, was caught in the executive syndrome of “having it all together.” He feared that revealing any of his limitations would result in others perceiving him as weak or inadequate. He also honestly believed others didn’t perceive his underdeveloped side. After sharing with him a 360° assessment revealing how others saw his limitations even more clearly than he did, the coaching process began. Fortunately, after he had experienced several months of coaching, a major business crisis surfaced. Here was the perfect

opportunity for Craig to practice what he had learned. Clearly, he had made some mistakes leading up to the crisis. Rather than continuing the old pattern, he faced the troops, acknowledged his mistakes, and asked for their support. His co-workers were shocked and understandably hesitant at first, but they admired his courage and stepped forward to solve the crisis. Commenting on his experience, he told me, “I thought my power was in being *right*. Now I understand my power is in being *real*.” Personal Mastery had begun.

Nothing in life is to be feared. It is only to be understood.

— Marie Curie

What happens to us when we are around people who are real and open about themselves, warts and all? We trust them. Their authenticity, vulnerability, and Personal Mastery have made them trustworthy, and we rush to their side. When asked by Charlie Rose, “What’s the most important quality today for leadership?” Howard Schultz, CEO of Starbucks, replied, “To display vulnerability.” In his book *Pour Your*

Heart into It, Schultz says, “Although they can hire executives with many talents and skills, many CEOs discover that what they lack most is a reliable sounding board. They don’t want to show vulnerability to those who report to them.” He advises, “Don’t be afraid to expose your vulnerabilities. Admit you don’t know what you don’t know. When you acknowledge your weaknesses and ask for advice, you’ll be surprised how much others will help.”

Vulnerability, in the words of Terry Kellogg and Marvel Harrison, is “the gift I give to those I trust, when I trust myself.” A leader’s authenticity is rooted and grows in a field of self-trust.

LEADING WITH CHARACTER . . . LEADING BY COPING

If leadership from the inside-out is authentic influence that creates value, how do we go about expressing ourselves more authentically? Since the word *authenticity* comes from the same Greek root as the word *author*, I’m sure no one would be surprised that authoring your own life does not have “ten easy steps.” Authenticity requires a lifelong commitment to self-discovery and

self-observation. However, in coaching leaders to develop more authentic dimensions of self, we have found some helpful practices to bring out the essence of who we are. When a leader approaches the question, “How authentic am I?” it is often helpful to ask some other questions first: “Where is my leadership coming from? Where are my beliefs and values coming from?” We need to consider constantly the origin of

Character is like a tree and reputation its shadow. The shadow is what we think of it; the tree is the real thing.

— Abraham Lincoln

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