



Book Summaries

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# BOOKS

Business, Success, Self-Help,  
Psychology & Classics

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Volume 2



## For Ava

“Twenty years from now you will be more disappointed by the things that you didn’t do than by the ones you did do. So, throw off the bowlines. Sail away from the safe harbor. Catch the trade winds in your sails. Explore. Dream. Discover.”

Mark Twain

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# Business

“A business that makes nothing but money is a poor business.”  
– Henry Ford

# Discover Your True North

Bill George

Discover Your True North is the best-selling leadership classic that enables you to become an authentic leader by discovering your True North. Originally based on first-person interviews with 125 leaders, this book instantly became a must-read business classic when it was introduced in 2007. Now expanded and updated to introduce 48 new leaders and new learning about authentic global leaders, this revisited classic includes more diverse, global, and contemporary leaders of all ages. New case studies include Warren Buffett, Indra Nooyi, Arianna Huffington, Jack Ma, Paul Polman, Mike Bloomberg, Mark Zuckerberg, and many others.

Alongside these studies, former Medtronic CEO Bill George continues to share his personal stories and his wisdom by describing how you can become the leader you want to be, with helpful exercises included throughout the book. Being a leader is about much more than title and management skills - it is fundamentally a question of who we are as human beings. Discover Your True North offers a concrete and comprehensive program for becoming an authentic leader and shows how to chart your path to leadership success. Once you discover the purpose of your leadership, you will find the true leader inside you.

This book shows you how to use your natural leadership abilities to inspire and empower others to excellence in today's complex global world. Discover Your True North enables you to become the leader you were born to be and stay on track of your True North. Sometimes it seems as if the great leaders of the world are guided by a supernatural hand. They seem too focused, too smart, too right all the time to make decisions like the rest of us, don't they? Not necessarily, says Bill George.

The authors of this book interviewed some 125 great leaders and found that they are not so different from the rest of us. They have unique qualities that cannot be summed up in a few simple leadership clichés about "vision" or "talent." Rather, these leaders manage to concentrate on the right things; they know which issues are most important and stay focused on them. How? They follow their True North, that is, the compass that represents who they truly are and guides them to become the best leaders they can be. When the world around you seem in disarray or feels like it's spinning out of control, your own True North can keep you on track, inspired and true to yourself. Find your True North to become an excellent, authentic leader.

The three most powerful points I took from the book were;

1. Authentic leaders are genuine people - that is, true to themselves and their beliefs
2. Self-awareness does help you find true self-confidence
3. Once you know what matters in your life, you are well equipped to establish the leadership principles that will define your leadership style

## **Take your inspiration and passion for leadership from your life story.**

We all have unique life stories shaped by past relationships and events. Authentic leaders, however, gain more from these experiences than the rest of us. Authentic leaders are genuine people - that is, true to themselves and their beliefs - who are able to motivate others to perform at their best. Ultimately, they are more concerned with serving others than with their own success or recognition.

Understanding the meanings of the key events in your unique story will guide you and help you find and focus on your True North. This, in turn, will set you on the path to becoming an authentic leader. A case in point is Howard Schultz, the founder of Starbucks. When an accident caused his father to

lose his job, his whole family lost their health coverage. Schultz's mother was pregnant and unable to work, so his parents borrowed money and avoided bill collectors. Schultz had vowed to create a different reality for workers if he had the chance, and he thus made Starbucks the first company in the United States to offer health coverage to part-time employees working as little as 20 hours a week. In this case, Schultz's experience and memories of his father carried him along the path to authentic leadership.

Authentic leaders' stories also provide the context for their lives, as well as the inspiration to have an impact in the world. Take Reatha Clark King, former president of the General Mills Foundation. As a poor, black woman growing up in Georgia during the 1940s, both poverty and discrimination were constant obstacles in King's life. Nevertheless, she won scholarships and eventually earned a PhD in thermochemistry. King's goal is to create more opportunities for the poor and to help others overcome the barriers of racial and gender discrimination. She drew inspiration from her own story to stay true to who she is – and to stay on course with her True North. Money and success do not make authentic leaders forget those they have left behind; rather, they spur a sense of responsibility to help them.

### **Self-centeredness can make you lose sight of your inner compass.**

As you start earning acclaim and the rewards that come with it, you are at greater risk to get derailed from a path to authentic leadership. There are five archetypal leaders who most easily lose sight of their True North: Imposters, Rationalizers, Glory Seekers, Loners and Shooting Stars. Imposters lack self-awareness and self-esteem and accomplish success through cunning and aggression. They are politically minded, and once they have attained power, they care little about the way they are perceived.

Rationalizers' weakness is that they deviate from their values. These are the managers who never take responsibility but do everything they can to make their quotas. Rationalizers sacrifice a company's long-term health for their own short-term gain. Glory Seekers are people we all know. They work for and are motivated by outward signs of success, like money, fame, glory, power and acclaim. Loners' fatal flaw is their failure to develop personal support structures, such as close relationships or mentors. Picture someone who thinks they can – and must – be the lone wolf. Being so intently focused on their objectives, they are likely unaware that their behaviour identifies them as a loner. Shooting stars do not have an integrated life. They rise too fast to learn from their mistakes, and they never have time for family or friends. Their sudden rise to power often leaves them overwhelmed by personal and professional problems.

A real-life example of one archetype, the imposter, is Philip Purcell, the former CEO of Morgan Stanley, who was challenged to create a financial services powerhouse by combining investment banking with the brokerage business. Purcell built his power base by cunningly manipulating the board and pushing out people who questioned his leadership. Many became frustrated with his "leadership" style, and several talented workers left. While anyone can lose their way, you can get back on track by understanding that leadership is not about you, but about empowering others to lead. Authentic leadership is about empowering others on their journeys. Some leaders think their power lies in their ability to motivate others to follow them – but that is a myth. Being an authentic leader is not about getting supporters to help move you along; it is about motivating others to reach their full potential.

It often takes a triggering experience to get you to realise this essential purpose of your leadership. Oprah Winfrey, for example, once conducted an interview on her show with a woman named Trudy Chase, who had been sexually abused as a child. During the interview, Winfrey remembered her own traumatic experiences from her youth, and was overcome by her emotions.

Since that pivotal interview, she understands that her mission goes far beyond pursuing personal success, and instead revolves around empowering people all around the world, especially women.

Winfrey's story illustrates the kind of transformative events that most authentic leaders experience. It is often during these hard moments that you realise authentic leadership is not about advancing yourself

and your interests; rather, it is about inspiring others to bring out their best. Having undergone this transformation, you will abandon the belief that you are the hero of your own journey in order to lead others to a greater calling.

We see an example of this in Steve Rothchild. As vice president of General Mills in his thirties, he felt like a man in the middle, lacking the satisfaction of leading his own team. A year later, he decided to leave General Mills, having realised that his passion was helping poor, underprivileged people become financially sufficient and develop stronger families. So, he set out on a mission to provide employers with skilled workers by training unemployed or underemployed adults, founding the organisation Twin Cities RISE!

### **Your leadership purpose is your True North.**

Self-awareness will keep you moving in the right direction. Know thyself is age-old advice, but that does not make it any easier to follow. After all, we are complex beings with numerous aspects to our character. That is why you need a compass – one that helps you calibrate your actions so that your leadership stays aligned with how you want to live your life. When your compass works, it keeps you on track toward your True North.

Self-awareness lies at the heart of your compass. You need to know which roles you are best at, along with your natural strengths and interests. One key thing self-awareness does is help you find true self-confidence. Take Adobe CEO Bruce Chizen; he felt insecure about working in the tech industry because he was not an engineer, but he knew he had business and product-marketing skill and that he could learn about engineering. This assessment of his skills and abilities gave him the confidence to work his way up to becoming CEO.

Another reason self-awareness is so important is that it helps you fill your skill gaps with colleagues that complement them. For Ned Barnholt, former CEO of Agilent, self-awareness allows leaders to see their own shortcomings, which helps them build stronger teams. Barnholt has enough self-awareness to know that accounting is not his strong suit. So, he surrounds himself with excellent financial people.

On the flip side, a lack of self-awareness can lead to major problems. For example, David Pottruck, former CEO of Charles Schwab, was an extremely hard worker, and simply could not understand why his colleagues resented him. He was understandably shocked when his boss gave him a low rating for trustworthiness – the reason: his colleagues saw him as self-serving. Pottruck had to work hard to confront his blind spots and gain an understanding of how others see him. But it paid off. After winning the support of his colleagues he eventually led the firm to outstanding success.

### **Practice your values and principles.**

With the centre of your compass firmly grounded in self-awareness, you must now uncover the values and the principles that will guide your leadership. What is most important to you? Is it maintaining your integrity? Or perhaps helping other people? Once you know what matters in your life, you are well equipped to establish the leadership principles that will define your leadership style. In essence, these leadership principles are your values translated into action. It is easy to live by your values when times are good. But when you are under pressure – like when your success, career or life is at stake – those same values will be seriously tested and may even change.

For instance, David Gergen, former presidential adviser of Richard Nixon, Gerald Ford, Ronald Reagan and Bill Clinton, wanted to lead a life that was consistent with the values passed on to him by his family. But when the Watergate Scandal emerged, Gergen felt he could not resign, as he did not want to be viewed as a rat leaving a sinking ship. Even though he was not corrupt himself, he was still in a potentially career-ending situation. And after seeing Nixon's total lack of transparency, both before the scandal broke and after he misled the public, Gergen realised that his central leadership principle

was transparency. Your values and moral compass can be tested in every conceivable way. But once you have discovered your True North, you can remain true to your values without straying.

Take Narayana Murthy, founder of Infosys, who wanted to show the world that it was possible to run a business in India without corruption and create wealth legally and ethically. For example, because he refused to pay bribes, Infosys had to wait an entire year before their telephone line was installed! Although this made it difficult to grow at first, Murthy's leadership principle of honesty instilled discipline throughout the company – something everyone they worked with came to appreciate. According to Murthy, there is a direct connection between his company's system of values and the success they have enjoyed over the last 24 years.

### **Find the right motivation to get the most out of your capabilities.**

In addition to self-awareness and values, authentic leaders also need to find the right motivation. Of course, to do that, you first need to know what motivates you. There are two types of motivations: extrinsic and intrinsic. Extrinsic motivations, such as good grades, trophies or high salaries, are measured by the external world. Intrinsic motivations, on the other hand, are derived from your own sense of meaning in your life – in other words, your True North. These motivations are often closely linked to your life story, and can be things like personal growth, the satisfaction of doing a good job or staying true to your beliefs.

Intrinsic motivations come from within you and are thus more subtle than extrinsic motivations. In fact, many people never tap into these powerful motivations. Indeed, society's obsessive focus on material gain and the accompanying social pressures cause many leaders to seek international acclaim rather than doing what motivates them intrinsically. For instance, many young leaders take high-salaried jobs in order to pay off loans or build a nest egg. They believe that, after ten years or so, they can move on to do the work they find fulfilling. Instead, they become addicted to their lifestyle and become increasingly demotivated and unhappy.

The key to developing as an authentic leader isn't purging yourself of all extrinsic motivations but balancing them with intrinsic motivations. Bob Fischer, chairman of The Gap, offers a good example of how to balance these motivations. In his mid-20s, he went fishing in the north fork of the Feather River, where he came across the remains of rusted gold mining equipment. This sight inspired a deep concern in him about the well-being of the environment. This environmental awareness led to a new intrinsic motivation in Fischer. He brought his employees together to look at what the company could recycle and joined the board of the Natural Resources Defence Council (NRDC). His initiative not only helped the environment (intrinsic motivation), but also the company's public perception (extrinsic motivation).

### **Build your support team by investing in lasting relationships.**

Everybody needs support and appreciation – even high-level executives who seem completely self-assured. Great leaders understand this and build great support teams as a result. Indeed, many authentic leaders have had a mentor who has changed their lives by helping them develop skills to become better leaders, as well as the confidence to lead authentically. Mentors do not necessarily make you feel good about yourself, but they do provide the tough love necessary to help you learn critical lessons.

Do not be afraid to approach potential mentors. There is always more to learn from experienced people who are willing to help you and challenge you to improve. While still in his 20s, Dave Dillon was made merchandising vice president of Fry's supermarket, a division of the family owned Dillons company. One day he got a call from Chuck Fry, the man who sold Fry's to Dillons. Fry offered to walk him through a Fry's store; since then, they speak for at least one hour a day, with Fry coaching Dillon on how to maximise the company's potential.

Like mentors, personal support groups can also be a powerful source of wisdom and advice that will help you grow as a leader. The most effective groups are those made up of peers who meet regularly and talk about what is most important in their lives. One of the authors, Bill George, meets every Wednesday morning for 75 minutes with a men's group that formed 30 years ago.

In fact, he and the other group members all consider the group to be one of the most important elements of their lives. It enables them to clarify their beliefs, values and understanding of vital issues, while also providing a source of honest feedback when it is needed. You do not even have to leave the office to find a peer support group – look within your company. Your colleagues will face similar challenges and give you insights about things you do not see.

### **Building a wide support network.**

Being a leader can be lonely and isolating, so keep nourishing your good relationships. Integrate all aspects of your life so that you always stay true to yourself. As we have seen, authentic leadership is not just about who you are at the office. In order to get the most out of your True North, you have to lead an integrated life.

An integrated life is one that brings together the major elements of your personal and professional life, including work, family community and friends, so that you can truly be the same person in each environment. Many people wonder whether it is possible to live a rich personal life and a great work life at the same time. It is! You simply have to realise you cannot be everywhere for everyone. Sometimes you need to make trade-offs.

Take Kris Johnson, once a rising star at Medtronic. After being promoted to head of Medtronic's global business, Johnson found that she was spending too much time away from her family on gruelling international trips. She left Medtronic's for another mid-sized venture capital company so she could spend more time with her daughters. In essence, she found the freedom to strike the proper balance between work and family. That balance required her to sacrifice some career potential for more family time.

Moreover, authentic leaders are always aware of the importance of staying down to earth – it keeps them from getting cocky at high points and forgetting who they are during low points. One way to do this is to find a place you can return to to help you stay grounded. Many authentic leaders have a special place they can go with their families to restore themselves and regain their perspective.

Akshata Murthy, having grown up in Bangalore as the daughter of Infosys CEO Narayana Murthy, regularly returns to India to see old friends and her extended family, and is committed to making an impact there someday. You cannot avoid the stress of leadership, but you can maintain a balance between your personal and professional life.

### **What I took from it.**

Not every leader is an authentic leader, someone who follows their "True North" and leads a mission of integrity. By exploring different aspects of your character and your motivations, you can develop an internal compass that will always keep you pointed in the right direction.

Before moving forward with any decision that might have difficult ethical questions, ask yourself: How would I feel if this entire situation, including transcripts of our discussions with all the juicy details, was printed on the front page of the New York Times? If the thought fills you with dread, then rethink your actions. If it makes you beam with pride, then proceed, even if others criticise your actions later.

# How The Mighty Fall

Jim Collins

Have you ever wondered why some big companies are there one minute and gone the next? Or why brands you saw all over the place not too long ago seem to have vanished into thin air? Cell phone manufacturer Nokia and photography company Kodak spring to mind. Just where have they all gone? So asks Jim Collins in his book, *How The Might Fall*, published in 2009 and investigates why some companies go from massive success to crushing failure.

Collins argues that the failure of successful businesses is not due to the changing economic climate or bad luck, but due to their leaders who steer them in the wrong direction and exacerbate crises through mismanagement. The book is based on years of research on successful and not-so-successful businesses. It follows the best-selling works *Built to Last* and *Good to Great* and shows you what type of leader a business needs, and what kind it definitely needs to avoid.

The three most powerful points I took from the book were;

1. Successful firms very rarely collapse because they fail to act. Usually it is because they act in the wrong way
2. A danger from overconfidence is arrogant neglect, i.e., when companies lose interest in their core business. Stick with what you know and are good at
3. Although these sweeping changes sometimes provide a short-lived boost, they are rarely able to reverse the decline. Rather make small changes often

## **Even the greatest can fall.**

In the first few centuries after the birth of Christ, the Roman Empire dominated Europe and the Middle East. It was massive, stretching from Portugal in the West to Iran in the East. Among those alive back then, there would have been no doubt this gigantic all-powerful empire would last forever. Alas, says Collins, it did not; within just a few centuries it was gone, banished to the trash heap of history.

The decline of the Roman Empire shows that, no matter how vast or successful something is, it will always be in danger of collapsing. But what causes decline? What can make a huge entity come crashing down? Collins goes on to say that the decline of a large organization is always self-inflicted. Collapse is not the fault of outside factors or bad luck; it is the direct result of mismanagement.

Remember how everybody had a Nokia phone 15 years ago? In the years since, the company has gone from being the market leader to having a mere 3 percent market share. Why? While their competitors, such as Apple and Samsung, were researching and innovating in smartphone technology, Nokia's management decided to innovate in other, less profitable areas. Thus, when smartphones became popular, Nokia was completely out of the race.

At this point, it is important to point out that we are not talking about laziness. Successful firms very rarely collapse because they fail to act. Usually it is because they act in the wrong way. In fact, failing firms often show very high levels of innovation and energy. Bank of America is a great example of this. In the 1980's, the bank was eager to update outmoded practices. They hired a young, energetic CEO, they closed huge swathes of loss-making branches and they ended the practice of hiring people for life. Yet throughout this period, the company posted some of the most spectacular losses in banking history.

## **It is easy to become arrogant when you become successful.**

You may or may not be familiar with Greek tragedy, says Collins. In Greek tragedies, we often find the heroes in trouble after succumbing to hubris, i.e., they are so overly confident that they strive for too much and end up failing. But the ancient Greeks are not unique in their susceptibility to hubris. Successful companies also run the risk of letting their confidence get the better of them.

Take cell phone manufacturer Motorola. Between the late 1980's and early 1990's, Motorola enjoyed a period of fantastic success and their annual revenues rocketed from \$5 billion to \$27 billion. A success which led to massive overconfidence and big mistakes. One such mistake was the development of the StarTAC cell phone. The StarTAC had a problem; it used an analog system at a time when other phone manufacturers were starting to go digital. Instead of stopping production of an outdated product, Motorola succumbed to hubris; it pushed on with StarTAC, boasting that "43 million analog customers can't be wrong." Of course, the phone failed, and Motorola's market share plummeted from 50 percent to 17 percent.

Another danger from overconfidence is arrogant neglect, i.e., when companies lose interest in their core business. When companies become successful, they often look to branch out from their main market into new areas. Sometimes their desire is so strong that they forget about what brought them success in the first place. This is what happened to Circuit City, a consumer electronics corporation. After achieving a lot of success, they started exploring other markets, from selling used cars to renting DVDs. In order to be successful in these areas, they invested a lot of time and resources – so much so, in fact, that the consumer electronics business was left to rot. Losing this main area of business hit the company hard, and it eventually went to the wall.

## **Do not lose you focus. Remember your core business.**

Why do successful companies fail? Is it out of laziness, asks Collins. Actually, most of them fail for the complete opposite reason. They try to be too innovative and grow too quickly. When companies push for unsustainable levels of innovation, they fail to maintain good business practices, such as keeping costs down or concentrating on profitable markets. And a company that forgets the basics can never succeed.

Household items manufacturer Rubbermaid is a great example of this. Once declared by Fortune magazine to be America's "most-admired company," it has since fallen out of popularity. Rubbermaid was admired for its high levels of innovation, yet the company took it to an extreme, aiming to introduce one new product to their range per day; a strategy that led them to create nearly 1,000 new products in just three years. But all this innovation came at a cost. In pushing so hard for new products, they totally lost control of their costs and constantly failed to meet their orders. Their lack of discipline undermined their innovations and they suffered a rapid decline until they were eventually taken over by a rival. Companies can also overreach by looking to grow too fast.

This is especially dangerous for publicly listed companies with lots of shareholders to please, often under immense pressure to chase profits as quickly as possible. For example, before the financial crisis of 2008, banks chased quick profits at all costs. This led them to borrow heavily, invest in risky, yet highly profitable products, and ignore costs. While striving for growth in this way brought them short-term rewards, overreaching left them massively at risk in the long term. When the system failed in 2008, many of them incurred major losses and some even went bankrupt.

## **Do not play the blame game.**

What do we do when someone criticizes our heroes? Do we take their comments into consideration? Or do we ignore their criticisms and continue to believe our heroes are perfect? Usually, when someone tells us something we do not want to hear, we shut out their views and put our rose-coloured

glasses on, says Collins.

Companies can also fall into this trap. And in their case, ignoring valid criticisms can lead them to gigantic mistakes. This is what happened to Motorola. In the 1980's, the company was a huge force in the cell phone market. At the time, cell phones were very expensive and would not work in certain locations. Motorola thought they had the perfect solution; a satellite phone that would work anywhere.

Over the next few years, they started developing a satellite phone named Iridium. But, as they were developing it, the quality of normal cell phones grew, and their cost plummeted. It soon became clear that the quality of a cell phone would far outclass Iridium. So, what did Motorola do? They put on their rose-coloured glasses and ignored the criticisms. When Iridium finally came out, it was pricier and lower in quality than the competition and, not surprisingly, it failed. In total, the project cost Motorola \$2 billion, most of which could have been salvaged had they stopped it when they had the chance. However, ignoring criticism is just one way that companies fail to deal with bad news. Firms also seek to blame their own failures on others.

The best way for any company to deal with bad news is to use it in a constructive, practical way. Yet so many firms do not do this. They prefer to simply blame their situation on outside factors and continue on the wrong path.

### **When catastrophe strikes.**

If you have ever been on a sinking boat, you know that the natural response to crisis is panic. It is also the response most business leaders have when decline sets in. Which, in turn, can lead them to make rushed decisions that only deepen the crisis. One such response is to search for the silver bullet, or one sweeping solution that will solve all problems. Many firms think that the best solution is to do something completely different from the way they had always done things. For example, they try to implement a new, unproven technology or change the culture of the business – or even look for a new market altogether.

Although these sweeping changes sometimes provide a short-lived boost, they are rarely able to reverse the decline. A great example of the use and failure of a silver bullet can be seen by the actions of Hewlett Packard (HP) in the 1990's. Faced with low growth, HP made sweeping changes to its business culture.

First it got rid of its old, rather predictable CEO and replaced him with Carly Fiorina, a flashy, media-savvy figure who, through a series of advertisements and media appearances, sought to completely update the company's image. She thought that a more modern-looking company would do better. But it did not work. Too much change actually caused the company to lose drive and focus. HP's progress continued to falter and within a few years Fiorina was fired. But there is a more drastic solution to decline than the silver bullet; a company can simply give up.

This is what happened to the once-proud company Scott Paper. After trying in vain to stop the rot, they ended up giving in. A new CEO was brought in to cut the company's losses, which cost it 11,000 jobs, and what was left of it was sold to their arch-rival.

### **Always work on improving your attitude.**

So far, we have seen what leaders do wrong to put their businesses in danger. Now we will look at what leaders should do to ensure that this never happens, says Collins. We will start with the most important factor for making the best decisions; having the right attitude. The right attitude starts with admitting that you are not as brilliant as you think you are. So many successful leaders think their achievements are purely down to them, a mindset that can lead them to become arrogant and single minded. Instead, leaders must always remember that success is at least in part due to luck. If they

realize the role that fortune plays, it will help temper their arrogant behaviour.

The next step is for leaders to admit that there is always more to learn. Leaders usually fall into two categories; knowing people, who think they know everything already, & learning people, who never stop asking “Why is this happening?” and “What can this teach me?” The most successful leaders are learning people. One example of such a leader was Sam Walton, the founder of Wal-Mart. On one occasion, some Brazilian entrepreneurs came to him to ask about how to do business. However, their roles soon reversed, and he ended up wanting to learn from them!

Finally, a leader should never let hubris take hold, and instead remember where they came from. Only when leaders remember this can they stop their companies from overreaching. Just remember the unfortunate case of Circuit City. There is nothing wrong with entering new arenas and doing research on innovations as long as you stay focused on your core business; where your success came from.

### **If you find yourself falling, stay calm and disciplined instead of taking massive risks.**

Taking risks is something all business leaders will have to contemplate in their careers, especially when their business is struggling. There is nothing wrong with adopting a risky strategy as long as you remember that it might fail. When thinking about taking a risky strategy, you need to ask yourself, “What will happen if things go wrong? Will the consequences severely hurt the company, or will we be able to recover?”

A good way to understand what risks are worth taking is to consider the waterline principle, says Collins. Imagine you are on boat and a hole is blown in the hull every time you make a wrong decision. Whether the hole is above the waterline, where repairs can be made, or below it, where water will rush in and sink you, depends on the decision you make. You need to ensure that you only take risks whose damage you can repair, never those that will sink your boat.

So, you now know that you should not take dangerous risks, but how do you know which risks are most dangerous? The general rule of thumb is to never make sweeping changes to how you do things, says Collins. Risking massive alterations to your business strategy will only lead to instability and lack of focus. Remember HP; it hired a new CEO who made extensive changes to its culture and image, but the changes only led to stuttering performance as the company lost its business discipline. Instead of making big changes, you need to take small steps. If you have to take a risk, make it a small, manageable risk. If it is a success, you can build upon it with another.

### **With the right determination and willpower, even fallen companies can recover.**

When you are in deep trouble and it seems like there is no way out, the natural temptation is to give up and walk away. Companies in dire straits often feel this way, too, seeing surrender as the only option to their plight. But there is no reason to react this way; a firm can turn things around until that fat lady starts singing. That is; if they act the right way.

The first thing business leaders must do to reverse decline is adopt the right attitude. They need to believe in themselves and their company even if everybody else thinks they are done for. Winston Churchill is a great example of someone who believed in himself when no one else did. In the early 1930's, he found himself out of government, blamed for causing Britain's poor economic position, and, to top it all off, he was suffering from depression. Everybody thought he was a spent force.

Yet Churchill never gave in and, at the start of the next decade, he was the British prime minister and a war leader. The rest, as they say, is history. Bouncing back from failure does not only depend on the right attitude but also a lot of hard work. Photocopying company Xerox did just that when they realized just how deep the trouble was that they were wading in. Their stock value had dropped an incredible 92 percent in less than two years. And so, Anne Mulcahy came on board as the new CEO

and immediately got to work. In four years, she did not take a single weekend off in the battle to make the firm profitable again. Her rigorous schedule and devotion to the cause eventually paid off; only five years after it looked like it was going under, the company posted an annual profit of \$1 billion.

### **What I took from it.**

Any company, no matter how big and powerful, can experience failure and decline. And often, when decline sets in, it is exacerbated by the company's panic-driven actions. To avoid this, leaders must stick to good business practices, try to stay calm, and continue to do what the company does best.

Take baby steps. Whatever you want to achieve, never try and leap too far; you will have a much higher chance of succeeding if you advance step-by-step. Your failure is no one else's fault. If something is going wrong, do not ignore it or blame someone else. Look at why it is happening and see how you can solve it yourself.

# Influence

**Robert B. Cialdini**

In my profession, I spend a good portion of my time around marketers and salespeople. I always see and hear about never ending list and ideas on tests being carried out all the time. "If we change the price from £400 to £399.99, would that increase conversion. What will be the impact on sales if we change the perceived value of our Free Gift from £150 down to £100? It sometimes can be a dark art - persuading and influencing people to buy your product.

In Robert Cialdini's Influence - The Psychology of Persuasion he explains the most effective techniques that create compliance. He describes what the factors are that makes a person say yes to another person and explains what stands behind the persuasion mechanism, which he calls triggers. With over 30 years of research into the science of influence, Dr. Robert Cialdini has earned an international reputation as an expert in the fields of persuasion, compliance, and negotiation

Influence has been the go-to book for marketers since its release in 1984, which delivers six key principles behind human influence and explains them with countless practical examples. These six universal principles that determine if people will change their behaviour are; reciprocity, commitment, social proof, liking, authority, and scarcity. Cialdini calls them shortcuts, which, if triggered, make us jump to conclusions faster.

Automatic behaviour patterns make us terribly vulnerable to anyone who knows how they work. There are several groups of people who know very well where the weapons of automatic influence lie. So, all they have to do is to employ them regularly to get what they want.

The three most powerful points I took from the book were;

1. The rule of reciprocity is so overpowering that even if we do not like someone, we can end up complying with their request
2. Agreeing to small requests may appear inconsequential in the beginning. But altering someone's self-image makes them even more exploitable
3. Attractive people have easier time persuading others

## **Rule 1. - Reciprocation**

This is when we should try to repay in kind, what another person has provided us. There is a general distaste for those who make no effort to reciprocate. We will often go to great lengths to avoid being seen as one of them. This rule is so overpowering that even if we do not like someone, we can end up complying with their request. Thus, we end up reciprocating their earlier favour, solicited or otherwise, to us.

Some examples,

1. Hare Krishna society members would forcefully give a flower to a passer-by before asking for donations.
2. Lyndon Johnson was able to get a lot of bills passed by calling in on favours which he had provided earlier to other elected representatives. Jimmy Carter failed because he had no such favours to call on.
3. Even a free sample can engage a person in a reciprocity rule. Most people find it difficult to leave, without buying anything, after trying a free sample.

4. In World War I, a German soldier crossed the no-man's land to capture an enemy soldier. He came across an unsuspecting enemy soldier eating, who offered his bread to him. This act forced the German soldier to return without capturing him.

The rule, however, forces uninvited debt. We are expected to reciprocate for actions provided to us by others irrespective of whether we have asked for them or not. American Veterans society, for example, increased its response rate from 18% to 35% by adding an unsolicited gift.

## **Rule 2 - Commitment and consistency**

After making a choice or taking a stand, personal and interpersonal pressures forces us to behave consistently with it. Our culture values good personal consistency. Stubborn consistency also allows us to avoid thinking. Once we have made up our mind, we do not have to think about it again. For example; people soliciting for charity over phone first ask, "How are you doing?". Once someone has publicly asserted that they are doing fine, it is inconsistent and awkward to appear stingy later when asked for donation.

Another example is that of during the Korean war, Chinese communists would ask US PoW's for writing relatively innocent statements such as "The US is not perfect" or "unemployment is not an issue in a communist country". Once they had made remarks along those lines, they got asked for more. To stay consistent, many went to the extent of becoming a collaborator. Agreeing to small requests may appear inconsequential in the beginning. But altering someone's self-image makes them even more exploitable. Even when people are told that someone was required to write an article in favour of an issue, people assume that the writer is pro-issue.

Fraternity houses exploit another extreme form of commitment. A person has to go through a lot of pain before attaining their membership. They end up valuing it more often than someone who attains it with a small effort. We are more consistent in our commitment if we believe that we did it for our own purpose rather than an external pressure. Even an external reward counts as an external pressure.

## **Rule 3 - Social proof**

We view a behaviour as more correct in a given situation to the degree that we see others performing it. We use behaviour of people (like us), to determine proper behaviour for ourselves. The more the number of people doing it, the more the rule works into making us believe that the behaviour is correct.

Some examples of social proofing are;

1. Bartenders seed their tip jars with a few dollar to give the impression that tipping is the norm.
2. In the Massacre of Jonestown people followed each other to drink poison and committed mass suicide. Most of them were in a new place and they just followed what fellow members (like them) did.
3. Kids learn more about their capabilities from other children than from adults.
4. Werther effect – a front page suicide story leads to 58 more unusual suicides in the following month.

The devastating version of this is "pluralistic ignorance effect". This is a situation in a group of strangers, no one reacts to an emergency situation. If you ever find yourself helping in a situation like that, pick out a person from the group and assign a task to that individual, rather than shouting, for example, someone call an ambulance.

## Rule 4 - Liking

What causes liking?

Physical attractiveness – a halo effect occurs when a certain positive characteristic of a person dominates how others view that person. Physical attractiveness is often such a characteristic. Further, we do not even recognise that we are biasing our decision by someone's looks. Studies have shown that handsome men have received lighter prison sentences.

Attractive people have easier time persuading others. The only time it works against them is when others see them as a direct competitor. That usually happens in a romantic context. Adults view aggressive acts as naughty but cute by attractive kids; but unacceptable by unattractive kids. Teachers think attractive kids are more intelligent than unattractive ones.

Similarity – We like people who are like us. Car salesman look for cues of things (like golf) to relate and show themselves similar to the customer.

Compliments – We are phenomenal suckers of flattery. Positive comments produce just as much liking for flatterer when they are untrue as when they are true.

Contact and cooperation – Familiarity with someone (based on last name, appearance etc.) plays a role in our decision making. Familiarity produced by being in contact with someone produces greater liking.

Conditioning and association – Someone who regularly provides negative news gets a negative connotation and vice-versa. People do assume that we have the same personality traits as our friends.

Men who saw a car with a young attractive model rated it as better. They, even, later refused that the model had any effect on their judgement. Thus, it is important for an advertiser to establish a positive connection. The connection does not have to be logical. Luncheon technique works because while eating, people become fonder of the people and things that they experience. We purposefully, manipulate visibility of our connections with winners and losers. If our team wins then, "we won" if our team loses then, "they lost".

When our public image is damaged, we try to repair it by showing our ties to successful others and avoiding unsuccessful others. These traits are more visible in people with poor self-concept. Some people strive to inflate their connection to people who succeeded. While some try to inflate the success of others they are visibly connected to. The strength of a social bond is twice as likely to produce a product sale than the preference for the product itself. That is what works for Tupperware.

## Rule 5 - Authority

We obey authorities mindlessly in a lot of cases. We usually see an order from an authority in isolation instead of seeing the situation as a whole. We are as vulnerable to symbols of an authority as to its substance. For example;

1. Titles – someone being introduced as a professor is seen taller by students than someone being introduced as a graduate student.
2. Clothes and other outward appearances – Motorists wait much longer before honking on a new luxury car than an old car. And people when asked about it underestimate that effect.

## **Rule 6 - Scarcity**

The thought of losing something motivates us more than the thought of gaining something of similar value. We believe that things that are difficult to own are usually better than things that are easy to own. Thus, scarcity of an item indicates that the item should be better. As opportunities become less available, we lose freedom. And we hate to lose the freedom we already have. Freedom once granted will not be relinquished without a fight. When the KGB tried to take back freedoms granted to Soviet citizens by Gorbachev, people retaliated.

Some more examples:

1. We value banned information as more valuable. To popularise certain views, its better to get them censored and then publicise the censorship.
2. Revolutions happen more often when there are periods of improvement in economic and social conditions followed by sharp reversal of the same ("contrasting principle")
3. Parents who enforce discipline inconsistently produce rebellious children. They allow leeway on occasions and then take it back.
4. Scarcity and rivalry together are way stronger than scarcity. ABC lost \$2 million by bidding \$3.3 million for a single showing of The Poseidon Adventure. It happened because of scarcity created by bidding between rivals ABC, CBS and NBC.

### **What I took from it.**

Whether or not you would choose to use techniques of subtle manipulation on others or not, it certainly is essential to know how to recognize how they are being used on you.

I love the way how Cialdini support his hypothesis with valid examples that I could easily relate with. Reading this book will open your understanding to why you probably always say yes even when you mean to say no, or why you buy what you don't need with the money you don't really have!

# Innovation and Entrepreneurship

Peter Drucker

Over 20 years since publication, Innovation and Entrepreneurship is still the landmark work on a subject that, before Drucker, had had little real analysis. At the beginning, the author is clear that his book is not about the psychology or character of entrepreneurs. It is not the mysterious 'flash of genius' so often ascribed to the wealth creator that interests him, but actions and behaviour - how innovation and entrepreneurship can be boiled down to a system that can be learned and applied by anyone.

Drucker was unusual among business gurus for working with people in all types of organizations including unions, girl scout bodies, science labs, churches, universities and relief agencies. His message was: wherever you work, there is huge scope for changing how you do things that can make a massive difference.

The author began teaching innovation and entrepreneurship in the mid-1950s, and this book represents three decades of testing of his ideas. Many of the examples come from his own experience as a consultant, or from the experience of people he taught. Though some have now dated, overall, this is a timeless work that should be read by any aspiring entrepreneur or organization-starter.

The three most powerful points I took from the book were;

1. Entrepreneurs do not just do something better but do it differently
2. The nature of the entrepreneur is to 'upset and disorganize'. He or she is a wildcard that generates wealth through the process economist Joseph Schumpeter described as creative destruction
3. Good innovations are very focused, not trying to do many things, but just one thing extremely well

## **It's management, stupid.**

Innovation and Entrepreneurship starts with Drucker drawing attention to a mystery: why, in the American economy from 1965 to 1985, despite inflation and oil shocks, recessions and major job losses in certain industries and government, there had been huge jobs growth. These jobs – 40 million of them - had not been created by large corporations or government, but mostly in small and medium sized businesses. Most people explained the growth in one word: 'hi tech'.

In fact, only 5 or 6 million of the new positions came from the technology field. The key 'technology' driving jobs growth, according to Drucker, was not widgets and gadgets, but entrepreneurial management. The force of the entrepreneur, he suggests, is always greater than the current 'state of the economy'. Even the famous Kondratieff waves – cycles of technology and production that are meant to drive economies – did not explain a lot of economic growth, says Drucker.

Management, or how things can be done better, is best appreciated as a 'social technology', as much as a discipline like engineering or medicine. Drucker notes that the huge success of McDonald's was in large part due to better management of a service that had previously been run by Mom and Dad owners. Everything - the product, the time it took to make it, the way it was made, the way it was sold and served - was refined and standardized beyond belief. This was not 'high tech', Drucker observes - it was doing things in a different, better way, and in the process creating new value.

## **What is an entrepreneur?**

“The entrepreneur”, wrote Frenchman J B Say in 1800, “shifts economic resources out of an area of lower and into an area of higher productivity and greater yield.”

This was the original definition – and the best, Drucker maintains.

Entrepreneurship is not a ‘personality trait’; it is a feature to be observed in the actions of people or institutions. Entrepreneurs in health, education or business work basically the same way. Essentially, they do not just do something better, but do it differently.

Classical economics says that economies tend towards equilibrium – they ‘optimize’, which results in incremental growth over time. But the nature of the entrepreneur is to ‘upset and disorganize’. He or she is a wildcard that generates wealth through the process economist Joseph Schumpeter described as creative destruction. This involves dealing with uncertainty and with the unknown and having the ability to exploit change or respond intelligently to changes. It is a misconception, Drucker says, to think that everyone who starts a new business is being entrepreneurial. People do take a risk in opening a shop or a franchise, but they are not really creating anything new, not creating a new type of value for the customer in a way that, say, McDonald’s did.

## **The risk myth.**

Drucker asks: why does entrepreneurship have the reputation of being very risky, when its purpose is simply to shift resources from where they yield less, to where they yield more? In fact, it is less risky than just ‘doing the same thing better’; in following this course it is easy to totally miss out on new opportunities and run an enterprise into the shoals without hardly noticing.

Embracing change and assiduously trying out different things is actually the best way to invest resources, says Drucker. He points to the amazingly successful record of constantly innovating hi-tech companies – Bell Lab, IBM, 3M (today, you would say Apple) - to see that this is true. Entrepreneurship is only risky, he observes, when so-called entrepreneurs “violate elementary and well-known rules”. It is not risky when it is 1) systematic, 2) managed and 3) purposeful.

Drucker notes: Entrepreneurship is not ‘natural’; it is not ‘creative’. It is work! Entrepreneurial businesses treat entrepreneurship as a duty. They are disciplined about it, they work at it, they practice it.

Entrepreneurship can exist in large organizations, and in fact Drucker says they must become entrepreneurial if they are to have long-term futures. General Electric in America, and the retailer Marks and Spencer in the UK are both big companies which have strong records of creating new value. The big expansion in American universities from the original elite college system was driven by entrepreneurship: finding new ‘customers’ for higher education by providing new worth and relevance. This was not a case of taking great risks – rather, identifying opportunities.

## **How to be an innovator.**

According to Drucker, innovation is “...whatever changes the wealth-producing potential of already existing resources”. The best innovations can be alarmingly simple, and often have little to do with ‘technology’ or ‘inventions’. For example, there was nothing technically remarkable about creating a metal container that could be easily offloaded from a truck onto a ship, but the advent of container shipping as a standardized system of moving things around the globe was an innovation that quadrupled world trade.

Many of the greatest innovations are some kind of social value creation, such as insurance, the

modern hospital, buying by instalment, or the textbook, says Drucker. Were it not for the humble textbook, which emerged in the mid-seventeenth century, universal schooling would not have been possible, and if American farmers had not had access to instalment purchasing, the surge in agricultural productivity would not have happened.

This financial innovation allowed them to become much more productive today, instead of having to wait years to afford a purchase. Drucker suggests that science and technology are actually the least promising of all the sources of innovation, generally taking the most time to realize any benefits, and costing the most. In reality, anything that takes advantage of an unexpected change in society or a market is actually quicker, easier or more likely to result in success.

### **The unexpected success.**

Drucker includes several fascinating examples of the 'unexpected success', and the extent to which those involved were able to take advantage:

- Macy's, the New York department store, did poorly for several years because it considered itself primarily a fashion store, and was downplaying the growing effect of appliance sales on its bottom line. To the company's directors, these sales were an 'embarrassing success'. Only later, after it had accepted the place of appliance sales as a bona fide part of its image and range, did the store again prosper.
- Many antibiotics developed for humans can be used on animals, yet when vets tried to buy these drugs, they met resistance from the manufacturers. Allowing the drugs to be sold for animal use was beneath them. But another firm bought the rights to the drugs and marketed them specifically to vets, as a result creating the most profitable segment of the pharmaceutical industry.
- IBM and Univac initially made computers aimed at the scientific market. Both were surprised by the interest from business users. IBM steamed ahead and 'lowered itself' to sell to the business market.
- After television began, everyone 'knew' that book sales in America would plummet; no one would be bothered to read again when they could enjoy TV. In fact, the opposite happened; book sales boomed. Yet it was not the traditional bookstore owners who took advantage of this. Large book chains were established, not by book lovers, but by experienced retailers who worked out which titles generated most profit per feet of bookshelf.
- The big American steel companies, used to gargantuan steel-making complexes requiring huge investment, did not invest in the new type of 'mini mill', even though they were throwing off cash and profits, because it was not 'how things were done'.

Changing your whole direction to take account of an unexpected success requires humility. If you are a company that has staked its reputation on a particular quality product, but a cheaper, less grand product has booming sales, it is difficult not to view it as a threat, because, as Drucker puts it, "The unexpected success is a challenge to management's judgment".

Industries change because 'newcomers', 'outsiders' and 'second raters' are willing to create new products or change old ones that segment the market. They see niches which the existing players either are not interested in, or do not see the market potential of. Often, the entrepreneur does not create a new product, Drucker observes, but simply appreciates the value of an unexpected use for it. To an uncommon degree, they keep their eyes and ears open.

### **The customer is everything.**

Most people associate innovation with the 'bright idea', like the clothes zip or the ballpoint pen. But Drucker notes that barely one in five hundred such 'bright ideas' ever cover the costs of their development. On its own, innovation is not worth a great deal. It is only when it meets the market through the catalyst of entrepreneurial management that you start to create things of great value. An

innovation is much more than a technological advance; it is "...an effect in economy and society" – something that changes the way people do things. Real innovation is always about the end customer.

For example, De Havilland, the British company, produced the first passenger jet plane, but Boeing and Douglas took the industry lead because they created ways for airlines to finance such expensive purchases. Dupont did not just invent Nylon. It created new markets for its product in women's hosiery and underwear, and automobile tires. The innovator must figure out the market and system of delivery of their product, or the markets will be taken away from them, says Drucker

In receptivity to new innovations, conventional wisdom is often wrong. The King of Prussia predicted failure for railroads, because, he asserted, "no one will pay good money to get from Berlin to Potsdam in one hour when he can ride his horse in one day for free". No one expected people in poor countries to buy television sets, given their high cost. But the experts misjudged the wish for people living in villages to have a window on the larger world, and they found a way to buy TVs anyway.

You can't do market research on people's reactions to things which don't yet exist. In this sense, innovation will always be a risk, but becomes less risky when you remain open about how, and by whom, your innovation will be used.

Good innovations are very focused, Drucker observes, not trying to do many things, but just one thing extremely well. They are not too clever and can be used by simpletons. They attract the comment, 'Why wasn't this done before?' The economist David Ricardo once said, "Profits are not made by differential cleverness, but by differential stupidity". He meant that the most successful products or services are those which allow their users not to have to think. They save effort, money and time. A good example: the disposable razor developed by King Gillette. Prior to it, shaving was a time-consuming and difficult business best left to barbers – if you could afford them.

Drucker writes, "Anyone who asks the question, what does the customer really buy - will win the race. In fact, it is not even a race since nobody else is running." People do not buy products, but what the product does for them. The purpose of innovation is to provide satisfaction where before there was none.

### **What I took from it.**

In his field, Drucker always seemed to be years, if not decades ahead of anyone, and his book - Innovation and Entrepreneurship was, perhaps remarkably, the first to treat the subject in a systematic, non-sensational way. It is not suggested you throw away your existing books on these subjects, yet you could quite easily prosper by following the advice of this one alone.

It is an endlessly fascinating work that should bring new rigor to your thinking about ways to create new value. Get it for the many examples and elaboration of themes of which there is not room to cover here. One particularly useful chapter relates to the 'Do's' and 'Don'ts' for starting any new venture.

The book concludes with Drucker's noting that the welfare state had been with us for over a century, but that the burden it had put on wealth producers meant it would not be around for long. He then wonders: is it being replaced by the Entrepreneurial Society? In most countries today, entrepreneurialism is more than a fad; there are university programs, foundations and policies focused on creating a new generation of wealth creators. Drucker died in 2005, but he saw the future clearly.

# No Bullsh\*t Leadership

Chris Hirst

“He’s a natural-born leader.” Sentences like this exemplify everything that is wrong with our modern understanding of leadership. Despite what conventional wisdom might say, there are no specific personality traits that all leaders need to have. There is no particular talent or aptitude that they always exhibit early on in their careers. And there are no special universities that you have to attend in order to become a leader. So says Chris Hirst in his book, *No Bullsh\*t Leadership*, published in 2019.

Just like any skill, leadership is a muscle that can be strengthened by constant practice. Combine that practice with a bit of management theory, and you are on the road to becoming a leader. As you will see from the book, the philosophy behind effective leadership does not involve any bullsh\*t, gimmicks or mind games; instead, it involves a few basic principles that anyone can harness for the purpose of effectively leading a team.

The three most powerful points I took from the book were;

1. The biggest challenge of being a leader is - leading. That means steering a ship full of people all the way to its destination, no matter how rough the waters get after you depart
2. One way to smash the concrete of an unhealthy company culture is to modify the physical environment where your people work. This can be as simple as changing where your teams meet or holding meetings on sofas, instead of around a table
3. Times will undoubtedly get tough. But when this happens, it is more crucial than ever that a leader keeps radiating the kind of energy and resilience that will inspire those who follow.

## **Leaders are captains their ships.**

No matter the context, being appointed to a leadership position can be daunting. Whether you have just been asked to coach a little league team, or you have been promoted to an executive role at your company, leadership comes in all shapes and sizes. But no matter how big the team of people you lead is – or how high the stakes are – the challenges behind leadership remain the same.

Indeed, the biggest challenge of being a leader is, well, leading. That means steering a ship full of people all the way to its destination, no matter how rough the waters get after you depart. Luckily, there are two questions that can help guide you on the journey. The first is: Where are you and your organization at right now? What challenges are you currently facing?

To figure this out, the best thing you can do as a leader is to listen, and the best people to listen to are front-line, customer-facing employees. After all, they are directly aware of the issues your customers are experiencing. Whether they are cashiers, salespeople or customer support agents, their insights will be infinitely more valuable than any expensive outside consultant coming in to diagnose your organization’s woes.

There are a number of ways you can go about gathering these insights; you could try anonymous methods such as an online survey, for example. But if you want to be effective, you need a more intimate approach, like BBC Radio 1’s “pizza meetings,” where people from all over the company come together for free pizza – and to share insights on the company’s issues.

Now that you know where your company is, you are ready to ask the second question: Where do you want to go? At this point, do not get stuck in vague mission statements or coming up with a “vision” – these are time-wasting, bullsh\*t approaches to leadership. Take the English rugby team’s loss during

the first round at the 2015 Rugby World Cup. In the wake of this disastrous defeat, they hired a new head coach – Eddie Jones. Jones found himself asking the two leadership questions. He knew where his team was at – embarrassed and defeated. And where did the team want to go? They wanted to win the next World Cup in 2019. Instead of handwringing, Jones immediately moved the team onto working toward that goal. And it is as easy as that. No consultants, no visions, no mission statements and no bullsh\*t. Just leading.

### **Leadership is all about decision-making and not being afraid to make mistakes.**

Now that you know where you are and where you want to go, it is time to figure out how you are going to navigate the rough seas between the start and end points of your voyage. But leadership is about doing, not talking about it. So, avoid endless hours of pointless meetings where different strategies are discussed. As captain, you are not going to be predicting the weather based on complex environmental science; you can leave that to the meteorologists. Your job is to sail the ship – in other words, to get stuff done.

Now, simply executing decisions is often easier than it sounds; deciding between different courses of action can be a daunting task, particularly when the risk of failure is high. So how do you know which decision is the right one to take? The truth of the matter is that whether a decision is right or wrong can only be assessed after a decision has been made and its resulting action is executed. In fact, there is only one clearly wrong decision when it comes to deciding – not deciding at all.

So, if acting is itself the only way to go, employ a useful tool that will give your decisions a greater chance of success – the 40/70 rule, created by former US Secretary of State Colin Powell. It is basically this: you should only execute a decision if you are sure that it has a 40 percent chance of success. But once you feel that the chances of success are 70 percent, you know that you have spent too much time ruminating over it. Effective decision-making means striking while the iron is hot. Weighing the options is great, but only up to a point. After all, a bad decision as a leader will not affect just you, but all the other individuals that are accompanying you on this voyage that you are the captain of.

All in all, leaders make mistakes. But as long as 51 percent of the decisions you make lead to good results, you are ahead of the game. What is more, even if 49 percent of the decisions you make are bad ones, the lessons you will learn from them over time will decrease the likelihood of you repeating poor decisions in the future.

### **Your culture should empower people to make decisions for themselves.**

The cultural aspect of any organization is extremely important, as it defines the ways in which team members act both as individuals and in groups. But while many businesses define their company cultures with elaborate mission statements and lists of “values,” these do not necessarily have anything to do with the way a company actually functions.

For your organization to avoid this fate, you will need to foster a cultural shift through actions, not words, and the best way to do this is by setting an example. That is crucial, because the culture you want to create is one where decision-making thrives at all levels of your organization – and if you as a leader are a person of action, then everyone else is likely to follow suit.

But this is often easier said than done. Culture, in many ways, is like concrete. While concrete is easy to shape when wet, once it sets, it is impossible to manipulate. If your organization’s culture is littered with unhealthy elements, such as petty rivalries and top-down hierarchies where no one feels empowered to make decisions, you will need to smash the concrete and start over. And that decisive action is the first of many that will inspire others to start taking decision-making into their own hands as well.

One way to smash the concrete of an unhealthy company culture is to modify the physical environment where your people work. This can be as simple as changing where your teams meet or holding meetings on sofas, instead of around a table. Even just altering your workplace's seating plans can have a powerful effect, especially if you get rid of corner offices and other signs of hierarchy.

These physical changes may seem trivial, but they are imperative to shaking off bad habits that have developed in a company's culture. Sure, they are not enough to transform your business overnight, but they will create space for you to implement a new and improved company culture. This is precisely what happened when the author became CEO of a major company. After smashing the concrete, he launched a new culture initiative based around one word: "open." No longer were managers required to sign off on work – instead, they were re-framed as mentors who led by example, not by rank. Departments were done away with, as well as seating plans that indicated rank or job title. Instead, teams became flexible, working in proximity to those that they shared tasks with.

### **Behind every great leader is a legion of ambitious yet dependable followers.**

While adopting an open organizational culture may be the best way to achieve your goals as a leader, any cultural shift will be less effective if you do not have the right people on your team. This is why it is necessary to broach the taboo topic of removing people from your team who are getting in the way of your organization's success.

Luckily, ex-CEO of GE Jack Welsh came up with two questions that will help you determine who is holding you back: First, does an employee fit in with the culture of your organization? And second, does he deliver results? If the answer is yes to both questions, then this person is obviously a great fit. And it is equally clear that those who do not get your culture and don't deliver need to be let go.

But what about employees who get your company's culture but do not deliver? These people need to be retained, since culture is paramount – but they should be assigned to a coach so that they can improve their performance. It is trickier, however, to know what to do with those who deliver but don't fit in with the culture you're trying to establish. Countless leaders have fretted over cases like this, but Welsh, who has decades of experience, believes that these employees actually restrict the growth of the cultures within their teams and hamper their organizations in the long term. As such, he recommends that they be let go.

But what about bringing new team members on board? The short answer here is that diversity always wins. You will need a mix of dependable professionals and unpredictable mavericks. Think of a football team, with their reliable defenders and maverick playmakers. If the whole team were playing defence the whole time, they would have much lower chances of getting anywhere. Sure, homogenous teams of dependable people are easier to lead, but they are also less likely to take ownership and make quick decisions. In contrast, ambitious, eclectic team members help create a group that thrives on radical decision-making.

But the importance of diversity also extends beyond personality types. According to a 2015 McKinsey report, public companies with the highest amounts of ethnic and racial diversity on their teams are more profitable than their competitors. In fact, the most diverse quarter of public companies were 35 percent more likely to earn more than the industry average. Multicultural teams mean that everyone has something special to bring to the table, and this will undoubtedly help your organization – and culture – thrive.

## **The best leaders radiate energy and resilience, which they pass on to their team.**

In many ways, leading is akin to hill-climbing. As a leader, it's your job to convince your team that a hill is worth climbing; then, once you've reached the summit, you have to be able to point out yet another hill in the distance that the team will be climbing next. Along the way, some of the team may stumble and fall face-first into the ground, but it is your job as a leader to get them back on their feet again.

As you plough through the peaks and troughs of the journey, times will undoubtedly get tough. But when this happens, it is more crucial than ever that a leader keeps radiating the kind of energy and resilience that will inspire those who follow. After all, if you set a bad example, others will follow that too. Say, for instance, that after a terrible day, you sit down at your desk and place your head in your hands. When your team sees you in such a distressed state, it will not in any way incentivize them to keep up their own hard work. In other words, if you appear distressed, they will feel distressed.

Now, in most cases, radiating a positive attitude will be just as influential. But others' attitudes can have a big effect too, and all it takes is the bad attitude of one team member to demotivate and drain the energy of a whole team. Imagine this situation: you and your team are working late to prepare for an important pitch the next morning, but energy levels are falling rapidly. Then a team member – let us call him Ryan – starts complaining about having to work so late, and the morale of the rest of the team collapses.

It is in moments like this that the wisdom of Jack Welsh becomes so apparent. When sh\*t is about to hit the fan and deadlines are fast approaching, that is when your true colours show, regardless of whether you are a leader or a follower. Ryan might do good work most of the time, but his unhealthy attitude does not fit the culture you are trying to develop, and his behaviour will drain the energy from the rest of your team.

## **Even the most broken of teams can be revived with proper leadership.**

Today's world is one of constant disruptions. Whole industries are being shuttered, and ancient corporate behemoths are getting replaced by innovative competitors. But while many companies have fallen victim to the transformational changes occurring around us, some have weathered the storm and come out on top. Such success stories hinge on successful change management, where new leaders come in to failing companies and attempt to turn things around.

The author has over ten years of experience doing just this, and he has identified a number of strategies that leaders can employ when trying to fix broken businesses. The very first task any change leader should engage in is running a simple reception test. Body language and appearance can reveal a lot about people, including the inner emotions that they are trying to keep hidden. So, change leaders need to observe their new team members closely to accurately gauge their situation. Do people maintain eye contact while holding a conversation? Do they care about their appearance? Taken together, these impressions of individuals will likely tell you a lot about the business as a whole.

But the reception test takes its name from perhaps the biggest giveaway of all: an untidy, cluttered reception area. When organizations become used to mediocrity, a professional reception is usually the first thing to go. And cleaning that area up and making it cosmetically appealing can help team members quickly feel a little prouder of their place of work.

The next aspect of fixing broken businesses is to identify five allies that you can join forces with. This should be a mix of people who already know their way around the organization and outsiders with experience in change management. Together with this new core team, you can define short- and long-term organizational objectives. Once this is done, they will act as evangelists for the change you are hoping to bring to the company, making sure that everyone is aware of where it is all heading.

But perhaps most importantly, being a successful change leader is about preparing to dig in your heels

for the long term. Nothing worthwhile is ever easy and raising broken businesses from the ashes is no exception. As the saying goes, Rome was not built in a day. Rebuilding organizations is no different. So, hang in there, stay resilient, and make sure that you keep radiating leadership so that your new followers remain inspired.

### **What I took from it**

No-bullsh\*t leadership is all about keeping things simple. Throw out your mission statements and lists of “values,” and get down to the core of leadership: leading. In other words, your job is to take your people from point A and get them to point B. You and your team will definitely run into hurdles along the way, but it is your job as a leader to keep your team marching forward, no matter what happens. Once you have learned to harness the power of no-bullsh\*t leadership, you’ll even be able to take the most broken of organizations and lead them out of the valley of the shadow of death – and on toward a brighter tomorrow.

Do not forget to make time for downtime. It does not matter where you are at on your quest toward better leadership – downtime is a must. Even the most high-energy leaders out there need to take regular breaks in order to avoid burnout. After all, if leaders cannot lead a balanced life themselves, how on Earth are they meant to lead a team of others? Exhaustion will not do a thing to help you energize your team.

One mindset you can use to make sure you are always making enough time for yourself is to treat yourself as the most important member of your team. Sure, there’s no “i” in team, but there is also no team without a leader. So, do not be afraid to be selfish sometimes. You are no good to your team if you are not good to yourself.

# Running Lean

Ash Maurya

Sure, you might think you have a great idea. But the difference between a wannabe and a genius entrepreneur is the ability to make that idea work. So says Ash Maurya in the book *Running Lean*. First published in 2010. Yet you too can be that genius entrepreneur, turning your precious idea into a real product that has real customers. And importantly, you do not need a million dollars to make it happen.

What you do need to do is be ready to test your product again and again, tweaking and adjusting until you have hit the market's sweet spot. Then you are on your way! As part of the Lean Series, *Running Lean* takes the best of "lean" methodology and applies it to a particular mission: taking your great idea and turning it into a great product.

The three most powerful points I took from the book were;

1. Good entrepreneurship starts with documentation, which allows you to clarify your initial plans and refine them
2. The build-measure-learn loop helps you structure your testing
3. Building a product and launching it without testing it is a waste of resources and can only lead to failure

## **Create a "lean canvas," to get down your business idea simply and clearly.**

Do you consider yourself an ideal person? If you do, you know what it is like. A good idea can pop into your head at any moment, while riding your bike or eating dinner with friends. And once in a while, you will come up with something great, perhaps the kernel of a successful business. But before your ideas become reality, they need to be written down first.

Good entrepreneurship starts with documentation, which allows you to clarify your initial plans and refine them. And since you will refine them many, many times, you need a fast and flexible mode of documentation. So, what is the best way to do this? It is all about keeping it short and simple. You might think that a business plan should take months to create. But there is a better option. Creating a lean canvas, or a one-page diagram, takes very little time. A lean canvas can also be adjusted easily, which is vital.

Because really, no one knows whether an initial idea will actually fly. Your first light-bulb moment is built on assumptions and hypotheses, that are tweaked as you learn more and more. For example, you might start your tech business with a focus on a beautifully designed website. But after some research, you might find that all your clients want is something functional, so you decide to shift your focus accordingly.

Altering a long, detailed business plan would be a painstaking process. But with a lean canvas, changing your vision is easy. So, at first, make use of the lean canvas approach to experiment with different business models for your idea. After a while, you will have several one-page plans, and will be ready to start bringing your business to life. Review those plans, and choose the strongest models, the ones you think really address a need in the market.

You might even choose a favourite but wait not so fast. There are a few more steps to complete before you are ready to jump in. Read on to find out exactly what they are.

## **To find a winning idea, test, test and test again. Follow the build-measure-learn loop!**

Why on earth do people camp out in front of Apple stores, just to purchase the next iteration of the iPhone? Such avid customers give the impression that they cannot live without the product. What does this behaviour teach us?

For one, humans are weird. But second and more importantly, if you are able to build a product that your customers really want, you have created a successful business. So how do you figure out what your clients want? You have to put your ideas through their paces. Running structured tests and experiments is a key part of the lean start-up methodology. In doing so, you will make sure none of your resources are wasted.

Instead of building and shipping a product right away and having it sell poorly, build prototypes first. Use them to see what your customers actually need before putting all your eggs into one basket. But how should you go about testing your prototypes? Follow this three-step process. The build-measure-learn loop helps you structure your testing. Begin by building a basic prototype, mock-up or even just a landing page for a website.

This is all you need to measure customer response to your product. By collecting the relevant data, you can then learn what worked and what did not. Then you tweak the mock-up accordingly and start the process over again! Still not clear? Let us see how it might apply to something as simple as a tagline.

You might think your tagline is so attractive that customers will sign up for your mailing list. You can build a test landing page with the tagline, and measure just how many people sign up. If the number is small, you can adjust your tagline appropriately to see if the numbers improve. You can apply this process at every level of your idea development, and by doing so, you will have created and perfected a product that you can be sure customers want. This is what is called a product-market fit.

## **Customers will tell you what they want; talk to them before you build your product!**

So, you know now that finding out exactly what your customers want is vital. But does this mean you should spend hours and hours trying to compile data and research on people? No way! There is a far better approach: get out there and talk to your potential customers. Despite what people say, surveys are not always helpful in developing a product. If you are still building the product itself, it is difficult to write a survey that covers all the relevant questions, as you do not yet know what's relevant and what isn't!

You will also need to outline possible answers for the survey, but it is even harder to know what these should be early on. In the end, a bunch of people answering "other" is not going to be helpful. Focus groups do not really work either, as people get caught up in group thinking and will not offer you the individual responses you need.

So how do you discover your customers' problems so that you can build your product to solve those problems? Through open conversation, for example, in interviews. Interviews are a great opportunity to explore information about your customers you would have no idea about otherwise. For example, the author of this book wanted to develop software that made it easy to share pictures and videos online.

During a few interviews, he found out that it was especially important for busy parents to be able to share media with their families. This led him to his Unique Value Proposition, or a short formulation that declares what your product is and why people should have it. His UVP was simple, yet effective: "Easy photo and video sharing for busy parents."

In the interviews, the author additionally was able to locate a market (busy parents) in which he knew his product was needed. Much like the build-measure-learn loop, interviews reduce the risk of wasted

resources, as they provide an opportunity for you to perfect your product before you enter the market.

### **Before your final product, build a demo version to test both functionality and pricing levels.**

Now that you have learned about your customers, you are ready for the next step, which is building a demo. What exactly is a demo, and why do we need one? A demo can be anything that stands in for your real product. It could be video, sketches or early prototypes. A demo is vital because it helps customers evaluate the product.

They get the chance not only to assess the idea and pricing, but to decide whether it is something that truly fulfils their needs. For example, you could present your demo to customers in interviews and ask them what they like or dislike, what features they think are missing or what features they could live without. To test your pricing, you can share the pricing model with customers and document their initial reaction. If they hesitate, you can discuss other possible pricing options with them.

After collecting this final round of valuable feedback, you are ready to build a product for first release! But the learning process certainly does not end here – which is why it is crucial to release an early version as soon as possible. If there are any further issues, you will have time to rectify them and keep your business on course. Remember, the goal is to create a product that solves your customer's top problem and does not include unnecessary or "nice-to-have" features.

In addition, you should build a landing page online that makes a case for your product and yourself. A successful landing page needs to connect to visitors quickly, so it should include only the most basic of elements. For example, the photo-sharing landing page might include the company's UVP, "Easy Photo and Video Sharing for Busy Parents," a picture that supports and describes the UVP, such as a parent pushing a stroller, a call to action like "Take a Tour!" and contact details for questions and feedback.

### **Analyse the customer experience by charting the path of early adopters and identifying weak points.**

Ever been on a website and fallen in love with a product, only to find that making an order was too complicated? You will not want this to happen to your customers, so how can you prevent it? A great way to target any obstacles before you launch more broadly is through tapping the expertise of your product's early adopters. For instance, you could ask the people from your interviews to become early adopters of your product. Better yet, you could offer a free trial period to attract people to test your product. Their feedback will allow you to improve the customer experience beforehand.

And to find out which specific aspects of the customer experience need improving, you should attempt to trace your customer lifecycle. But what is this? A customer lifecycle is simply the journey your customers take, from arriving at your landing page to becoming a paying customer. Through examining the lifecycle, you can find out exactly where you are losing those early adopters along the way. Perhaps potential customers give up, put off by your website's design? Or do they sign up for the free trial but not bother to use it? Are they leaving products in their shopping cart without checking out? By using web analytics to track people's behaviour on your site, you may be able to pinpoint the problem.

If the problem is not clear, you might work to line up another round of interviews to troubleshoot. In fact, interviews are always worthwhile if you want to find out about problems in detail. While this may seem like a lot of work, using analytics will really only tell you that a problem exists. Real human contact is invaluable if you want to find a solution.

## **Do you have traction, or are you still slipping around with slow sales?**

So, you have launched your product, but activity is slow, reviews are indifferent, and word of mouth seems mute. No, your business is not dying a slow death. These are just signs that you have not reached your product-market fit yet. So how can you get there? The first thing to observe is your early traction, that is, the evidence that people want your product, and the way that that evidence changes according to what product you are offering. But how exactly do you measure traction?

Products such as books are designed to be purchased and used only once, so simply showing good sales would indicate good traction. The story is different if you are making software. Instead, your traction will be indicated by how many customers are coming back each month to use your product. If you do not have a way of measuring your traction, there are other ways to gauge how your business is doing. Often, it will be something you skimmed over in your earlier planning. For example, you can double check the conversion rates in the customer lifecycle and ask yourself again: Where are people leaving your site? When are you losing customers?

Then, outline a list of potential problems and prioritize what to fix first. For example, you should improve the payment system first if it is clear you are losing the highest percentage of customers during the check-out process. You can also rework or remove any features that your site analytics show does not have a positive impact. If your problem is simply that customers are not returning, reach out and talk to people to find out why. This way, you'll be able to fix just about any problem that's hindering your business, reach your product-market fit and achieve that early traction that will allow you to sustain the growth of both your product and company.

### **What I took from it.**

Building a product and launching it without testing it is a waste of resources and can only lead to failure. To successfully build a product that people will want to buy, you need feedback in every step you take, from your first idea to your online landing page to your final product. The best way to do so is not only by analysing your progress but also by talking to your customers.

Do not fear feedback; find any way possible to get honest answers. If you are a software developer unused to dealing with customers directly, you might find it difficult or even intimidating to reach out to people for feedback. Start off by contacting users you might already know to familiarize yourself with the process. If you can meet with people in person, try a neutral location like a cafe, which is more personable than a workspace. And be sure to give yourself and your customer ample time to have a relaxed conversation, so you can get all the goods you need.

# The CEO Next Door

Elana Botelho

CEOs are often portrayed as highly intelligent people who wear fancy suits and have a real knack for business. However, many of them neither hold a higher-education degree nor come from a wealthy background. In fact, corporate success often has little to do with book smarts or a massive bankroll.

Authors Botelho and Powell ran several extensive studies to pinpoint what is truly needed to become a leader of a successful company. These are skills that anyone can learn, and the steps to acquiring and implementing them are clearly outlined in this book; *The CEO Next Door* by Botelho and Powell, published in 2018. Supported by examples of eminent CEO's across an array of industries, you will see that there is nothing stopping you from becoming the next Elon Musk or Indra Nooyi.

The six most powerful points I took from the book were;

1. CEO's are not superhuman. In fact, they are just regular people who have developed certain skills that allow them to climb ranks in the workplace
2. Being decisive, consistent, committed and reliable are all fundamental traits of a CEO
3. Having a well-planned system in place is also important, as is understanding stakeholders and being able to adapt to the future
4. Decisiveness made CEO's 12 times more likely to be top performers
5. A surprisingly large number of CEO's are introverts rather than extroverts. This is because, in order to be an effective CEO, you have got to be able to consider other people's perspectives. Company owners need to understand what motivates customers, board members and stakeholders, which means that CEO's need to listen and have empathy. Introverts tend to be particularly adept at this
6. Your staff rely on you to be consistent so that they can approach you professionally. Whether you are consistently serious or always friendly, you will seem more approachable to your colleagues and employees if your moods are predictable

## **CEO's are not born, they are made.**

Many of us believe that CEO's are somehow special and entirely different from the average employee. Furthermore, we believe that wealthy parents or exceptional intelligence is necessary to run a large company. However, the ghSMART project, which the authors were involved in, surveyed over 2,600 CEO's and what they found contradicts these beliefs. The majority of CEO's are just regular people who have developed leadership qualities over the course of their career. More than 70 percent of the CEO's surveyed claimed that they had no intention of becoming a CEO when they first started working.

Let us take Don Slager, for example, says Botelho. At the time of writing, Slager is the CEO of Republic Services, a \$9 billion company and one of the top-500 wealthiest companies in the United States as rated by Fortune magazine. He never went to college but was ranked the number one CEO in the United States by the website Glassdoor. In fact, he started out as a garbageman for the company. By working his way up the ranks, Slager eventually became the head of one of the most well-known companies in the American waste-services industry. It was his knowledge of and familiarity with the general public, as well as the insights he had gained from working in all areas of the company, that made Slager the best candidate for CEO.

What is more, the survey showed that you do not need to be a genius to become a CEO. Indeed, those who put forth complicated ideas or use big words are typically viewed as bad CEO's. Moreover, they are less likely to be hired at all. To give you some stats – only seven percent of CEO's graduated from an Ivy League school. Though Fortune 500 companies usually have Ivy League graduates among

their leaders, the smaller, less-known firms do not. But Ivy League schools aside, consider this; like Don Slager, eight percent of CEO's have never attended any college, so, clearly, lacking a formal higher-level education is no hindrance. You also do not need to be an exceptionally outspoken person to be a CEO. Egoistic people make the worst CEO's since they are too focused on their individual success. And, in fact, 30 percent of CEO's are introverts.

### **Make fewer and thus faster decisions.**

Previously, we have shown that a college degree is not necessary to become the CEO of a lucrative company. But being highly intelligent is not a prerequisite either. In fact, CEO's who have a high IQ typically experience information paralysis. They are required to make important choices every day. There are many different avenues by which to arrive at a decision, such as being thoughtful, impulsive, logical or decisive. Out of these options, high-performing CEO's often opt for decisiveness, meaning the ability to decide quickly and with conviction. Indeed, the authors found in a study that decisiveness made CEO's 12 times more likely to be top performers.

In addition to being quick, an overarching decision is usually better than one that is detailed. To illustrate this argument, let us take a look at Steve Gorman, who took over the bus company Greyhound Lines in 2003 when it was \$140 million in debt. After being advised to either divide up the regions and sell off the company's business in them, or to increase fare prices, Gorman had to decide quickly. Instead of consulting sales figures, he looked at a map of America. Gorman compared this map with the Greyhound route map and made the bold decision to stop all of the routes that serviced low-density populations. Thanks to this decisiveness, after four years, Greyhound Lines was making an annual profit of \$30 million.

So, like Gorman, find a winning formula for your specific business, and to stick to it. This is what Doug Peterson, CEO of McGraw Hill Financial, did. He succeeded by following the policy of Jack Welch, legendary CEO of the gigantic conglomerate General Electric. According to Welch's rule, the company had to have the potential to become a number one or number two player in every new sector it entered, or he would turn down the opportunity.

By following this formula, Peterson simplified decision-making throughout his entire organization and enabled his staff to make quicker decisions about market opportunities by themselves. The company sometimes turned down potentially lucrative takeover deals, but the simplicity and speed were worth more than any single buyout would have been.

### **Know your stakeholders.**

As mentioned earlier, a surprisingly large number of CEO's are introverts rather than extroverts. This is because, in order to be an effective CEO, you have got to be able to consider other people's perspectives. Company owners need to understand what motivates customers, board members and stakeholders, which means that CEO's need to listen and have empathy. Introverts tend to be particularly adept at this.

By truly listening to people, you avoid making assumptions, which is important. When it comes to other people's perspectives and outlooks, you should not assume you know what they think. Instead, you should show genuine curiosity and pay attention when they are talking about themselves.

One CEO who employs this tactic particularly effectively is Neil Fiske. Though he is mainly known as the man who rescued the surf company Billabong, his biggest achievement came when he worked for a lingerie brand. Fiske interviewed women about their opinions on clothing, and he was mindful not to make assumptions. By listening and gathering as much information as he could, Fiske managed to turn the previously small company into a billion-dollar business.

As the example illustrates, it is important for CEO's to spend time getting to know their customers. Jim Donald has had leadership roles in many well-known successful brands, including Starbucks and Safeway. He attributes his success to spending half of his time out of the office and in the shops themselves. Donald's strategy stemmed from advice given to him from his former boss at Walmart, Sam Walton, who said that the real business occurs among the customers and employees on the shop floor.

Similarly, it is vital to know the motivations behind the company's board members. The benefits of getting to know board members should not be underestimated, and you should be aware of their individual aspirations and hopes, as well as how your company fits into that vision. Some key questions to be addressed include; how did they become a board member? Are they obligated to an investor or founder? What is driving them to stay on the board? Is it money, prestige, intellectual stimulation? Finding the answers to these questions could help you achieve your goals for the company, because you will know what kind of decisions board members will be likely to back.

### **Be consistent and committed.**

If two candidates are competing for a CEO position, the one who appears most reliable will get the job. In fact, CEOs who are known to be reliable are twice as likely to be offered a position than those who do not have that reputation. To present yourself as a reliable person, you must always follow through on your commitments.

The Genome Project studied the personality traits of thousands of CEO's and found that 94 percent of them scored very high in the category of following through on commitments. Furthermore, those who displayed discipline, thoroughness and conscientiousness were highly favoured, unlike the "mad geniuses," who were less favourable due to their erratic behaviour. So, if your main argument for getting the job is that you can come up with crazy ideas and schemes, you may wish to rethink your strategy.

Board members want leaders who they know will follow through on promises, even if the promises are not extravagant. They prefer a guaranteed modest outcome over an outlandish promise that has a low probability of being delivered. Thus, you can build your reputation for reliability by promising small things but ensuring that you deliver on those small promises.

You can also appear reliable by behaving consistently. To do so, you should not let yourself be swayed by mood swings or emotions. The CEO of Timberland, Jeff Schwartz, argues that your staff rely on you to be consistent so that they can approach you professionally. Whether you are consistently serious or always friendly, you will seem more approachable to your colleagues and employees if your moods are predictable. Additionally, preparing anecdotes about your prior experiences will help you sell yourself as a reliable CEO.

When in an interview for a leadership position you can prove the fact that you are a reliable choice by sharing a few anecdotes from the past. Think of previous situations in which you have overcome a mutual problem, highlighting how you have learned from those hardships and redeemed yourself. This will help you come across as someone who can be relied on to work through common problems should they arise in the future.

### **Avoid mistakes by building repeatable, well-planned systems.**

When you are leading a big organization, it is almost impossible to micromanage everything. Therefore, you need to implement self-sustaining systems that have easily repeatable steps to ensure employees work efficiently. To do so, imagine yourself as a conductor of an orchestra. Rather than playing music, a conductor watches over everyone else from afar. To pull off a spectacular show, the conductor must work with the performers during rehearsal and ensure that everyone knows their role.

Together, they work through the piece multiple times in order to reduce the likelihood of errors. On the big day, the conductor does not need to do much, since the performers know what to do, having practiced the same pattern hundreds of times. This is what you should aim for as a CEO, too. In addition to envisioning yourself as a conductor, it can also be helpful to think like a Navy SEAL.

Imagine you are in a fight. You might think that the best thing to do would be to rely on your instincts, fight back hard and hope for the best. But this is exactly what Navy SEAL's do not do. They are taught to build a strong foundation beforehand so that in the face of rising pressure, they can call upon their repetitive training and avoid making any mistakes, says Botelho.

Lastly, creating a well-planned system can also help prevent errors. In some cases, a reliable system can mean the difference between life and death. For example, the Children's Hospital of Philadelphia sometimes encountered errors in their treatment system. Not only were doctors and nurses making mistakes with dosages and treatments; they also tried to cover them up.

Then it was revealed that it was not the mistakes themselves that were causing most of the errors; it was the attempts to cover them up. So, the hospital changed the system and decided to rename the errors, or near misses, as good catches. The staff member who disclosed the nearest misses – either their own or somebody else's – was given an award. As a result, medical errors fell by 80 percent.

### **Focus on the future.**

What do Blockbuster Video and Kodak have in common? Both are businesses that failed because they did not adapt to the future. One important aspect of planning for the future involves making room for new ideas by letting go of old ones. Though Kodak invented the first-ever digital camera, they waited 18 years to pursue the opportunity further.

This missed opportunity was fateful for the company, which filed for bankruptcy in 2012. Similarly, video-rental company Blockbuster passed on all three opportunities to purchase Netflix, because it did not see the potential of an online business model. We now know that this was a big mistake, and Blockbuster, too, filed for bankruptcy.

Both Kodak and Blockbuster failed because they were not able to let go of their old practices and adapt to the changing business landscape fast enough. In contrast, when Intel saw that Japanese companies had begun to produce memory chips at a lower cost, it knew it needed to act quickly. This new competition led to a drop in Intel's profits, from \$198 million in 1984 to \$2 million just a year later. So, Intel decided to focus wholly on producing microprocessors and drop its memory-chip-manufacturing business. The company's willingness to adapt resulted in their market cap rising from \$4 billion in the mid-1980s to \$197 billion today.

Clearly, then, staying on top of upcoming trends is vital for a company's sustained success, but how can you manage that in an increasingly information-loaded world? The answer is to become a trendhunter, says Botelho. Jean Hoffman, CEO of pharmaceutical firm Putney, is a great example of a trendhunter. Hoffman was able to stay ahead of the game by studying the trends in human pharmacy and applying them to better forecast changes in veterinary medicine.

But looking into the trends that lie outside of your industry is helpful, too. For instance, Disney World did not look at other theme parks to find a trend that they could adapt. Instead, they compared themselves to any case that involved family entertainment, meaning games, films, sports and toys. From their research, they learned that it would be beneficial to incorporate trends such as the Harry Potter phenomenon and trampolining into their operations.

## **Be conspicuous.**

If you think you are more important than the company you work for, then the chances you will get hired as a CEO are pretty slim. Employers look for team players who will act according to the company's best interests, rather than those who act out of self-interest. So how do you show what you have got, if you are not supposed to brag about your talents, asks Botelho. To get there, try to be a big fish in a small pond. The authors carried out a study of 2,600 CEO's and found that 60 percent of those who had climbed the corporate ladder quickly – also known as “sprinters” – did so after having taken a lower position at a smaller firm.

Smaller companies are more likely to accommodate change and ideas faster than big corporations, which usually have no time or room for your personal opinions. Furthermore, in a smaller company, it is easier to get noticed. If you become recognized as the one who saved or expanded your company or department, you will find yourself being thrust into the spotlight in no time.

For example, Damien McDonald declined a managerial position at Johnson and Johnson, a \$50 billion firm, and chose to lead the \$250 million spine division of Zimmer, a medical-device company. Under McDonald's leadership, Zimmer saw growth of 12 percent, while the most he could have achieved at Johnson and Johnson would have probably been between one and two percent. Then, in 2016, LivaNova, another medical-device company, impressed by McDonald's success, offered him the role of CEO.

You also need to make sure you get noticed for the right reasons and by the right people. The first way to get noticed is by asking people at your company for advice. Everyone enjoys giving guidance, and by doing so, they will become invested in and support your success. Alternatively, you could offer skills that the company is lacking, which is typically computer and technology expertise. Everyone will notice when you become the go-to person for such areas.

A third way to get noticed is to become a staff member of an important figure in the company. As a personal assistant to a senior manager, you will be granted access to high-level meetings. This will provide you with key insights into company operations, as well as connections to the top brass, thereby creating a competitive edge for you. Once people recognize your talent, you will be well on your way to becoming a CEO.

## **What I took from it.**

CEO's are not superhuman. In fact, they are just regular people who have developed certain skills that allow them to climb ranks in the workplace. Being decisive, consistent, committed and reliable are all fundamental traits of a CEO. Having a well-planned system in place is also important, as is understanding stakeholders and being able to adapt to the future.

Use an authoritative voice. Next time you are in a meeting or an interview, use simple language, be clear and do not rush when you speak. Remember to pause for dramatic effect when you want a message to really sink in. These speech patterns will project your authority and help ensure that your listeners will really hear you.

The CEO Next Door is based on over 10 years of research into 18,000 professional reports of pre-selected candidates, high-level jobs mostly in billion-dollar companies. The book focuses on CEOs with research separating candidates who turned out to be good leaders as CEOs and those who turned out to be outstanding performers. It does bring to every reader the secrets of the most successful people in business to help you learn from the best so that you can tailor your approach to individual situations no matter how you define it.

# The Introverted Leader

Jennifer Kahnweiler

What is a leader's role, asks Jennifer Kahnweiler in her book; *The Introverted Leader*, first published in 2009. She goes on to answer; they need to coach, convince and direct their team, negotiate with business partners and represent their company in a winning way. This reads like the perfect job description for intelligent extroverts – after all, extroverts tend to be naturally eloquent and assertive, like to be the centre of attention and enjoy working with others, says Kahnweiler.

Yet as it turns out, many highly successful leaders are introverts. In fact, introverts have particular strengths that extroverts do not have – but to get to the top of the ladder, they had to work extra hard. Jennifer Kahnweiler interviewed more than 100 introverted professionals to learn how they harness their strengths, overcome challenges and develop strategies to succeed in an extroverted business culture.

The three most powerful points I took from the book were;

1. Being an introvert can make taking on leadership positions challenging, but there are ways of overcoming the obstacles
2. Your listening and observational skills and your tendency to carefully choose your words can give you an advantage over extroverted leaders and support your success
3. A great way for introverts to network is to focus on one-on-one conversation. This allows them to get to know the other person in depth, and increase rapport by adapting to each person's need

## **There are more introverts than you think – even among highly influential people.**

Whether it is in a chatty classroom or at a party, it often seems that extroverts greatly outnumber introverts. But appearances can deceive; there are actually quiet people in every walk of life – and they are not even a minority. In fact, introversion and extraversion are basic temperaments that are evenly distributed throughout the population. The terms extrovert and introvert were first introduced by the psychologist C.G. Jung to distinguish between two basic personality types. Introverts tend to direct their attention inward, focusing on their own thoughts, whereas extroverts are active, social and focus on their external environment.

The two types also differ in how they recharge their mental batteries; extroverts are energized by social interaction, while introverts recover energy through quiet, solitary contemplation. Finally, their communication styles are different; extroverts are outspoken and decisive, whereas introverts are reserved, prefer listening to talking and ponder all their options before acting.

So how many introverts are out there? Scientists interviewed different groups of people about introverted personality traits such as needing a lot of quiet time or preferring listening to talking. The result? About 47-55 % of the US population are introverts. But what about business and politics – surely there is only place for extroverts there? Indeed, our business culture does seem to favour extroverts by emphasizing the importance of socializing, decisiveness and gregariousness over introvert traits like reflectiveness or conscientiousness. Yet one study shows that no less than 40% of all executives describe themselves as introverts.

The most famous of them all was probably President Abraham Lincoln, known for his tendency to frequently withdraw inside himself; he would often be found alone in his library reading law books instead of socializing.

## **Introverts miss out on opportunities because they do not go for the limelight.**

Imagine a crucial meeting where many employees are fighting to share their thoughts on a marketing problem. Each individual is competing for the boss's limited attention – and if you are an introvert, this is one area where you could lose out. Why? Because if you do not speak up in a meeting, your ideas may never get heard – whilst the loud and the outspoken end up with most of the desirable assignments and project funds. And of course, extroverts are much more likely to raise their voices.

For example, maybe you have a great idea of how to deal with that marketing problem, but you hesitate to enter the fray. In a setting like this, even your best ideas will not speak for themselves; to keep them from getting lost, you will have to speak up and convince your team. And it is not only in meetings that introverts can miss out on opportunities. If you keep a low profile at work, you might be overlooked when your boss looks for the right person to take charge. This is because your boss may not have the time to search for the most suitable person to take on a prestigious project – so he will probably assign the task to someone who recently made a favourable impression.

For example, if an extrovert and an introvert are both performing well, but the extrovert is also drawing more attention to his performance, he will be more likely to get the promotion. Therefore, if you want to be entrusted to take charge, you need to make sure you stay on your boss's radar – and that he does not forget about your accomplishments, says Kahnweiler. So next time you see your boss, give him a subtle reminder about your performance.

## **An introvert's need for time alone can be a disadvantage.**

Everyone who is worked in an office knows that sometimes people prefer to work alone. But introverts need that alone time even more – to a point where it can be to their disadvantage. It is important for introverts to regularly work in solitude, but it can take diplomatic skill and effort to defend this preference. This is because a typical extrovert-friendly business setting with open offices, frequent meetings and continuous teamwork can fail to provide the solitary time necessary for introverts to recharge their batteries. But extroverted colleagues might not understand an introvert's need for solitude – and they might even feel rejected if an introverted colleague does not always welcome their company.

Another characteristic which disadvantages introvert is their reluctance to participate in the informal socializing between conferences or meetings. This time is often used to strengthen connections, exchange information and make deals – without the introverts. For example, on a business trip, an introverted account executive chose to spend some time alone instead of golfing with the other executives. At the official meeting, he found out that most of the vital decisions had already been made on the green.

So, introverts should just make sure they socialize more, right? Problem is, going too long without spending time alone can hurt an introvert's performance and morale. This is because introverts tend to work best when they are alone and need solitude to recharge their batteries. If they continually lack alone time, they will end up exhausted and consistently less productive. After some time, they may even suffer from stress-related symptoms like headaches and back problems. In fact, an introvert with no opportunity to work alone throughout the day will be as unhappy as an extrovert passing his days in a solitary office. If you are an introvert, make sure you plan your solitary time carefully.

## **Extroverts may misjudge a cautious, quiet and reserved colleague.**

Imagine you are an introvert: when your boss asks you to deal with a problem, you will tend to retreat to your office and take the time you need to concentrate on your assignment. Two weeks later, a staff evaluation comes up, and you are shocked to find you have been criticized for working too slow and acting aloof.

Being on the receiving end of this kind of misperception is common for introverts. One reason introverts are mistaken for slow thinkers is their tendency to carefully consider what they want to say and make sure it's the best answer they can offer. Extroverts on the other hand are prone to contributing a suggestion as soon as it comes to their mind – and the combination of these two thinking styles can lead extroverts to believe that introverts are slower thinkers.

For example, imagine two equally bright pupils, an extrovert and an introvert. In class, both come up with great ideas for the science fair. But the extrovert blurts out his suggestion immediately, whilst the introvert double-checks her own idea and answers much later. Result? In comparison, the introvert will appear slow – and to many, less intelligent.

Introverts may also be mistakenly characterized as cold, aloof or scheming. Introverts are less emotionally expressive, often focusing on their feelings rather than expressing them. For example, if you have suffered a loss, they might become very quiet because they empathize deeply with your grief. But outwardly, this could look like aloofness.

And since extroverts are more likely to express their emotions, when someone does not express their emotions, it makes them think one of two things. Either the introvert is insensitive – or he is not sharing his feelings with his co-workers because he dislikes them. This can lead an extrovert to believe that the introvert is either cold-hearted or has become estranged from the team – which can have dire consequences in an office environment. If you notice one of your colleagues takes their time to speak, do not judge them too soon; they might just be introverted.

### **Carefully choosing words is one of an introvert's key assets.**

Do you hesitate before you share your thoughts? Do you pause to check the pros and cons of your statement? If so, you may well be introverted. And whilst some might misunderstand why you are taking your time to react; it can also be a big advantage. Why? Because not blurting out your thoughts prevents you from making a costly faux pas. And in some professional fields, one wrong word can cost your job – for instance if you are a press spokesman, a politician or a diplomat. For example, think of a diplomat impulsively blurting out some comment about a first lady's funny hat!

Another advantage to thinking before speaking is that when everything you say is well-founded, your statements will gain extra consideration. By thoroughly processing your thoughts before you share them, you will greatly improve the quality of your statements – and people will notice. Imagine a panel discussion where you provide all the relevant data, present your position in a conclusive way, and anticipate counterarguments. In consequence, you will appear more competent and worth listening to compared to a co-panellist who hogged the mic to share nothing of substance.

Furthermore, if people know you do not speak out impulsively, you are more likely to get access to helpful privileged information. When people know you can hold your tongue, they expect their secrets to be safe with you – which means they might entrust you with helpful, privileged information. For example, your boss might confide in you that he secretly applied for a job in another company. If you wanted to become your boss's successor, this knowledge would allow you to start distinguishing yourself from the crowd.

### **Introverts' keen listening and observation skills can make them excellent leaders.**

To further our exploration of introverts, let us consider the case of Judy, a quite four-year-old. Judy rarely plays with her peers but is a brilliant observer and knows the exact activities and playmates each of her peers prefers. In fact, most introverts like Judy are good observers. This is because introverts often do not participate in games, banter, chit-chat or discussions, but rather stay at the fringes and intently observe the interactions.

For example, Judy might be reluctant to play tag – but while her peers are focusing on trying to escape, she'll spend her time closely observing the action, learning who always giggles nervously before being caught and which children cooperate to divert the chaser, says Kahnweiler.

This tendency to pay close attention also makes many introverts great listeners. When they listen to you, introverts really focus on the ideas you are sharing. They are also less distracted than extroverts because they are not thinking up witty replies. These tendencies lead many introverts to become well practiced listeners. If you had a pair of fraternal twins, one of them a talkative extrovert, the other an introverted listener, by the age of eight, the introvert would have much more listening practice than his brother.

But why are these skills important? Because these observational and listening skills are crucial to being a great leader. Through attentive listening and observing, a leader gains useful information about her team's needs. For example, she will know the specific motivation that can help a team member overcome a dry spell and improve overall performance. Also, good listening skills help build rapport with customers and superiors, because people feel respected and valued when you listen to them attentively.

### **There is an introverted way of networking.**

Meeting the right people and nurturing relationships are essential for a leader's success. But does this mean that introverts have to exhaust themselves spending their workdays in team meetings and their evenings collecting business cards? The tension between introverts and traditional networking arises because extroverts and introverts prefer different types of interaction. Extroverts enjoy small talk, whilst introverts prefer in-depth conversation. For introverts, networking often consists of too much small talk which they cannot connect to.

But there are other ways of networking for introverts – like networking websites. This is great for introverts because many of them prefer to communicate through writing, which they can do in the relative quiet of their cubicle. Also, many introverts are already proficient writers, and are adept at making good first impressions via email or messaging. Finally, on a website introverts have the opportunity to think through and revise everything they want to contribute as they desire.

Another great way for introverts to network is to focus on one-on-one conversation. This allows them to get to know the other person in depth and increase rapport by adapting to each person's need. For example, they can find out about the way the other person thinks – like if they prefer abstract concepts or a hands-on approach. In a focused one-on-one conversation, people are also more likely to open up and share intimate details which are useful to leaders.

Finally, introverts can connect with people who would keep silent in a team meeting – maybe other introverts – as they will appear much more present and approachable than in a meeting.

### **In our extroverted culture, introverted leaders need to push their limits to succeed.**

Imagine; maybe in a hundred years there will be no more offices, everyone will work from home and every social interaction will take place on the internet. This could be the era of the introverts. But until then, introverted leaders will have to push their comfort zones to adapt to our extroverted world.

Why? Because if introverts stay in their comfort zone, they will avoid many kinds of interaction. For example, their dislike of the limelight will make them avoid public speaking. Or they might steer around unofficial get-togethers with their colleagues in an attempt to stock up on solitary time and avoid the small talk typical of informal gatherings. Finally, they might email urgent messages instead of calling their co-workers on the phone, because many introverts prefer writing to talking.

But embracing these kinds of interaction and overcoming fear and discomfort is crucial for an introverted leader's career. As a leader, an introvert must educate her team, represent her company and publicly present her ideas – all tasks which will involve public speaking at some point. And unofficial get-togethers actually provide introverts with great opportunities to form professionally helpful alliances, learn more about their team and create rapport. Finally, emailing is an ineffective way of communicating important news because mails take time to be opened – or can be missed altogether.

### **Preparation and practice will help advance an introverted leader's career.**

Some people struggle so much with small talk they come to believe they are simply lacking the small talk gene. But they are mistaken – because in fact, everyone can learn small talk. Small-talking is a particular challenge for introverts, and their tendency to shun it can make them appear rude, unfriendly or incompetent – which can seriously harm their careers. But if introverts prepare for small talk in advance, they can become confident enough to stop avoiding it. They could for example prepare backup topics, entertaining anecdotes and generic open-ended questions they can employ when needed.

Preparation can also help introverts speed up their response time – and avoid being intellectually underestimated. As we saw, introverts take their time to work out a well-founded answer. But if an introvert anticipates and thinks about some likely questions before a meeting, she can respond quickly when the time comes.

Introverts benefit not only from preparation, but also from regularly practicing small talk and public speaking – two crucial aspects of being a good leader. Like preparation, practice can address any of the challenges of being an introverted leader. Maybe you lack practice at public speaking because you shun the limelight or avoid small talk because you like deep conversations. But if you practice things you would not do naturally, like making small talk, you will gradually get used to them. It is like a right-handed person practicing painting with their left hand; eventually, it will stop feeling awkward.

Practice also helps you add tools to your communication skill set – like the ability to easily raise your voice or dramatically whisper during a public speech to emphasize your key point. This is especially important when preparation is not an option, like when a position requires giving great ad lib presentations.

### **What I took from it**

Being an introvert can make taking on leadership positions challenging, but there are ways of overcoming the obstacles. Your listening and observational skills and your tendency to carefully choose your words can give you an advantage over extroverted leaders and support your success.

A great overview of why and how introverts think and lead the way they do. I personally benefited a lot from learning on how to build from my quiet strength. Leaders who have mentored me have always said I have a quiet strength that others are attracted to. This book confirmed many of the thoughts going through my mind and my actions. I highly recommend this title to anyone who like me is looking for ways to learn and grow as an introverted leader.

# Scaling Up

Verne Harnish

Every year a sea of new companies are born around the world. Most fail within a few years; some make it a bit longer. Only a small number of them grow to become big, successful game-changers. Why? Even if you have a great product and your business is going well, scaling poses important, and often unexpected, challenges to any company that wants to grow. It is a paradox. Getting bigger should make things easier, shouldn't it? More brains, more cash, more momentum?

Wrong! So says Verne Harnish in his book *Scaling Up*, published in 2014. In his book, Harnish will show you that even something as simple as leaving the old, pokey one-floor office for a new two-floor one might have unexpected consequences for your business. So how do you get it right? The book breaks down everything you need to take into consideration into structured checklists and thought-provoking processes.

The three most powerful points I took from the book were;

1. The four D's that can help to scale your business up is; Driver, Demand, Disciplines and Decisions
2. We need clear responsibilities, otherwise nobody can be held accountable. And a lack of accountability is a surefire way to drive a business to collapse
3. As your organization grows larger, it is vital that you retain the sense of purpose that keeps smaller businesses so motivated

## **The four "D's" that can grow a company.**

Imagine you are an executive manager at a 500-employee company. Your CEO has just informed you that by the end of next year, the company will comprise over 1,500 employees. What would you do first? When your company is scaling up, there certainly is a lot to consider. If you do not want to run out of cash or lose track of strategic decisions, your organizational structure and decision-making processes have to be brought to perfection. That is why the Gazelles team – a global executive coaching company – developed a 4D framework to grow your business successfully. So, what are the essential four D's for successful scaling?

First, you and your team have to be drivers of personal and economic growth. Think of it this way: your managers are coaches! One-on-one coaching is essential for employees to stay focused and motivated. Consider offering additional training to enable constant learning. Secondly, leaders also have to find the balance between the demands of your stakeholders and those of the actual processes of doing your work. Even though your company's processes must be profitable, it is also important to keep your reputation with your stakeholders in mind. Balance both by creating a custom-tailored strategy.

To execute your strategy successfully, you will need to implement routines to enable sufficient discipline – the third D. Your entire company must be aware of the number one priority for each quarter or year – the first element of discipline. With a defined target in mind, you will be able to prioritize effectively. Another aspect of discipline is a regular meeting routine, complemented with constant data review. This way, you will be able to detect problems immediately and tackle them as quickly as possible.

Finally, it is essential that you know which questions are the most pressing ones and start making decisions. When scaling up, a company should start by tackling the biggest issues first, then working through other problems – in the same way you might fill out a sudoku puzzle. Start where you can and proceed carefully.

## **Companies must enhance their personnel management in tandem with their growth.**

Only two to three percent of all US companies will become high-impact firms that last for over 25 years and contribute substantially to overall economic growth. Why do so few make it to this stage? It is all about People. The truth is that growth does not always lead to success in the long-term. If the team, the strategy and the organizational and physical infrastructure do not grow alongside each other, success simply will not last.

This is called the growth paradox. You would think that the larger a company gets and the more soundly its routine is established, the easier things get. The reality is that the more employees you have, the more it takes to organize them effectively. Consider a company that is expanding its team while also moving from a one-floor office into a two-floor office. If planners do not create room for communication spaces, such as a common kitchen or break room, it will be much harder for information to flow between employees.

Communication is vital in any growing organization, so it is essential that you structure your teams and sub-teams to keep information flowing. If teams are too big, communication will be hindered. Instead, try breaking them up into sub-teams of seven to ten people. So, if you are feeling stuck in your growth process, it is likely that your team structure and size isn't perfectly organized yet. But remember, growth does not happen overnight! If you want your success to be long-term, you will have to view expansion as a long-term process too.

Ask yourself: What do you want your organization to achieve within the next 25 years? It took Apple 25 years to grow to 9,600 employees in 2001, whereas today, 14 years later, the company employs more than 150,000 people.

## **Make sure that the right people are doing the right things – and doing them correctly.**

No executive team could ever declare that everyone was responsible for marketing without something going wrong. We need clear responsibilities, otherwise nobody can be held accountable. And a lack of accountability is a surefire way to drive a business to collapse. In order to create accountability and make it visible, the author has developed the Function Accountability Chart (FACe) and Process Accountability Chart (PACe).

The FACe can be used to measure success and define who is responsible for what. To begin, you will need to find out about your company's functions. Write them all down. Then, let each of your executive team members fill in who is responsible for each function (one person) and what key performance indicators (KPIs), such as profit per project, for example, can be used to measure success.

After creating this chart, consider which team members are responsible for more than one function, but perhaps do not have clear accountability. When the executive team of Perly Fullerton filled in the chart they recognized that they were six people in the room but only three on the chart. It was clear that founders needed to delegate tasks more specifically. The processes that drive the business and the people who are responsible for them should also be specified. Enter the PACe.

To use a PACe, first identify the key processes of your firm, such as recruitment or product development. Give one-person oversight for each process. Next, outline which KPIs – such as time, quality and cost – measure the process. Next, describe how you would like to improve each process – perhaps by making it faster, or more cost-effective. Finally, map who is involved in each process at each of its critical steps.

## **Start motivating and make the switch from managing to coaching.**

It is said that a single excellent employee can replace three good ones. So, invest in all of your people to grow them! Start by replacing the word “manager” with “coach.” The people analytics team at Google discovered that personal coaching was the most important factor in great management. This is because managing a team is not just about delegating tasks and supervising processes, it is also about leading a team and inspiring its members to grow and improve.

One way you can encourage your team members to boost their strengths and learn from their weaknesses is through training. In fact, it is worth spending an additional two to three percent of your payroll on training. Your team will reward you with higher productivity and loyalty: The Container Store pays salespeople 50 to 100 percent more than the industry average. Within the first year, salespeople also get 263 hours of training.

You should also strive to make your team’s job easier by listening to them. Regular meetings allow team members to discuss what motivates them, what does not, what could make their job easier, and what resources they need. Even the smallest changes, like an additional break room or a different email provider, can make a significant difference.

Finally, be sure to set clear expectations. Tell your employees what their top priority should be but let them find out how to achieve it on their own. Encouraging team members to think for themselves is challenging but will strengthen their problem-solving abilities in the long run. You could even modify tasks and responsibilities from time to time to give employees the challenges you think they will need for personal growth.

## **You will need a strong strategic vision for strong scaling.**

You would be hard-pressed to find a company with over 50 employees and a boss that can remember all their names. As your organization grows larger, it is vital that you retain the sense of purpose that keeps smaller businesses so motivated. But how? It is a matter of strategy. By establishing core values, you give your organization comprehensible guidelines for every decision. These are the norms of a company’s culture, and should be stated in a succinct, realistic sentence. For example: “Practice what we preach.”

You should also make your company’s mission clear by formulating a core purpose. This can be as brief as one word and should simply signify what you want to achieve. For Disney, the core purpose is simply “happiness.” So how can you get your organization to engage with core values and purpose with confidence? Credit card transactions company VeriFone came up with a clever solution to keep their corporate culture strong. Its founder created a pocket-sized “blue book” that contained all of the organization’s core values illustrated with real case studies. This blue book was translated into eight languages and is a fixture in every meeting as a powerful and accessible summary of the company’s vision.

Your company’s vision summary should also include two other elements: your brand promises, and your Big Hairy Audacious Goal – BHAG for short. Brand promises – the things you guarantee your customers – are strongest in threes, with one key promise at the forefront. For example, BuildDirect promises best price, then best customer service and product expertise. By referring to your three brand promises during decision-making, you can ensure your actions satisfy customers’ expectations.

Your BHAG should be reached within 20–25 years. To make it easier, set smaller goals every three to five years, as well as annual, monthly and weekly goals. In fact, you could even visualize your goals as a mountain climb, where you reach small plateaus before achieving that view from the top. By collating your core values, purpose, brand promises and goals, you will have gained a helpful tool that you can always refer to when dealing with potential customers, suppliers, or tricky situations. By making copies of your vision summary available in common areas, your team will be able to make the most of this tool.

## **Use your company's strengths to improve your revenue.**

Now that your vision summary is ready, you have got the bones of a clear strategy. But if you want to reach your goals even more quickly, you should understand exactly where your organization's strengths lie. First, you will need to look into your customers' minds. What do they think when they hear your company's name? Car manufacturer Volvo has used marketing to make the word "safety" one of the first associations with the brand. Even googling "safest car" will lead directly to Volvo.

87 percent of all customers search the internet to find options for purchasing. To find out which words you should own, use the Google Adword planner to see how often some words are being searched in relation to your brand. The next place to look for your strengths is your X factor. This is a small strategic detail that differentiates you from your competitors. By recognizing it, you can turn it into a competitive advantage to multiply your revenue.

Take Outback Steakhouse. They recognized that most restaurant managers are constantly on the move to new jobs, so quality is not stable. So, they decided to create their own X factor. Outback Steakhouse created a new compensation for future managers, who first had to invest \$25,000 of their own money. For three years they were trained to run a restaurant and got a competitive wage. Following this, managers could run their own restaurant and, if they met certain milestone criteria after two years, were rewarded with a \$100,000 bonus.

By taking the time to create a calculated strategy, Outback Steakhouse created an X factor that made planning easier and boosted their product's quality, to give their customer experience an edge over competitors.

## **Design a strategic plan to keep everyone on the same page.**

The One-Page Strategic Plan (OPSP) is a framework that will help your company visualize and achieve your goals. More than 40,000 companies use OPSPs to know if everything is running smoothly or not – and then to respond rapidly to new challenges. There are a number of questions you will need to answer when designing your own OPSP: Who is responsible for each step? What is your number one priority for the next year? Which metrics can you use to track your progress toward it?

Suppose your goal is to make HR more efficient. Actions could include "Hiring an additional HR manager" or "Improving the onboarding process." Now what is your critical number? Maybe "Reducing hiring and onboarding process time from six to three months"? An execution checklist like the Rockefeller Habits Checklist is often extremely helpful. This list summarizes all important factors you will need to keep an eye on, from "The team is healthy and aligned" to "The company's plans and performances are visible to everyone." This way you will be able to recognize any missteps or potential issues a whole lot faster!

And your OPSP is not just about goals. Rewards need to be clearly stated too. Think about it: working hard only makes sense when you know what you are working for. So why not make your annual, monthly or weekly goals a fun challenge? You could dream up a theme to turn your goals into a game. For example, if your goal is to speed up processes, you could call the project the Fast & Furious. You could even design a scoreboard where the whole team can see their achievements and write down how they are going to celebrate.

## **Focus on executing your plan with a steady rhythm of meetings and reviews.**

Great firms are like great jazz bands. Even without a strict plan, they are able to work together with confidence. But, like members of a band, your team members should know their parts and practise together too. That is why meetings are so important. A steady meeting routine allows information to flow accurately and prevents communication barriers. To stay on top of current activities and issues, hold your team meetings daily or weekly. John D. Rockefeller met every day for lunch with his key people. Your executive managers should also participate in one day of learning every month, and a bigger strategic meeting offsite in every quarter.

Even spending just five minutes every day with your team could help solve small dilemmas much faster. In *Managing Up: How to Forge an Effective Relationship With Those Above You*, Rosanne Badowksi says that meetings need not take up more than ten percent of a standard work week for senior leaders and five to seven percent for middle managers. However, the faster you are growing, the denser your meeting rhythm should be. If you are growing by between 20 and 100 percent a year, treat one quarter as if it were a year and organize meetings accordingly.

Another way to keep tabs consistently is by gathering data. Quantitative and qualitative data will strengthen your decision-making in every scenario. Additionally, ensure everyone in your company knows her KPIs and the team's critical number. Only then can they measure their daily performance. If data shows a gap between goals and performance, ask what the current barriers are and tackle them. Customer feedback is just as important as financial feedback. So, do not forget to speak with your clients to see if they are facing problems with your team. The more closely you observe your data, the faster you can respond to difficulties!

## **A growing company needs the cash flow to feed it.**

We would all like to save up for something big, but this is often made tricky as we do not know how much we need to spend each month. Financial statements are even neglected entirely by some firms, though funds are of course central to expansion. It is essential to understand how cash flows through your company and to have some cash reserves. In *Great by Choice*, Jim Collins and Morton T. Hansen revealed that outstanding companies have three to ten times more cash in reserve than their more mediocre competitors.

If you want to expand your cash reserves, take a look at your Cash Conversion Cycle (CCC). This figure shows how long it takes until a dollar you invest comes back as turnover. Remember, the shorter, the better. Take Dell, who were going broke in the mid-1990s. It found out that its CCC was 63 days. That is simply too long! So, Tom Meredith, the new CFO, worked to reduce it. Within just ten years, the CCC had shrunk to 21 days. At this point, Dell finally grew faster and began producing cash instead of consuming. In 2013, founder Michael Dell finally had enough cash to privatize the company.

To shorten your CCC, first break it down into four components – sales, delivery, billing/payment and production/inventory – and work separately on them. In each of these components, you will find opportunities to shorten your cycle time, reduce typical mistakes or improve the business model. For example, Benetton India found that they were spending too much on production costs, which in turn extended their CCC. To solve the problem, they improved their business model for finding cheaper suppliers by using software that allowed vendors and suppliers to bid on production contracts.

## **Calculate which small changes could take your cash flow to the next level.**

Perhaps you have looked at your CCC and seen that you need to improve your cash flow. Not to worry – it is just a matter of tweaking here and there. Examine your company's sectors and you will find several financial levers that you can modify to boost your cash flow. It could be the price for your goods (could be increased), your inventory (you could reduce the stock) or accounts payable (slow down the

payment of creditors). But how do you know which levers are worth changing?

With the Power of the One you can work out which factor can reduce costs in the most efficient way. In this method, you attempt to visualize how a one percent or one day change of each of your potential levers would affect your cash flow. For example, you could calculate the effect of reducing your operating costs by one percent or reducing stock days by one day. Then do the same for another lever, and so on. By comparing this information, you will find the most financially efficient lever. Finally, present your plan for change in a formalized structure of KPIs and targets, and assign tasks and responsibilities clearly.

### **What I took from it.**

Growth is complex, but with the right tools, your company can scale powerfully. By tracking existing processes and examining your cash flow, you can target what needs to be tweaked. With succinct long-term plans and clear vision summaries, you will make your goals achievable, while motivational management and regular communication will keep your team on track.

Keep communication flowing. Your company is scaling up but you are facing communication hurdles and misunderstandings over priorities? Start building your meeting rhythm, beginning with a daily session of no longer than 15 minutes to allow your executive team to focus on day-to-day topics. Next, let your executive team do the same with their respective teams, so that the meeting structure cascades through the company. This will help your employees grasp short-term and long-term targets, and how to work toward them.

Harnish is intensely practical, giving incredible tips for operational efficiency, team building, meeting efficiency, and basic financial guidance. It is geared towards companies that manufacture or sell / distribute physical products, but there are principles that can be applied to anybody looking to improve themselves or their personal operation in business.

Verne Harnish, founder of Entrepreneurs' Organization and 15-year chair of MIT's Birthing of Giants CEO program, shows how to grow by focusing on the four major decision areas of your business: people, strategy, execution, and cash. Thousands of businesses around the world have used this approach successfully, and you can do the same. Buy a copy for everyone on your team so you will all be on the same page and work together to dominate your industry.

# Zero to One

Peter Thiel

These days, almost anyone can find their own start-up. You do not even need your own office: many entrepreneurs work from their living room or a nearby café. This is good news for anyone interested in innovative products and services. Unfortunately, though, most start-ups do not survive very long.

This book will enable you to benefit from the experiences, philosophy and advice of Peter Thiel, one of the world's foremost venture capitalists. He co-founded PayPal and was the first outsider to invest in Facebook. His unique approach to business will show you how to predict the future and make it a successful one for your start-up.

## **View the present differently if you want to predict the future.**

Try to imagine the world in the year 2100. What do you see? For most people, the future is a tantalizing topic to think about. But what do we really mean when we talk about the future? Clearly, we do not just think of the passage of time, but the progress made during that time. This progress, that is, the differences from the present, is what really defines the future. More specifically, says Thiel, the future can be divided into horizontal and vertical progress;

- Horizontal progress comes from expanding on existing ideas and innovations. Here, globalization is a common driver because it helps spread existing ideas to more people.
- Vertical progress, however, comes from creating something new that did not exist before, like a new technology or method.

Put another way, horizontal progress is going from one to two whereas vertical progress is going from zero to one. An example of horizontal progress would be mass-producing phones and distributing them to developing countries; an example of vertical progress would be building a smartphone from a regular one.

As you can imagine, vertical progress is hard to predict because you have to imagine something that does not exist yet. That is why you can only predict future progress if you are able to see the present differently. After all, the future is by definition different from the present, so to imagine it you cannot just focus on the status quo. If you want to imagine what the future holds, you must be able to view the present critically. The author believes that this is such a crucial ability that, in job interviews, he asks candidates to cite a popular belief they disagree with. Why? Because only a person who can think outside established conventions can see and change the future.

The three most powerful points I took from the book were;

1. Monopolies are good for society because they drive progress: they encourage other businesses to come up with better solutions and oust the current dominant company
2. You do not need to be the very best in every business, just your business. So, it is important to define your market as narrowly and specifically as possible.
3. Company culture does not consist merely in the perks you offer to your employees, like a pool table and a soda machine, but rather the relationships that people have.

## **Be the architect of your own future and make a focused effort to attain it.**

So how can you prepare for the different and unknown circumstances that await you in the future, asks Thiel. Today, many people think indefinitely – that is, they try to prepare themselves for all possible future events. This approach is futile, however, because the future holds far too many unknowns and variables. A more effective approach is making a focused effort to achieve the future that is best for you, thus becoming the architect of your own future. For example, many schoolchildren take on a myriad of extracurricular activities in hopes of getting into a top-notch university. But wouldn't it make more sense to focus on mastering just one subject so they could undisputedly be the best in at least in one thing?

It would, says Thiel. Indeed, success is the product of focus, dedication and determination. Fate and luck have little to do with it. After all, if success were nothing but a product of luck, we would not see serial successes like Steve Jobs or Thiel himself, who founded several prosperous businesses. It is crucial to keep all this in mind when founding a start-up. Start-ups only have one best future – and attaining it demands a concerted effort.

Why only one? Because a start-up will only be successful under very specific conditions: there is only one best market for the company's product, only one best time to launch it, and so on. In order to strike when the conditions are just right, you must make a conscious choice to pursue the future in question. The main difficulty lies in figuring out just what the ideal conditions for your start-up are. In other words, which future are you aiming at? When choosing your future, remember what was said above: you can only see the future by looking beyond established conventions.

## **Monopolies are good for businesses and society.**

When people hear the word "monopoly," they tend to think of large, evil companies unfairly squeezing out the competition. This is inaccurate, says Thiel. Conventional wisdom holds that competition is the ideal economic stimulus, encouraging companies to improve on each other's products. However, it is actually monopolies that drive innovation. How can that be? First of all, if you have a monopoly, it does not necessarily mean the competition is being treated unfairly. Rather, you are just doing something so much better than them that they cannot survive. Similarly, if you create something new that no other company can copy, it is not necessarily a bad thing.

Google clearly has a monopoly over the search-engine industry, having faced virtually no competition whatsoever in the twenty-first century. This might seem unfair to other companies who would like to compete, but it has certainly been good for everyone who likes using Google's powerful search engine. What is more, monopolies are good for society because they drive progress: they encourage other businesses to come up with better solutions and oust the current dominant company. For example, if a company wants to compete in the search-engine market today, it needs to invent a better search engine than Google. And, if it does, it will be the consumers who benefit.

In fact, we can even go so far as to state that having a monopoly is a condition of running a highly profitable business. Why? Because having a monopoly allows you to set your own prices, which in turn ensures high profits. If your product is no better than your competitors', you will have to set your prices low to entice customers away from the competition, which erodes profit margins. Take the highly competitive airline industry where prices are set so low that, in 2012, a single passenger trip generated a measly \$0.37 of profit. Google, on the other hand, keeps over a quarter of its revenues as profits.

## **Monopolies thrive thanks to technological advantages.**

So, what exactly makes monopolies so successful? Typically, monopolies share some combination of four beneficial characteristics: First, they have a technological advantage: their proprietary technology works much better than anyone else's – usually, at least ten times better. Google's search algorithms,

for example, are much faster and have better predictive power than anyone else's, which makes it very difficult for a competitor to supplant them.

Second, monopolies enjoy network effects, meaning the more people are using their product, the more useful it is. As an example, consider Facebook: it would not be very useful if none of your friends were signed up. What makes it valuable to you is the fact that many of the people in your network can be found there. This means that newcomers face an uphill battle when trying to lure customers away from monopolies with broad existing customer-bases.

Third, monopolies benefit from economies of scale: cost savings gained by producing something on a large scale instead of a small one. Say you own a bakery, and have fixed costs like rent, heating and electricity, totalling \$1,000. In this bakery, you can produce between 1 and 10,000 buns a month, while the fixed costs remain the same. The more buns you sell, the more you can spread out those fixed costs, meaning that the effective cost incurred per bun is less. Since monopolies are the largest producers in their industry, economies of scale allow them to offer customers more attractive prices than newcomers, further strengthening their position.

Finally, monopolies often have strong brands that cannot be replicated. Apple, for example, is the strongest tech brand in existence today. While many other companies have tried to emulate its sleekly designed products and stores, they just have not seen the same level of success because they lack Apple's powerful brand. When analysing a business, look at these four characteristics to understand if they have or are close to having a monopoly.

### **Successful companies need to chase secrets others cannot copy.**

In today's high-tech world, it is tempting to think that there is no more room for vertical progress or that there are not any new ideas to be had. But this is a dangerous misconception that can keep you from being successful. In fact, the world still has plenty of secrets – that is, things that are important but which most people do not know about or agree with. This makes them hard – but not impossible – to discover. Often, the secrets are so deeply embedded in society that it might take generations to discover them.

Just consider slavery, which, a few centuries ago, was a common, socially acceptable phenomenon. To put it differently: back then, the fact that slavery is wrong was, by and large, a secret. For tech companies, the best secret is to have better technology than their competitors, because it can make their position as market leaders unassailable. You need to find and chase these kinds of secrets. Otherwise, you will just be another provider of horizontal progress, offering conventional products in a competitive market.

The case of Hewlett-Packard demonstrates the importance of having better technology. In the 1990s, the company had the best technology and used it to bring out one innovative product after the other, such as an affordable colour printer and an all-in-one printer, copier and fax machine – a truly wild idea at the time. But when the company stopped chasing secrets and inventing new products in the 2000s, it lost half its market value.

### **Success rarely happens overnight.**

As stated above, we tend to think of monopolies as giants towering over their competitors. But, of course, they do not start out that way: building a successful monopoly takes time. This is especially true when it comes to profits: it can take years for a start-up to become profitable. But even if the company does not initially make profits, it can still have value, because value is determined by the profits it will make over its entire lifespan.

PayPal is a case in point: in 2001, it wasn't making any profits, and when the author calculated the

value of the company back then, he found that most of it came from profits that were expected to come more than ten years later. The lesson here is that you cannot expect to be top dog in your business from the get-go: you need to be prepared to stick around for the long run. That is what will make you profitable. So how can you make your start-up a profitable monopoly, asks Thiel.

You need to start small and then expand bit by bit. First, understand that you do not need to be the very best in every business, just your business. So, it is important to define your market as narrowly and specifically as possible. That will make it easier for you to become its dominant player. After you have obtained a monopoly in this niche, you can move on to the next, broader market.

From the very beginning, Amazon founder Jeff Bezos had the ultimate goal of becoming the world's greatest online retailer, but he started much more narrowly, selling nothing but books. Only after Amazon conquered the book market did it expand to other categories like CDs and videos, and from there to other products. So, contrary to what many think, Amazon's success hardly happened overnight.

### **Start-ups need a solid foundation: the right people and culture, and balanced owner interests.**

Every company needs to lay a solid foundation to survive in the long run. So, when you start out on the long road of building up a business, the first days are absolutely crucial. The first key component in this foundation is finding the right people. Typically, start-ups are so small that every single person on the team plays an important role.

That is why, before making an investment in a company, the author not only makes it a point to analyse the skills and vision of the people involved but also their personal connections. He is seen first-hand what weak personal ties can do to a team. Before co-founding PayPal with Luke Nosek, Thiel had invested in a company that Nosek had started with someone he barely knew. Eventually, their personal differences took the whole venture down, along with Thiel's investment.

Another key factor in a strong foundation is ensuring that the different interests of the various company owners are balanced. After all, the founders and investors may have very different interests, but the company should not have to suffer from such misalignments.

For example, the founders of the company may wish to develop their products patiently, whereas the board of directors usually wants to bring in profits as soon as possible. While these interests are not necessarily mutually exclusive, they can sometimes cause conflict, so it's crucial to define a way of resolving such conflicts early on.

Finally, start-ups should also try to instil a strong culture in their teams because it helps everyone work effectively together. Company culture does not consist merely in the perks you offer to your employees, like a pool table and a soda machine, but rather the relationships that people have. A good example of a strong company culture could be seen at PayPal, where the team was so close that many of them went on to start new companies together later.

### **Your products will never sell themselves: your team needs to do that.**

When most people hear the word "salesperson," they think of a man in a cheap suit going door to door hawking vacuum cleaners: not a very flattering image. But in business, sales are a vital necessity. Many people, especially those enthusiastic about technology, would prefer to focus on product innovation, but innovative products are worthless unless they are sold. And there is no product on earth that people will buy without you selling it.

To sell your product effectively, you need good distribution. This not only includes your sales channels

but also the effort and organization it takes to sell your products. To leverage your distribution most effectively, you always need to consider the potential of each client before deciding how much effort you are willing to put into making the sale.

For example, the author co-founded the data analytics company Palantir, where a single closed sale usually brings in several million dollars. Here, the CEO has to personally do the selling, because clients spending such sums expect a certain amount of personal involvement from the seller's executives. In another business where single sales deals only bring in a few hundred thousand dollars apiece, it would not be an efficient use of time for the highly paid CEO. However, the CEO would still need a solid sales team to represent the company.

Another way to enhance your distribution is to use sales strategies. Many of us dislike salespeople because we associate selling with manipulation, and no one likes to be manipulated. But while certain obvious manipulation techniques may not be successful in sales, there are certain strategies that will work on anyone – so you should make them work for you. Think about Tom Sawyer from Mark Twain's classic books: he was such a good salesman that, when told to paint a fence, he actually got other children to pay him for the privilege of doing his work. Don't you think there are more great, creative salespeople like Tom Sawyer out there today as well?

### **You must consider the seven critical questions every business must answer.**

Between 2005 and 2009, an investment bubble was at its height in Silicon Valley. The underlying industry was clean technology, or cleantech, which encompasses products and services that promote things like the sustainable use of natural resources and the use of renewable energy sources. Thousands of companies had been started in the industry, financed by over \$50 billion in investments. Unfortunately, since then many companies have failed, taking the investors' money with them.

So why did they fail, asks Thiel. Because they simply did not analyse and understand the market opportunity.

To avoid this, every company should ask seven crucial questions about the market and itself:

1. The Engineering question: Can you create a true technological breakthrough? Cleantech companies did not understand that to prevail over established energy companies, they needed technology ten times better than theirs, not just slightly better.
2. The Timing question: Is this the right time to start your business? Some cleantech companies believed the industry was on the cusp of a period of rapid, exponential advances in, for example, solar-panel technology, and that this would allow them to flourish. But in fact, clean technology has advanced slowly and linearly.
3. The Monopoly question: Will you start off with a large share of a small market? Cleantech companies were part of the trillion-dollar energy industry, which meant dog-eat-dog competition for even small shares of the market. A smaller market where you have a good chance of building a monopoly fast is a much better bet.
4. The People question: Can your team pursue this opportunity? Cleantech companies were often run by non-technical executives who had no idea how to build great products.
5. The Distribution question: How will you deliver your product to customers? Many cleantech companies, like electric vehicle start-up Better Place, believed their technology was so good that they did not need proper distribution channels. After spending \$800 million of investors' money and selling just 1,000 cars, it ended up filing for bankruptcy.
6. The Durability question: Can you still defend your market position in ten or 20 years? Many solar-technology companies were surprised when Chinese companies began churning out similar products at a much lower cost. This should have been entirely foreseeable from the outset.
7. The Secret question: Do you see a unique opportunity that others have missed? At the time, everyone agreed cleantech was going to be huge. But truly successful companies have secrets; they spot opportunities not everyone can see.

Innovative companies like Tesla typically have answers to almost all of these key questions, whereas most cleantech companies had zero. This is why they failed.

### **Founders tend to be oddballs, but their vision is crucial for any company.**

What do you think a typical start-up founder looks like? Across the board, founders tend to be slightly strange, especially founders of successful companies. Whether they have been a bit off since birth or have become that way to emulate past great founders, almost every successful founder is somewhat unusual.

Consider PayPal's founding team: almost every member was a bit of an oddball. In fact, as teenagers, four of them even had the unusual hobby of building bombs! This kind of originality is important because founders do far more than just start a company: they give it a vision. And this contribution is indispensable; no matter how refined a company's management strategies are, it must have a vision to pursue.

Think about Steve Jobs' return to Apple in 1997. He had been kicked out over a decade earlier, and, in 2001, he launched the iPod, which analysts brushed off as nothing but a cool gadget for Mac users. But the true genius of Jobs' plan was revealed when Apple launched the iPhone and iPad, creating a family of Apple's "post-PC devices" distinguished by their sleek looks and exclusive features. Jobs had effectively made Apple the most valuable company in the world by following a carefully thought-out plan based on his vision. As this success story shows, even a strong company, if it wants to perform at the highest level, needs the originality and vision of its founder.

### **What I took from it.**

A start-up's success is not a matter of luck. You can pursue the future you want as long as you are able to challenge established conventions. Then, once you obtain a monopoly by being better at something than everyone else, success will follow on its own.

Dominate one niche at a time. When you have found the unusual idea to base your start-up on, do not go too broad too quickly. Find a small niche where you can do something better than any of your competitors. Once you have established a monopoly there, you can expand to other markets later.

Great insight provided from one of the earliest and biggest tech entrepreneurs not only for the start-ups but for life. This book gives one very small, but fundamental rule; if one need to do something completely different, new and amazing thing in his/her lifetime; whether it is about starting a business or writing a book or making a signature dish. The rule is " Start something from Zero i.e. from the very foundation of the work and not from One i.e. improving on that which has already been created, if you really want to create something that is new & 100% original and get the value you dream.

# Success

“Imagination is everything. It is the preview of life’s coming attractions.”  
– Albert Einstein

# Drive

Daniel H. Pink

Around 50,000 years ago, man was preoccupied solely with his own survival – he was driven by motivation 1.0: the search for food and drink, a safe place to rest at night, and the desire to reproduce and pass on his genes. So, says, Daniel H. Pink in his book; Drive - The Surprising Truth About What Motivates Us.

Up until a few centuries ago, these basic needs were the main driving force of humanity. By no later than the age of industrialization, however, this had begun to change. Production cycles became more complex, and man started to rely increasingly on a new impetus for production: extrinsic motivation 2.0, which is based on the two incentives of reward and punishment by a third party – also known as the stick and the carrot.

The strategy behind this is that rewards reinforce desirable behaviour. With the prospect of higher wages in mind, laborers haul more coal, and modern employees are quicker to respond to emails. Punishment, by contrast, is intended to prevent undesirable behaviour. Someone rebuked in front of the whole team will be late less often, and a person threatened with dismissal for stealing materials is not likely to purloin anything from the workplace.

The three most powerful points I took from the book were;

1. The offer of the carrot can be detrimental to motivating your staff
2. The person who believes they are able to develop further will work hard to run faster or paint prettier pictures
3. Self-determination contributes positively to motivation

Employers who rely on extrinsic motivation work on the premise that their workers, if not driven by the consequences of the stick and the carrot, fundamentally have no enthusiasm for their work and will try to shirk any responsibility; therefore, those in a management position must invariably direct and supervise them.

Though it might be that some modern companies have relaxed the dress code or working hours for the sake of keeping their workers happy, Motivation 2.0 continues to dominate the working world. The managing parties of the majority of firms are convinced that when it comes to motivating their employees, the only important factor other than basic human needs is the use of rewards and sanctions – and they manage their workers accordingly. Motivation 1.0 and motivation 2.0: basic needs and the stick and the carrot.

## **There is another way: Motivation 3.0.**

Until 1949, it was assumed that human and animal behaviour was controlled by inner drives and exterior motivations. Then professor of psychology Harry Harlowe made a discovery that disproved this theory: He gave eight Rhesus monkeys a mechanical puzzle. Since the primates would receive neither food nor praise if they solved the puzzle, he was convinced they would not concern themselves with it.

However, the monkeys gave it a go, recognized how it worked, and, without any exterior incentives, solved it with great enjoyment. Such behaviour is also typical for us humans. The development of the online encyclopaedia Wikipedia, for example, is just as intriguing. Tens of thousands of people write and edit articles for Wikipedia voluntarily, out of pure enjoyment. They invest valuable working time

in this endeavour and receive not even the lowest material reward in return. Although the growth of Wikipedia was dependent on voluntary writers, the project became an enormous success. In contrast, its rival product, Microsoft Encarta, whose development was in the hands of well-paid professional authors and editors, was closed down some years ago.

In both the Rhesus monkeys and the Wikipedia example, motivation is not driven by basic needs, rewards or sanctions. How, then, can it be explained? There is another inner force that drives us: the intrinsic Motivation 3.0. When a person finds a job fulfilling, no further reward is necessary. Merely the joy of being able to program an application such as Firefox or to publish recipes on the internet for other people to benefit from is, frequently, motivation enough. Intrinsically motivated people want to be able to dictate when they work, what they work on, and what they are responsible for. They do not need to be directed or rewarded, because they enjoy working and do so voluntarily, without demanding anything in return.

### **The stick and the carrot can have harmful consequences.**

In most garages, mechanics are promised a bonus if they carry out a certain number of repairs within a certain time frame. One would expect this external incentive to motivate them to provide results that satisfy their customers. Instead, the whole strategy often backfires: the mechanics' main goal is to achieve a target number of repairs and secure their reward, and so they are inclined to carry out unnecessary repairs, something which annoys their customers and damages the company as a result. The target, intended to promote efficient work, instead results in customers losing faith in the garage, despite the fact that the workers are delivering on target.

The offer of the carrot can also be detrimental, as revealed by an agility test in India. Participants in an experiment were promised various sums of money for hitting targets with tennis balls. Those who were promised the most money performed, contrary to the general expectation, the worst. The financial incentives put a higher pressure on the participants, which not only failed to improve their performance but actually inhibited it.

In another experiment, participants were asked to find a way to fasten a candle to a wall, a puzzle whose solution necessitated creative thinking. Here, too, some participants were promised money for solving the problem quickly. Instead of inspiring these participants to think creatively, the prospect of this reward clouded their thinking and blunted their resourcefulness. The incentive seemed to blinker them, impeding the wider vision necessary to solve the task, and resulting in notably longer completion times when compared to participants who were not promised a reward.

Although the stick and the carrot can be effective as incentives in the case of routine tasks, such as packing bags in a supermarket (where rewards drive employees to work more efficiently), if the work is more demanding or requires a greater degree of creativity, stick-and-carrot motivation can lead to immoral behaviour and a decline in performance. Missing the target: the stick and the carrot can have harmful consequences.

### **Extrinsic promises destroy intrinsic motivation.**

Children often demonstrate great dedication in striving towards small goals: they romp about with great curiosity and sample everything possible in an attempt to understand the world. It is with great pleasure that they employ their hands, mouth, eyes and ears to learn about anything, whether observing butterflies or learning to stack cans. They are intrinsically motivated to a high degree.

Over the years, however, they change: their urge to search for challenges and novelties lessens. Little by little, they cease to further their skills themselves. So, what happens to their motivation? Intrinsic motivation is gradually lost as a person is confronted with a world in which everything relies on extrinsic motivation – as illustrated in a nursery experiment in which children were asked to produce a

drawing.

Some children were promised a certificate for completing their drawing, and the others were not. When both groups were set to drawing again (this time with neither group being promised a reward), the children who had previously received a certificate no longer wanted to draw, whereas those who had not received any special recognition did. The promised recognition had destroyed their intrinsic motivation: they had learned to draw only for a reward. Following this pattern, so-called if-then rewards gradually eradicate intrinsic motivation for many activities.

As children, we are driven by our inner desires to learn, to discover and to help others. But as we grow, we are programmed by our society to need extrinsic motivations: if we take out the trash, study hard and work tirelessly, we will be rewarded with friendly praise, high grades and good paycheck. Slowly, we lose more and more of our intrinsic motivation. On the path towards adulthood, our natural dedication decreases with age. Extrinsic promises destroy intrinsic motivation.

### **Get into your flow.**

Basketball players want to shoot more and more hoops, computer scientists want to create increasingly intelligent programs and photographers want to take better and better pictures. They all have the important component of Motivation 3.0 in common: the inner urge to achieve perfection. This allows them to improve in the area which is important to them, and to bring passion and commitment to the pursuit of their goal.

Nevertheless, 50 percent of employees in the USA report feeling uncommitted to their job. They fulfil their duties but lack passion. This is because many are under-stretched in their work and have few opportunities for personal development. This suffocates their drive for perfection, which is important if one is to give 100 percent commitment. Creative people with a drive for perfection often work in a flow state, which means they pursue a task with the highest degree of concentration and passion, forget the world around them and lose themselves entirely in their work. Think of painters who happily work at their pictures for hours on end.

The flow state cannot last for very extended periods, but it does occur episodically. It goes hand in hand with the drive for perfection, which continually develops and always leads to new states of 'flow.' Even tastes of success in an on-going piece of work, and the belief in continual improvement, are enough to motivate us in all different areas of life. Some people think that our skills are written in stone at birth, and that no amount of exertion will allow them to someday be better at running or drawing. These people are difficult to motivate. However, the person who believes they are able to develop further will work hard to run faster or paint prettier pictures.

This also applies to employees, as long as they are entrusted with appropriate orders. If a superior gives her employees a task that encourages them to constantly improve, this can generate the flow experience in the employee, and they will come to work every day with a lot of dedication and passion. While perfection is something we can never achieve, it is nevertheless something we should strive for: we must be ambitious in order to come as close to perfection as possible.

### **The pursuit of meaningfulness.**

In old age, people begin to consider what was important in their lives and ask whether they achieved something. But what moves people during the course of their lives and why do they act as they do? To answer this question, psychologists investigated the quest for meaning in the lives of young people. They asked graduates of the University of Rochester about their main aim in life. While some named extrinsic profit targets and wanted to become rich and famous, others specified more meaningful intrinsic goals: to develop personally and to help others, for example by working for international aid organizations.

Some years later, the researchers interviewed the same participants to find out how things had turned out for them. The students with profit goals were no more contented, even having successfully achieved positions as managers in large firms. On the contrary, they suffered from depression and anxiety more frequently than the students who had stated meaningful goals. The latter reported to have achieved a greater happiness in life with their goals, and only rarely suffered from psychological ailments.

Striving to change something in oneself and in society is a much healthier and satisfying impetus, says Pink. For more and more people, such meaningful goals have become their main driving force. We are increasingly committing ourselves to voluntary and unpaid activities. To have a larger goal in mind is more motivating and activating than money could ever be. Instead of striving for the highest possible profit, people who pursue meaning in their lives want to give something back to society – which, in turn, also gives them personal strength.

The results of further studies support this: the welfare of workers improves in companies where a proportion of the budget can be donated to charitable causes. And doctors are noticeably less drained if they are able to use one day per week to talk with their patients and do outreach service.

### **My task, my time, my team! Self-determination promotes intrinsic motivation.**

For some years, there have been companies whose leadership rests on the self-determination of the workers: instead of monitoring their employees and keeping them on a tight rein, they have either relaxed control or completely let go of the reins. Google, for example, relies on individual self-organization of working time, and their employees can spend 20 percent of their time on developing their own innovative ideas. The success of this motivation strategy speaks for itself: in these phases, the workers of Google have developed hits such as Google News and Google Mail.

The company Meddius also uses self-determination as a source of motivation for its workers. Everyone's goal is simply to complete their tasks within a certain time frame – the management has done away with set office hours. The workers are now much more motivated, since in the afternoons they can still make it to their children's football games. Another example is Zappos. A typical call-centre has an annual staff turnover of 35 percent, because making telephone calls for hours on end is not just boring but also stressful – it offers little room for self-determination and hence provides no intrinsic motivation. Zappos, however, does things differently: the employees are allowed to work from home with no managerial pressure, and can lead conversations in their own style. They are highly motivated, thus remaining with the company longer, and their customer service is also notably better than average.

The team you work with also has a significant impact on your motivation: at Whole Foods, the workers, as well as the personnel managers, decide on new employees; and at W.L Gore & Partner, those who want to lead a team have to find people willing to work under them themselves. Regardless of whether we are scientists, cashiers or mechanics, we are far more dedicated to our work when allowed self-determination. Some people wish to have more of a say in their working hours, others in the way in which the team is composed. If an employee is allowed these freedoms, they develop a greater potential for achievement, are more contented in their job, and are less inclined to burn out. In short, self-determination contributes positively to motivation.

### **The effective company - upgrading to 3.0.**

Intrinsic motivation 3.0 is no secret, and yet many businesses do not take advantage of the opportunities it offers. The motivation of workers in most companies continues to be based on extrinsic factors: to motivate them, rewards and bonuses are dangled before their noses like carrots before donkeys. The conservative management, through an if-then system of reward, generates passivity and lethargy.

It has been proved that creative workers are at their most productive when intrinsically motivated, and high productivity benefits the whole company. Such a change can be achieved through small measures, such as unexpected attention: more than anything else, spontaneous praise and constructive feedback channels the focus of the workers on the joy of their work, and so their natural intrinsic motivation increases.

Workers who are given a voice in the decision-making of their company become more intrinsically motivated. More importantly, if it is made clear how important each individual's contribution is for the performance of the whole company, each person feels their actions to be meaningful, and hence they become more committed. The drive for perfection is satisfied through the balanced allocation of tasks. Each employee is given a task at a level of difficulty that challenges their abilities and stimulates them without being too complicated and, hence, demotivating.

In order to give employees, the sense that they are working towards something communally beneficial, their work can be linked to donations and social involvement. So, employees work with the good feeling that they are having a positive effect on others, and that they are fighting for a higher purpose. A management that is up to date on the forms of motivation will modify its rewards and promote self-determination, perfection and meaningful goals. As a result, the employees will demonstrate a higher commitment and more dedication, instead of simply serving their time in work without the ambition to achieve. The effective company: upgrading to 3.0.

### **What I took from it.**

Rewards and sanctions are effective on a short-term basis as performance incentives. In the long run, however, they lead to harmful behaviour and destroy the inner impetus. Passion and dedication on the part of workers are better achieved through self-determination, possibilities for perfection and meaningful goals.

When it comes to motivation, there is a gap between what science knows and what business does. Our current business operating system - which is built around external, carrot-and-stick motivators - does not work and often does harm. We need an upgrade. And the science shows the way. This new approach has three essential elements: (1) Autonomy - the desire to direct our own lives; (2) Mastery - the urge to get better and better at something that matters; and (3) Purpose - the yearning to do what we do in the service of something larger than ourselves. This is a very worthwhile book.

# Focus

Daniel Goleman

Have you ever felt that being easily distracted is holding you back from improving your skills, doing better work and living a more fulfilling life? Our lives are filled with potential distractions: your smartphone, email, even your thoughts about where you will take your next vacation. As you let your attention become increasingly scattered by such distractions, you impair your ability to do your work on time and to do it well. Yet author Daniel Goleman goes beyond the narrow definition of “focus” to present a guidebook for living a focused life, according to which we can gain a richer, fuller existence by paying attention to ourselves, to others and to larger contexts, like our planet and the future.

Drawing from a well of countless real-life examples, Focus provides many ways for the reader to enhance their level of attention, including practicing mindfulness, positive thinking and engaging in focused preparation. In this book you will learn why letting your mind wander can lead you to great insights but also hinder you in accomplishing your goals. You will find out why the best quality for a leader is not the ability to keep their eyes on the prize, but actually self-awareness or empathy.

You will discover how to train your willpower like a muscle and how if you do something you love, seeing it through to completion requires much less effort. Finally, you will learn why when you are stressed and cannot think straight, having a positive attitude will make a massive difference.

The three most powerful points I took from the book were;

1. Allowing our minds to wander provides fertile ground for serendipitous insights
2. Unless leaders have self-awareness, it is unlikely they will make an inspiring leader
3. A great vision is central to any strong business plan but bringing such a vision to reality requires a brilliant leader who is able to communicate it clearly to others and convince them it is a worthwhile cause

## **Attention is the key to high performance in a world of endless distractions.**

Whenever you do not check your email or phone for a while, do you find yourself fighting a remarkably strong urge to drop whatever you are doing and take a peek? And if you do give in to the urge, do you feel somehow unsatisfied if there are no new messages waiting for you? We live in distracting times. The constant urge to respond to the overwhelming amount of information and stimuli in our environment leads us to a state of continuous partial attention in which we leap carelessly from one thing to another, from our phones to our email to Facebook and in doing so weaken our ability to select what we pay attention to.

However, it is possible for us to focus, even when we are surrounded by activity and stimuli. What we need is strong selective attention. Indeed, the stronger our ability to select what we focus on, the better we are at ignoring potential distractions. For example, journalists in an open-plan office at the New York Times manage to focus on their work and meet deadlines despite being surrounded by noise and other distractions. None of these journalists ever demand quiet so they can concentrate better.

But not everyone's selective attention is as strong. Most of us tend to daydream while we are at work or distract ourselves with other time-wasting activities. For that reason, it is crucial to increase our selective attention so we can ignore external distractions and accomplish our tasks. However, the distractions that engulf us not only threaten to waste our time and reduce our productivity, they also diminish our ability to immerse ourselves in a subject, reducing our chances of reaching a state of flow and thus learning and discovering new things. In fact, this issue is so prominent that internet addiction

among young people has already been identified as a national health problem in many Asian countries. So, if we can develop our ability to ignore distractions and focus well, we can help to increase our performance, and enable ourselves to have more profound reflections and deeper insights.

### **Life “on automatic” diminishes our experience of the present moment.**

Having the ability to focus is obviously an advantage, both in life and work, as it enables us to get into a flow state and perform better. But choosing to pay attention to one thing rather than another involves a push-pull process between the bottom-up and top-down minds. The bottom-up mind, responsible for our automatic and routine mental activity, is very fast, driven by our emotions, and impulsive. In contrast, the top-down mind, in charge of planning, reflection and learning new skills, is slower and requires voluntary attention and self-control.

Those of us who rely on using our bottom-up minds are far more likely to lose focus and lose awareness of our immediate environment. For example, there was a time when you would see long queues of people waiting to use the one photocopier in their office. One psychologist decided to ask a few people to jump to the front of the queue and announce, quite simply, that they needed to make some copies.

Frequently, the person they asked would be “zoned out” from the tedious wait and would therefore let that person use the copier. Had that person at the head of the queue maintained active attention while they waited, they might have questioned the urgent request to jump the queue. Maintaining this kind of active attention also helps us to learn new skills. The myth of the “10,000-hour rule” is based on the notion that we can become experts at a particular task simply by performing it repeatedly.

But this is not how we improve performance. Rather, we have to consciously adjust our execution continually. For example, if you are a poor golfer, always making the same errors whenever you swing or putt, you will not improve your game by spending thousands of hours repeating those mistakes. In other words, the difference between an expert and an amateur is that an expert will use the top-down mind to actively reflect on the automatic, bottom-up influence on their game, which enables them to continually improve their performance.

### **All types of attention are valuable; open awareness is vital for creative breakthroughs.**

It might not always be valuable to have a narrow focus or a goal-oriented type of attention. Sometimes it can be more effective to maintain an open awareness or mind-wandering. Rather than wandering away from what counts, we may well be wandering toward something valuable. This is because allowing our minds to wander provides fertile ground for serendipitous insights. It is certainly a luxury to find a moment in the day when we are alone and able to slow down and reflect. Yet such moments are extremely valuable, as they allow us to improve at tasks which depend on experiencing flashes of insight, like those which require quick, imaginative wordplay, or inventive and original thinking.

In fact, people who are highly skilled at tasks which require an intense focus (like solving math problems) may find it challenging to switch off their minds and broaden their focus enough to generate creative insights. These people could follow the example of renowned cryptographer Peter Schweitzer: his work often required him to crack codes – an intensive mental task – yet he would do this while taking a walk or sunbathing.

This kind of open awareness enables us to be creative, as it makes us completely receptive to new ideas. For that reason, open awareness is useful for imagining future scenarios, self-reflection, developing creative ideas and organizing our memories. In one experiment where participants were asked to come up with novel uses for a particular item, those participants who had allowed their minds to wander actually generated 40 percent more original ideas than those who were focused narrowly on the task.

Moreover, people who maintain an open state of mind and have a strong disposition towards mind wandering include those with Attention Deficit Disorder (ADD) and freestyle rappers, who improvise their lyrics spontaneously. The brains of both groups show a heightened level of activity in the circuitry that's active while mind-wandering and it is this which enables them to make new connections between the distant areas of the brain.

### **Focus on improving your willpower – it is one of the key factors in achieving “inner focus.”**

Accomplishing goals requires strong focus, motivation and determination – all qualities that constitute strong willpower. And the more challenging the goal, the more willpower we require. Our willpower plays a crucial role in determining the course of our lives. For example, it is more probable that children who display a high level of willpower will become successful in their futures, compared to those who do not show such self-control.

In one major experiment, over 1,000 children took a series of tests that evaluated their capacity to handle frustration, restlessness, concentration and perseverance. Twenty years later, 96 percent of these children were located, and, then in their thirties, had their health, wealth and criminal record evaluated. The findings revealed that the better the person's self-control in childhood, the more successful they were in their thirties.

But self-control and willpower are not necessarily qualities you are born with. They have to be developed throughout our childhood and even in adulthood. The most effective way to develop stronger willpower is to do what you love. This is because your willpower increases if your work reflects your personal values. Doing what you love motivates you to pursue your goals with determination, and the effort required seems worthwhile when you enjoy and care about the results of your work.

However, many of us do work that is not in line with our values. We stick to the same safe routines – like the nine-to-five job – and so our work appears to require a huge personal effort. Consider George Lucas, for example. When he was making Star Wars, the extent of the movie director's commitment to his work and his personal creative vision led him to split from his production company and invest much of his own money into producing a movie that would be true to that vision. So rather than being accountable to a company that demanded changes that would compromise Lucas's vision, he decided to take complete creative control in the belief that his vision was the right one.

### **Focus on building your empathy – it will help you navigate within any social context.**

In order to have fulfilling interactions with others, we need to be empathetic, and empathy takes two main forms: cognitive empathy and emotional empathy. Cognitive empathy is the kind that enables us to see the world through the eyes of others. It can help us to comprehend other people's mental states and the ways in which they understand the world.

However, while this empathy allows us to observe, for example, that someone is sad – say, if their loved one had died – it does not allow us to feel what they feel. Cognitive empathy is the kind that psychopaths have they're able to see what others are feeling but they lack the ability to feel with them – which allows them to manipulate others for their own purposes.

Emotional empathy, on the other hand, does enable us to feel what others are feeling. Moreover, this is actually a physical phenomenon, as we sense other people's emotions within our own bodies. In one study, for example, the brains of subjects were imaged while they were watching other people receiving painful electric shocks, revealing that the subjects' pain circuits were indeed activated. In other words, the subjects' brains simulated the other people's pain.

However, while these types of empathy allow us to both see and feel what others are going through, they do not necessarily lead us to becoming sympathetic – that is, having concern for other people's

well-being. Consider doctors, for example. Doctors who do not express empathy with their patients are more likely to be sued if they make a mistake, in comparison with those who demonstrate an authentic interest in their patients' problems.

For an already distressed patient, having an empathetic doctor will only serve to increase their anxiety. Yet at the same time, people want a doctor who will help them to get well, not one who will break down in tears whenever they have a problem. The ideal balance is to have empathic concern or detached concern.

### **Outer focus – pay attention to the larger context and manage your impact.**

People tend to focus on what is happening in their immediate environment and to plan only for the near future. The problem with this approach is that they neglect to deal with distant threats which might have a significant impact in the long run. Yet this is part of our nature: distant threats simply do not trigger the same sense of fear as more immediate ones like not being able to pay your rent or getting into a heated argument with a loved one.

Future problems are too abstract for us to act on – for example, the effects of climate change – since their consequences may or may not be experienced and are a long way off. But although the predisposition to focus on our immediate problems is innate, it is nevertheless a serious problem, as ignoring the larger context can be detrimental in the future.

For instance, our planet's resources, like clean air and water, will eventually be depleted unless we decide to focus intensively on preserving them. But we have to do this in a way that takes the larger context into account, because when we try to solve a problem by focusing narrowly on short-term results, any relief we get from the problem is short term also, so the problem arises again – often with worse consequences than before.

Consider, for example, the problem of traffic jams. One solution is simply to build more highways. However, because highways make it easier for us to get around, this encourages new stores to open and more people to spread throughout the area. The result is that the traffic actually continues to increase because there's now more capacity for it. As this shows, focusing on the larger context of any given problem enables us to care not only for any immediate effects but also the distant future. It is this which will allow us to lead fulfilling lives in which we care and attend to our planet, saving it for future generations.

### **Great leadership hinges on effectively capturing and directing the attention of a collective.**

When it comes to leading a successful organization, focus is crucial. The ability to move an organization's focus to the right place at the right time depends on the leader's level of self-awareness. While a high IQ score may land you the job, it is not enough to make you an outstanding leader. Unless leaders have self-awareness, it is unlikely they will make an inspiring leader.

We have all heard tales of bosses who are very critical of employees and seem to enjoy pushing them past their natural limits. This attitude creates a toxic atmosphere as their narrow focus on the "prize" blinds them to how they are affecting the people around them. Now consider a leader that pays attention to her team, praises their small wins, and often admits that there are tasks that she herself could not perform. Such a leader has self-awareness – she knows her own limitations and is able to assemble a strong team that will compensate for such gaps. She trusts in the abilities of others and allows them to do their job in their own way.

Another reason that focus is crucial to being an effective leader is that the more focused and clear a leader's vision is, the more likely they are to convince others to believe in and work toward it. great vision is central to any strong business plan but bringing such a vision to reality requires a brilliant

leader who is able to communicate it clearly to others and convince them it is worthwhile cause.

For example, consider the fantastic and radical vision of the founder of the Singer sewing-machine company, Isaac Singer. In the nineteenth century the prevailing assumption was that housewives would not be able to operate mechanical contraptions like sewing machines, but Singer's vision was that they could and would buy the machines. To convince people of his vision, Singer even extended credit to women to make it easy for them to purchase the machines. Indeed, the product's success propelled the company to worldwide success.

### **Inspiring leaders look beyond their own comfort and are motivated to help others.**

Rather than being overly focused on the "prize" and remaining ignorant of the impact they have on the people around them; inspiring leaders strive to empower others and contribute to their community. Of course, companies require their leaders to produce great results. But rather than simply instructing others to perform certain tasks, a good leader focuses on identifying and developing other people's potential.

For example, the company Ben & Jerry's uses actual brownies for their Chocolate Fudge Brownie ice cream, which they source from Greyston Bakery, located in a very poor neighbourhood of the Bronx. Greyston Bakery hires people who have a difficult time finding work. Their motto – "We don't hire people to bake brownies. We bake brownies to hire people" – is a prime example of an inspired leader's vision.

In contrast, empathetic leaders are unable to see and manage the impact they have on others. For example, consider the first few weeks which followed the BP oil spill disaster in the Gulf of Mexico. While innumerable birds and animals were dying and the Gulf's people were condemning the disaster, the CEO of BP, Tony Hayward, told the media "there is no one who wants this thing over more than I do. I'd like my life back." When he should have been showing concern for the victims of the oil spill, Hayward was instead expressing how much it had inconvenienced him personally and took no responsibility.

This behaviour prompted a wave of antipathy towards Hayward and BP due to the CEO's lack of awareness of his impact on others and of how the public now perceived the company. This is a classic case of what can happen when a leader cannot see how their actions affect others and what kind of reactions they generate. To be able to anticipate how others react to your actions, you need to first understand how they see you and this demands self-awareness on your part.

### **Successful leaders are aware of the larger context in which they operate.**

Successful leaders lead with a focus on the future. To do this requires exploring the broader context in which their organization operates, as this enables them to identify opportunities for growth in the market. For example, Steve Jobs took the brave step of reorganizing Apple's portfolio: rather than concentrating their efforts on many different products, Jobs decided that Apple should focus on just four computers – a desktop and a laptop, each for two markets: consumer and professional. On the other hand, unadventurous leaders who remain rigid in their focus on exploiting existing products and technologies end up as victims of their own narrow vision.

One of the best examples of this is the smartphone company BlackBerry. By the mid-2000s, BlackBerry had become a favourite with corporate IT, but just five years later it lost 75 percent of its market value. Why? BlackBerry was slow to notice the burgeoning popularity of the iPhone and other touchscreen smartphones with which companies allowed their employees to connect to the corporate network.

Also, the company overestimated the attraction of long battery life, failing to recognize that users were more than happy to sacrifice it for the use of a touchscreen. BlackBerry is a classic example of what can happen to an organization with a rigid, narrow focus. Because the company trained its focus squarely on the existing, established technology rather than exploring for the next big thing, what was once an innovative company fell behind and could not keep up with the tech waves which followed. To avoid being blindsided by the competition, leaders should devote much of their attention to exploring new opportunities for development.

### **Meditation will help you focus on one thing and keep track of your attention span.**

Attention is not an innate gift that you do or do not have. Rather, it is a kind of mental muscle – one that you can strengthen and grow by exercise. One way to do this is to learn to be aware of when your mind starts to wander and correct this by refocusing your attention on a given target. Training awareness in this way is the essence of one-pointed focus meditation, which involves focusing completely on one thing, such as your breathing.

As you do this, you will notice that after a while your mind will probably begin to wander. But that is OK. The main thing is that you are aware of the wandering and that you refocus your attention onto your breath and keep it there. When you inevitably lose focus again, simply repeat the process. As with weight training, the more repetitions you perform, the more powerful the muscle gets. The key to training your attention is being able to maintain an awareness of your own mental processes – like noticing when your mind starts to drift away from the object of focus. This is called meta-awareness.

This kind of meditation can greatly enhance your ability to disengage your focus from one thing and shift it onto another. As with practicing meta-awareness, meditation helps us to recognize when our minds begin to wander and strengthens our ability to focus on what is important. So, the next time you notice yourself procrastinating or compulsively checking your email, make sure you register it and return your focus to the task at hand.

This will be a great help to you when you are under stress. Most of us have experienced “freezing” in the middle of a test and thought to ourselves, “I can’t do this. My mind is blank.” In these moments, practicing meta-awareness enables you to notice that you are anxious and to take certain steps to calm yourself down – for example, taking a slow, deep breath – before continuing with the test.

### **Think happy thoughts: positive thinking is vital for sustaining motivation.**

Have you ever noticed that when you feel positive even the most difficult tasks seem much easier? Why is this? One reason is that having a positive outlook boosts our motivation. Indeed, when we’re in a positive frame of mind, the left prefrontal area is extremely active – that’s the part of the brain that contains the “reward circuitry” that’s rich with dopamine – so as we work we’re reminded of how we’ll feel when we finally succeed and accomplish a particular goal. This is what motivates, say, a graduate student to continue working late into the night to finish their dissertation.

Another reason for the positive effect of a good mood is that our focus shapes our reality, and this has important consequences for the way we handle big challenges. For instance, feeling positive opens our minds to experiencing new things and meeting new people. If you have ever thought about moving to a different city or country, you’ll know that it’s a scary step to take. But a positive person who has a cheerful disposition will view it as an adventure full of exciting possibilities, as positive thinking enables that person to focus on the new experiences that being in a new city presents and thus to actually embrace the inevitable changes and deal better with setbacks.

This argument applies equally to making plans for the future. You are more likely to feel optimistic about your long-term goals if you focus on what you would really enjoy doing, on what skills you still want to learn and on the strengths you have already developed. On the other hand, if you allow

yourself to focus on your failings and shortcomings, and on the competition and difficulties you're likely to face, the result will probably be that you'll become demotivated and therefore not take even the first step.

### **What I took from it.**

Staying focused has a great impact on our performance and thus our ability to become successful. A focused life in which attention to ourselves, to others and to the larger context – like our planet – are key components leads to a fuller and richer everyday experience. This is equally valid when applied to leadership, as the success of any organization depends on its leader's ability to effectively capture and direct the attention of a collective.

Like a muscle, focused attention requires rest. While it is true that we have to exercise our focus to keep it "healthy," tightly focused attention inevitably becomes fatigued after a while. It's easy to notice when this happens, you'll find yourself staring at the words on the page, unable to make sense of something that should be simple, or you'll notice that your mind keeps slipping from the task at hand.

When this happens, it is a clear sign that you need to give your focus a break. The most effective way to restore your attention is to switch from top-down to bottom-up control. In other words, allow your mind to wander and to make whatever associations it makes. After a while, it will become clear that you're ready to return to top-down mode, and you'll do so feeling refreshed and clear-headed.

Try to make the problems of the future more concrete. Because we are wired to care more about immediate problems and issues than distant ones, we are in danger of neglecting to prepare for potentially devastating future events. Yet it is clear that making concrete plans about the very distant (and abstract) future feels unnatural to us.

One way to make the future more concrete and immediate for yourself is to use your full attention in imagining that those possible distant events pose an immediate threat. Our imaginations are so powerful that we can trick ourselves into "experiencing" all manner of possible (and impossible) events, and by doing so we can trigger the emotional cues that would usually prompt us to take action in the face of immediate dangers.

# How To Get Rich

Felix Dennis

Felix Dennis was best known as the British owner of magazine titles including – Computer Shopper, PC World, Maxim and The Week. With interests on both sides of the Atlantic, he had a fortune estimated at \$1 billion. With all this money, what was his purpose in writing a book? Amid a plethora of rosy ‘you can do it!’ type motivational books, he felt there was an absence of honest insights into what entrepreneurs really think and feel on their way to the top - and the costs that are incurred in reaching it.

The book devotes as many words to his mistakes and disasters as to his triumphs, and rather than being about how to get rich quick, it concerns ‘Knowledge learned the hard way’. Dennis is very clear that he has not written a ‘self-improvement tome’ that whips the reader into an inspired frenzy – and yet, it is an inspiring book.

To write it, he retreated to a writer’s cottage on his estate on the Caribbean island of Mustique. Usually, he goes there to compose poetry, but felt it worth his time to put forth his wisdom at what had made him one of Britain’s wealthiest (and most colourful) businesspeople. How To Get Rich is an entertaining read that many people (even those not much interested in money) finish in a day or two thanks to its humour and fast pace. Dennis never went to university, but the text is littered with quotes from great thinkers and doers such as Bacon, Shakespeare, Churchill and Kipling, along with his own excellent verse on money and life.

Though at some points written in a ‘stream of consciousness’ style, the points made are in fact razor-sharp, and in the tradition of John Paul Getty’s How To Be Rich, his book will be inspiring and educating potential entrepreneurs for years to come.

The five most powerful points I took from the book were;

1. Money does not make you happy, but people continue to believe that it will. What money can do is giving you something else valuable: control over your own time
2. The hardest thing, in business as in life, is actually taking the first step. There always seems so many reasons not to
3. If you cannot face up to your fear of failure, you will never be rich. “The meek shall inherit the earth, but not the mineral rights” - John Paul Getty
4. Ownership is not the most important thing - IT IS THE ONLY THING THAT COUNTS. You can forego intelligence, skill, talent, a winning personality, but if own, you can be rich
5. Think big about your dreams and your work, but in your personal life, act small

## What are the chances?

What are the odds of actually getting rich? Dennis notes that only a tiny percentage of people in his native Britain could be considered really wealthy. To be included in the Sunday Times Rich List of the wealthiest thousand people in the country, in terms of population you have only 25 chances in a million. Not as bad as the lottery, but not that encouraging either.

But don’t let this get you down, because large chunks of the population (and this applies to most countries) “...either have no desire to be rich or have chosen professions that rule them out of the race”. Five million people in the UK (out of 60 million) work for the government in some way. None of them – barring winning the lottery – are ever likely to be rich on their civil servant wages. For the rest, their only hope of getting rich lies in winning the lottery.

He asks: among the people you socialize with, see on the street, work with – are any of them really dedicated to becoming rich? Only maybe one or two per cent ever are. Plenty of people are ambitious, but this drive is usually channelled into career success, not on amassing money per se. So, the odds are better than you think, but you have to consciously intend to be rich. Mere desire is useless.

### **Is it worth it?**

Dennis enjoys five homes, three estates, luxury cars and uses private jets (he does not own them because, “If it flies, floats or fornicates, always rent it – it’s cheaper in the long run”), has an art collection, a valuable library, cellars of fine wine and chauffeurs. He never learned to drive, and when he was young told friends, “You don’t understand. I was born to be driven.”

Yet all this chasing after money took a toll. Working 16 hours a day, it led him to drugs, prostitutes and general debauchery, and stopped him from beginning (in his 50s) his other much-loved career as a poet. At one point describes himself as a “coked-up, overweight, cigarette-smoking, malt-whisky-swilling idiot with too much money”, a veritable Keith Richards of the business world. He only came to his senses after a stay in an American hospital where he almost died from Legionnaire’s disease. Eventually, Dennis handed over much of the running of his businesses to others and sorted out his personal life, but admits he should have done all this a lot sooner.

The other not-nice element of seeking to be rich is how others see you. To get rich, Dennis writes, you have to grow a mental armour that protects you against the snickering, mockery and envy of others who do not want you to succeed. Even friends and family will often say they want you to succeed, yet if you do it may just expose their own timidity, and at a deeper level they may actually be pleased if you do not. Given the above, Dennis observes, you have to see obtaining wealth as a game that you can laugh about - or it will destroy you and your health. Given that there are more important and serious things in life, you must know when to step back.

### **So why do it?**

Money does not make you happy, Dennis notes, but people continue to believe that it will. When he points this out to non-rich friends, they respond that while this might be the case for him, money definitely would make them happy. Money, Dennis confesses, “quite definitely improved my sex life”. This is because money equals power, and power is an aphrodisiac. He quotes author James Baldwin:

“Money, it turned out, was exactly like sex. You thought of nothing else if you didn’t have it and thought of other things if you did.” On a more serious note, he examines the other reasons for seeking great wealth, recalling F Scott Fitzgerald’s famous comment, “Let me tell you about the rich. They are different from you and me”, and Hemingway’s famous riposte, “Yes, they have more money”. He sides with Fitzgerald, noting that what wealth really gives people is confidence, whether from the pride of making it or having been born rich. The paradox is that you need loads of confidence in yourself in the first place to become rich, although this is something which can be learned or faked.

Money can also give you something else valuable: control over your own time. Though you may have an army of financial advisors and employees, you are still not obliged to be in a certain time and place every day. You can be on an island in the Caribbean writing poetry if you want to, drinking fine French wine, and the world can go to hell. This does not mean that the pursuit of wealth suits everyone. Only pursue wealth, Dennis warns, if you have an inner need to do so. Do not mistake mere desire for compulsion. You cannot get rich by being half-hearted about it. You must commit.

### **What it takes.**

Dennis deals with the common reasons people put forth for going out on a limb to get rich. The usual

excuse of the young is that they don't have enough experience or capital, and older people that they don't want to jeopardize the career they have built so far or can't afford to put at risk the security of their families. If you believe in these, he notes, then you are destined not to be rich. He has always had a lot of people working for him who he knows are smarter, but they also fear losing what they have gained, so will never go out on the proverbial limb that is required to really enrich themselves. And yet, your family will not love you any less if you decide to 'seize the day'; it is really you that is stopping you. You have seen how the money is made, so you know how it could be done. You just need to act. The hardest thing, in business as in life, is actually taking the first step. There always seems so many reasons not to. Yet as German philosopher Wolfgang Goethe wrote:

"There is one elemental truth, the ignorance of which kills countless ideas and splendid plans: that the moment one commits oneself, Providence moves all." It is the fear of embarrassment or failure that stops us from acting. Yet if you are not willing to fail you will forever be bound in circumstances that involve little risk. And with little risk there are only small rewards. Dennis is blunt: "If you cannot face up to your fear of failure, you will never be rich." This is not just one factor you must consider. Rather, it is "the single biggest impediment to amassing wealth".

Fear rules us, so if you can rule your fear and you can chart your own destiny. Don't the 'horrible imaginings' that Shakespeare wrote about rule your life. Life goes quickly, and the clock is ticking.

### **Ownership is everything.**

Dennis quotes John Paul Getty: "The meek shall inherit the earth, but not the mineral rights". If you really want to be rich, you must own something, preferably your own company and preferably 100 per cent of it. He recalls the many brilliant publishers and managers of large magazine companies, who at the end of their careers, are worth only £3-5 million, just because they didn't own anything.

Dennis once made \$1 million in one day for selling a magazine to a rival that he had not even published yet. Easy? Yes, but the fact is it was his to sell in the first place. He emphasizes that, "Ownership is not the most important thing. IT IS THE ONLY THING THAT COUNTS". You can forego intelligence, skill, talent, a winning personality, but if own, you can be rich.

Employees get a lot less because they don't risk much; they have pensions and sick pay and so on, and are protected by a lot of laws. The majority of people want three things more than they want money: 1) job security 2) job satisfaction 3) power. If you expressly want to be rich you have immediately separated yourself from the 'loyal lieutenants' that fill the world's workplaces.

Dennis' first year or two in business were nightmarish, a depressing slog to raise money in the face of commercial extinction. Friends had steady, well-paid and even interesting jobs, yet he was not even able to buy a round of drinks in a pub. But he remembered Winston Churchill's comment, "When going through hell, keep going", and the prospect of being a wage slave drove him on.

He had his (unlikely) publishing success in 1974 with King-Fu Monthly, a hit all over the world for 10 years. The key, he believes, was thinking big. Not many magazine publishers in Britain at the time were prepared to fly economy around the world cutting deals with people they did not know. Importantly, he did not just license the magazines, but put up his own capital in partnership with local firms. This was riskier, but because he was also an owner, it brought greater rewards.

### **Ideas are cheap - execution makes you rich.**

Dennis notes that ideas cannot be patented, only their implementation. They are worthless unless implemented well and profitably. He mentions Ray Kroc, who did not 'invent' McDonald's, but turned it into a perfect system of fast, reliable food at low prices in a clean environment that could be replicated endlessly around the world. Who became rich? Not the original McDonald brothers, but Kroc. So many

wealthy people become so through emulating a great idea that has already proven itself. This is a surprisingly underused path to wealth

### **What I took from it.**

In many ways it is in fact quite a dark portrait of the pursuit of wealth. Dennis is explicit about the downsides of it all, with the tunnel vision and time usually required for first-generation wealth often coming at the cost of close relationships and family. Life is pretty comfortable for most people in well-off countries. Why give yourself trouble by insisting on going out on your own?

Rather melodramatically, but perhaps truthfully, he writes: "Somewhere in the invisible heart of all self-made wealthy men and women is a sliver of razored ice. If you do not wish it to grow, then quit any dreams of becoming wealthy now."

If, however, you dare to try, and want real advice that is not overblown 'you can do it' inspiration, *How To Get Rich* is perhaps the best guide around as to what you may be in for. If you can ride the roller coaster, Dennis often points out, and can banish or control your fears, you will discover that "the world is awash with money with your name on it, waiting to be claimed".

He provides plenty of examples from the magazine world to prove his points, but it is the generic lessons that will interest most readers. For all his attempts to mark his book out as 'anti-self-improvement' and 'telling it like it is', in fact it underscores all the things you read about in motivational titles: believe in yourself, go the extra mile, think big. His conclusion is simple: anyone can become rich, but you must be prepared to pay the price.

At the end of the day he does not take wealth, or his mad pursuit for it, too seriously, and counsels the reader not to either. If you start to believe you are 'king of the world' when you get a bit of success, it will not be long before you will wind up in hospital or prison. Think big about your dreams and your work, he says, but in your personal life, act small.

Do not get fooled by the title. This book is different from other books with similar titles. The book contains many useful – and sometimes brutally honest – truths. This book is for you that have a strong urge to quit your current job, be your own boss and go do what you were really meant to do in this life.

If you are interested in entrepreneurship and financial freedom coupled with some fun – you should read this book

# Living The 80/20 Way

Richard Koch

Are you making the most out of your life? Or do you spend your days running around, scrambling to get work done? What if you could spend your time more productively? You can if you follow the 80/20 principle. It states that 20 percent of your time and resources goes into 80 percent of the results. Thus, 20 percent of a record label's artists generate 80 percent of sales; and the world's top 20 percent of people generate 80 percent of its wealth.

This book will show you how to use this principle to transform your own life. You will learn to identify all the places, from finance to productivity, in which living the 80/20 way can simplify how you live and make you happier, too. Working all day, every day makes you less productive. To achieve more, you need to do less. So says Richard Koch in his book, *Living the 80/20 Way*, published in 2004.

The three most powerful points I took from the book were;

1. This is the driving force behind the 80/20 principle. The best 20 percent of our efforts produce 80 percent of the results. And by applying this principle everywhere, we can transform our lives
2. Since 80 percent of our relationship satisfaction stems from just 20 percent of our actual relationships, to lead a happy life, we need to concentrate on the few relationships that actually matter, such as the ones we have with our romantic partners
3. The basic components of a good life are food, shelter, clothes, friends, freedom and thought. And that is it! Ultimately, less-is-more

Some 50 years ago, computers could do little in terms of processing, yet were massive machines. But today we carry incredibly powerful computers around in our pockets! The story of how computers evolved matches a wider trend in human activity: doing more with less. And in fact, the history of agriculture followed a similar path. More than 300 years ago, close to 98 percent of the labour force worked in the fields, harvesting food. Due to technological advances, today in developed countries only 2 to 3 percent of the working population is involved with agriculture. And yet we grow and harvest more food than ever!

This is the driving force behind the 80/20 principle. The best 20 percent of our efforts produce 80 percent of the results. And by applying this principle everywhere, we can transform our lives. We tend to believe that if we spend as much time as possible working, we will be the most productive. Yet if you apply the 80/20 principle, you will realize that the best way to achieve more is to work less, says Koch.

Say you are a freelancer and you need to get a project done in a week. If you give yourself all week to do it, you will procrastinate, spending your time fiddling around and not working on what matters. But if you give yourself only 20 percent of the week to complete the project (just one day), then you will work diligently and efficiently. The end results will be better, and you will have more time to spend on other things.

## **The 80/20 principle is like going on holiday.**

Let us say you want to take a vacation. First, you choose a destination, and then you figure out how to get there. And then finally, you go! It is simple, right? Luckily, it is exactly the same process you can use to change your life and start living by the 80/20 principle. So first, pick a destination: Where do you want the 80/20 principle to take you? Reflect upon your dreams, goals and objectives.

Ask yourself, “What’s the best 20 percent of my life on which I’d like to focus?” For example, when Steve, a restaurant owner in Cape Town, decided to start living an 80/20 life, he identified some key professional and personal areas on which to focus. He decided that the most important things to him were starting a business, focusing on hospitality, and developing his rock music and teaching.

Once you have followed Steve’s example and selected a destination, you will need to find the best route, or how to get there. To do so, take time to figure out how can you concentrate on these areas with the least amount of effort, but with the best results. Remember, there is never just one path; think outside the box! For instance, if you want to become a better salesperson, you could take lessons, find a mentor, get an entry-level job, and so on. All you need to do is figure out which path will get you where you want to go in the fastest and easiest way possible.

And lastly, remember to actually go! You need to act and start moving. But keep the 80/20 principle in mind. You are trying to get the maximum result from a minimum amount of effort.

### **Figure out what gives you the most pleasure.**

Most of us are in awe of time. It is an extremely valuable and scarce resource, and thus we live our lives feeling that we do not have enough time to do what we want. It may come as a surprise that time is one of the areas that stands to benefit from the 80/20 principle. Once you commit to producing the best results with the least amount of effort, you need to figure out how to make the most of the time you have. So, whether you are a freelance designer or a postman, if you dedicate yourself to working harder for a shorter period of time, you will find your work improved and your free time expanded.

But how can you actually achieve this effective use of your time? You can start by identifying your happiness islands (times when you feel happiest) and achievement islands (times when you are the most creative or productive). And once you have identified these islands in your own life, you can maximize your output by focusing on them.

That is exactly what Richard Adams did. Adams was a mid-level bureaucrat in the British civil service, and his job was boring and hours long. But he did experience periods of happiness outside of work, especially when he told stories to his daughters. He started to focus on these small islands of happiness. He then wrote down the stories, and they eventually became his best-selling book, *Watership Down*. From small happiness islands in a sea of boredom came success! So ultimately, when you let go of your notions about the scarcity of time and start working intelligently, you can achieve miracles.

### **Use the 80/20 principle when it comes to investing and saving.**

As you may know, 20 percent of Americans own over 80 percent of the entire country’s wealth. And many of these wealthy individuals followed the same 80/20 logic to earn their fortunes, in that they realized you can use a small amount of money to produce unbelievable returns. In short, they relied on the effect of compounding (when profits are put to the task of generating more profit) to grow relatively tiny amounts of money into large fortunes.

You can also take advantage of this financial strategy by investing your money wisely (say, in the stock market) and thinking in the long term. In other words, even though there might be periods in which your investment does not increase much, in the long term, it will increase. For example, at the end of World War II, Anne Schreiber put \$5,000 into the stock market and simply left it there. By 1995, some 50 years later, her small investment had turned into \$22 million!

Of course, to invest, you need some savings first. And saving need not be difficult if you do it incrementally. So, for instance, you might set up a bank transfer that automatically sends a small portion of your income (consider 10 percent) into a savings account.

That is what Steve and Helen did to realize their 80/20 goal of buying an apartment that cost \$60,000. Together, the couple had an annual income of \$78,000. At the end of every month, they hardly had anything left, meaning they were not putting any money aside.

To avoid spending everything, they channelled 10 percent of their pay directly into a savings account. After six years, they had saved \$66,000, which allowed them to buy the apartment (and also fund necessary repairs).

### **Only focus on the relationships that matter the most. You cannot please everyone.**

In the modern world, relationships matter. But many of us overextend ourselves. In our desire to build strong relationships with everyone, we end up pleasing no one. Here the 80/20 principle can help, too. Since 80 percent of our relationship satisfaction stems from just 20 percent of our actual relationships, to lead a happy life, we need to concentrate on the few relationships that actually matter, such as the ones we have with our romantic partners. After all, this is one of the most important relationships we have, says Koch.

A study showed that people who scored in the top percentile for happiness were also involved in a romantic relationship. Nearly 40 percent of married Americans say they are extremely happy; meanwhile, only 23 percent of unmarried Americans would describe themselves the same way. But to have a strong relationship that supports your happiness rather than undermining it, it is important to ensure that you and your partner agree on a few basic values.

Some 50 percent of marriages end in divorce! The best way to avoid this fate is to choose your partner wisely. If you do not agree on the basics from the outset, it does not matter how much effort you put into the relationship later on. For example, when Steve met Helen, he tried to figure out what made her happy. He soon realized what really mattered to her. She wanted him to be home on time; she wanted to be able to rely on him; and she wanted him to support her projects. What is more, she loved surprises. And so, Steve focused on meeting these basic needs to make Helen happy and strengthen their relationship.

### **Less is more. KISS.**

You should now have a good idea of how to apply the 80/20 principle to the main areas of your life. To finish, let us spend a few moments focusing on the principle's most basic aspect; when it comes to living a good life, simplicity is key.

But what is a good life anyway? Philosophers have spent centuries debating this question. One Greek philosopher, Epicurus, came up with an answer that aligns with the 80/20 principle. The basic components of a good life are food, shelter, clothes, friends, freedom and thought. And that is it! Ultimately, he unknowingly followed the less-is-more strategy by focusing his energy on the most important tasks.

And Epicurus put this philosophy into practice by living a life ordered by the principle of simplicity. He lived with seven friends in a commune. They grew all their food themselves and did not worry about accumulating wealth. Instead, they spent their time writing books and sharing ideas. If you want to follow a similar path, cut out everything in your life that does not make you happy. Consider the story of Ann, who was a successful, well-paid account executive in advertising. Stressed out by her job and exhausted, she quit and gave up her huge apartment for a one-room studio.

She started spending all of her time painting, an activity she loved. Although her parents did not approve of her new life and criticized her decision to quit a secure job, Ann stuck to her path. And eventually, she started to make good money selling her paintings. So, by simplifying her life, Ann managed to find more happiness and success than she could have ever imagined.

## **What I took from it.**

The 80/20 principle says that 80 percent of what we want is generated by 20 percent of what we actually do. In other words, if you figure out what you want and focus on what makes you happy, you will be able to create more with less.

Make a list of things that actually matter to you and then focus your energy on them. Doing so will prioritize your happiness and fulfilment. And it has an added benefit; when you focus on yourself and what you really want, you stop wasting as much energy worrying about what other people think of you.

This book is a truly enlightening and motivating look at productivity, time management, and happiness. It shows how to apply the 80/20 Principle to your personal and professional life in order to work less, earn more, enjoy more, and achieve more. The main idea: in business and personal life, “pursue those few things where you are amazingly better than others and that you enjoy most,” and eliminate or outsource everything else. The ratio is not necessarily always 80/20, but the idea is that the relationship is unbalanced. Worth a read.

# Mastery

Robert Greene

Most people think that the extraordinary accomplishments of great masters like Da Vinci and Mozart stemmed from natural talent and inherent genius. But it is not true. There is, in fact, no natural link between inborn talent and the mastery of a skill or field. So says Robert Greene in his book, *Mastery*, published in 2012. As one study showed, while many young children display blazing talent, relatively few of them ever go on to remarkable achievement. On the other hand, those who show little sign of brilliance in school often later accomplish far more than their gifted peers.

For example, consider Charles Darwin's younger cousin, Sir Francis Galton. Whereas Darwin was an ordinary boy who showed no sign of exceptional intellect, Galton had a higher IQ and was considered a prodigious genius. Yet today, it is Darwin who is regarded as the superior scientist and one of the century's brightest minds. Clearly, mastery does not depend on whether you are gifted or "ordinary." So, what steps do both a maverick genius and a regular person take to become masters?

The answer is; exactly those steps taken by every great master throughout history. Each discovered their field, engaged in some kind of apprenticeship, developed a creative and open mind, then went on to achieve mastery. Edison, Mozart, Einstein, Goethe – the most celebrated masters throughout history all followed a similar path to success.

Modern masters, too, take the same steps. For example, professional boxer Freddie Roach dreamed of becoming a boxer, apprenticed with the great trainer Eddie Futch, and created a unique fighting style. Roach is now considered one of the best boxing trainers of his generation. You do not need inherited gifts, early talent or a high IQ to become a master. Just find your field or subject and follow the steps of the great masters before you.

The three most powerful points I took from the book were;

1. You do not need inborn talent to become a master; just follow the steps of masters before you. Each of us has an inner calling which guides us towards our vocation in life – a discipline or field that we wish to master
2. To achieve mastery, you need to find your own, unique inner calling; study and learn a great deal under a mentor during an apprenticeship; and, finally, develop an independent and creative way of thinking. Studying the lives of other great masters can give valuable insight on this task
3. Practice a skill until it is automatic, so your mind and body act as one, freeing you to focus on the bigger picture

## **Each of us has an inner calling which guides us towards our vocation in.**

Have you ever had the feeling that a discipline or field was tailor-made just for you, and that working in that field is your destiny? You need to trust that feeling! Each of us is unique – an original, through and through. Due to the endless possible combinations of DNA in our bodies, we are a one-off phenomenon; like snowflakes, no two humans are exactly alike, says Greene.

So why is it, then, that we do not all act unique? Due to incredible social pressure to blend in, we suppress our uniqueness in the vain hope that just doing what everyone else does will keep us out of trouble. While adopting this "disguise" might have its advantages, it's actually our uniqueness as individuals which spurs us to find our inner calling.

In fact, many of history's geniuses experienced a moment of clarity when everything "clicked into

place” and they suddenly knew what they wanted to do in their life. Many of them felt that, during their entire lives, a force had guided them towards a certain field.

For Leonardo Da Vinci, this “clicking moment” was when he stole sheets of paper from his father’s office so that he could indulge his deep fascination and sketch animals in the forest. And for others, such moments are even experienced in the form of an “inner voice” – as is the case with profoundly religious Christians who reported hearing the voice of God telling them to use their lives to pursue a specific task. Rather than using your energy to blend in with the crowd, recognise instead that you are unique, and that you have a specific calling in life which can be found quite simply by listening to – and following – your inner voice.

### **To start with, do not chase success or money, but chase for knowledge.**

When people look for a “way in” to a particular field – an internship or first job – they often search for positions which promise the greatest prestige or financial reward. But there are other, more important rewards to consider, says Greene. For one, a job that gives you an opportunity to learn can be worth doing, even if it does not pay well. Other more prestigious, well-paid positions will be available to you later, and the practical knowledge you gain from those early, badly paid jobs will ultimately pay off for decades to come.

Consider boxer Freddie Roach again. He chose to take an unpaid position at a boxing centre, using his time there to develop the skills necessary to his professional career. Ultimately, his decision paid off; Roach eventually earned far more money than if he had taken a different, paid job early on. Many other masters made a similar choice in their early years. For example, in his youth, Charles Darwin rejected both a place at medical school and a well-paid job in the church. Instead, he convinced his father to allow him to work as an unpaid naturalist on the HMS Beagle, where he could study exotic plants and animals. The observations he made during that voyage helped him to develop his famous theory of evolution.

Or consider Benjamin Franklin, who – rather than taking over his father’s lucrative candle-making business – chose to work at a printing business. This meant a far longer apprenticeship, and financial uncertainty, but Franklin recognised he could use this position to learn how texts were composed – a skill that would later benefit him greatly. So, when you are looking for an internship or that first job, do not fixate on prestige or money. Instead, sniff out those that offer you an opportunity to gain knowledge and develop your skills. Such jobs will lead you to reap greater financial rewards in the future.

### **Learn from a mentor.**

Learning new things is never easy. You can, however, at least make the process much easier for yourself. When we try to learn something new on our own, we tend to make preventable mistakes, and spend much time seeking the correct way to do things. The result? Time and resources are squandered. What you need is a mentor. Someone to guide you, helping you to use your time and resources more effectively. For instance, consider how complicated it can be to begin a new job and navigate its working environment. Without proper guidance, it will take much longer for the newcomer to learn the ropes and find her way around.

It is somewhat like being in a foreign city for the first time and trying to find the train station. You can, of course, do so by wandering through the unfamiliar streets until you happen to stumble upon it. Yet, you will save time and effort by simply asking one of the locals. But you are not the only one who benefits from having a mentor. Usually, a mentor and apprentice develop a special relationship from which both can profit. This is because, firstly, the mentor sees the apprentice as a younger version of herself and is therefore interested and invested in their future. Secondly, because the apprentice admires the mentor, she pays much closer attention, absorbing their knowledge like a sponge. Yet, as an apprentice, your progress is not necessarily limited by your mentor’s own limitations. Many

famous masters had mentors whom they eventually surpassed. Alexander the Great, for example, learned much about governing a state from the great philosopher Aristotle, and would later go on to modify and augment these lessons based on his own first-hand experiences. Like many other famous students and apprentices, you should seek out a mentor who will teach you their own ways. But do not forget; your ultimate goal should be to outmatch your mentor.

### **Challenge the very rules you learned before.**

During your apprenticeship, you have learned the most important aspects and facets of your field. But you cannot stay an apprentice forever. So, what now? It is time to revive your innately fearless and open mind. As children, all of us were natural freethinkers and rule-breakers. A child's mind is totally open. They believe that anything and everything is possible, take nothing for granted, and thus ask all kinds of questions. Why is the sky blue? Who is that in the mirror, staring right back at me? Children also believe in all manner of supernatural creatures and fantastical tales, and are able to imagine, with zero effort, that they are true.

Such open-mindedness, such absence of fear towards questioning anything we do not understand – this is a human being's natural state. For example, when, as adults, we visit a foreign country where we cannot depend on old habits and experiences, we are prompted to be open-minded again. Seeing the world with child's eyes is, for adults, one of the most enjoyable things about traveling. It is precisely this freedom and audacity to break rules and subvert expectations which you should embrace once you finish your apprenticeship and go it alone. This is what will enable you to grow in your field – and achieve mastery – in your own unique way.

Indeed, many masters throughout history eventually began to think innovatively and create something uniquely their own. For example, Mozart became tired of performing the old tried-and-true piano repertoire, so began to compose his own music. He fused the styles he already knew, adding some of his own, unusual elements. The result? His audiences were impressed by his music's novelty and originality. So be brave and think in new ways, challenging the established rules of your time. If you do not, you might one day find yourself stuck in the same unsatisfying routines.

### **Broaden and train your mind.**

Who among us has not wished for the ability to solve problems in original and creative ways? Well, luckily, this ability can be trained, says Greene. First, we must unshackle and broaden our minds, because we have a natural tendency to think too narrowly. Humans quickly become creatures of habit, loyally repeating the same actions without reflection. Once a process has been proven to work in a particular situation, we tend to use it for every similar situation without pausing to ask: "Is this really the best way to solve this particular problem?"

Similarly, the standards and conventions our culture depends on might be essential for quick, functional communication, but they can also seriously hinder our potential for creative, innovative thinking. For example, in order to identify things quickly, we use clear, binary distinctions – man/woman, body/mind, fiction/fact. As we become habituated to using them, we also become desensitized to the nuances that lie between.

The second thing we must do to improve our creative thinking is to train our brains to quickly make new and uncommon connections. One famous study showed that after 10,000 hours of practice in a given field, the brain is qualitatively changed, and makes brand new connections between formerly unconnected areas. This enables you to quickly see any given problem in that field in a new and broader way.

This is best demonstrated in the human ability to solve a specific problem while apparently thinking about something completely different. Ever had a eureka moment while in the shower, or taking

a walk? You are in good company, says Greene. Einstein, for example, played the violin while he pondered theoretical problems, claiming that this helped lead him to the solution. So, do not resign yourself to the notion that people are either born creative thinkers or not. You can control and train your brain. By following the above steps, a more open and creative mind can be achieved much faster than you might believe.

### **Practice a skill until it is automatic.**

So, what exactly is mastery? You might have experienced it already in high-pressure situations when your body responded immediately – and automatically – to your mind's commands. This enables masters to see the big picture, rather than just the details, and indeed many masters have described their talent in these terms.

Chess master Bobby Fischer, for example, saw beyond the individual moves of a game, instead perceiving moving “fields of forces” that revealed the many ways a game could play out. Similarly, pianist Glenn Gould “saw” the entire architecture of a given piece of music as he played, not only the part he was playing at that moment. This freed him to masterfully coordinate the different parts of a composition as he performed.

Masters can do this because they have developed an automatic connection between mind and body – a connection that is actually deeply rooted in our nature. In fact, for every animal, mental decisions and physical actions are experienced as one. For example, in the exact moment a bee “decides” to sting you, it acts on it. The bee simply reacts to sensory input, its nerves issuing a command to the body. No second-guessing the reflex; no abstract thinking.

And, according to one theory, our primal ancestors did not separate mind and body either. Separation occurred once we had developed the capacity for abstract thought. This is what enabled us to suppress certain reflexes. For example, when threatened, humans do not automatically attack or run away; they try to talk things out. But this separation also meant that any sense of a unified mind and body was lost. As a master, your mind and body will become one, enabling you to reach a new level of understanding and skill. And even when you are in the thick of practicing your discipline, you will also be able to see the bigger picture, and to use this knowledge to accomplish great things in your field.

### **What I took from it.**

To achieve mastery, you need to find your own, unique inner calling; study and learn a great deal under a mentor during an apprenticeship; and, finally, develop an independent and creative way of thinking. Studying the lives of other great masters can give valuable insight on this task. You do not need inborn talent to become a master; just follow the steps of masters before you. Each of us has an inner calling which guides us towards our vocation in life – a discipline or field that we wish to master

Your main goal in a new field should not be immediate success or money, but to learn as much as possible. The best way to learn a discipline or skill is to have a mentor who shows you the way. Once you complete your apprenticeship, you must be bold enough to think innovatively and challenge the very rules you learned before. You can learn to problem-solve in new and creative ways by broadening and training your mind.

Practice a skill until it is automatic, so your mind and body act as one, freeing you to focus on the bigger picture.

# Rich Dad's Guide To Investing

Robert Kiyosaki

Robert Kiyosaki; author of Rich Dad Poor Dad, first published in 2001 asks; which sounds better; being financially comfortable or being rich? Deep down, most people want to be filthy rich – but they also tend to feel that the future is already decided for them, and that they will never actually be rich. But how rich you are or are not is up to you. If you make the decision to be rich, and adopt the mind-set of the rich, there is no reason at all why you cannot achieve that goal, says Kiyosaki.

First, however, there are a few things you will need to learn, as there are no “get-rich-quick” schemes that actually work. In practice, becoming rich means investing in financial education and literacy until analysing financial statements becomes second nature. It also means learning how to create and grow a business, and then using the experience and money you have accumulated to make more and better investments.

The three most powerful points I took from the book were;

1. If you want to be rich, you must think and act like a rich investor does. That means focusing on building a business and investing in assets, not focusing on employment and savings. In doing so, you can build and control an investment portfolio that generates income and grows your wealth.
2. Many people shy away from investing because the terminology sounds like a foreign language. If you want to get into that 10 percent, however, it is time to invest in your financial education.
3. Anything seems risky if you cannot understand it. So, spend time developing your financial education – it may be the best investment you ever make.

## **The richest 10 percent have 90 percent of the money.**

Maybe you have heard of the 80-20 rule, which states that 80 percent of our success comes from 20 percent of our efforts? Well, that might be true for overall success – but for money, the rule is 90-10, because when it comes down to it, 10 percent of people have 90 percent of the money. The rule applies in many walks of life.

Think about Hollywood stars, and then think how many actors are waiting tables between gigs. Yep, 10 percent of actors earn 90 percent of the money. The same goes for athletes, musicians and, of course, investors. A Wall Street Journal article confirmed this, noting that 10 percent of the population own 90 percent of all the shares in the United States.

Why is it that rich people can accumulate so much wealth? Well, one reason is that some investments are simply off-limits if you are poor. Back when he was a young man with little cash, the author asked his rich friends if he could get involved in their business deals. But, despite their friendship, the answer was always no – not because they did not want to help him out, but because it would have been illegal.

In the United States, the US Securities and Exchange Commission restricts certain investments to accredited investors – that is, people with a net worth of \$1 million, or a consistent annual income of \$200,000. Anyone who is worth, or makes, less than that simply is not allowed to get involved. Now, there are good reasons for preventing people without much money in the bank from making potentially risky investments. But these rules also prevent poorer people from making the best investments – the investments of the rich. So how can you break into that top 10 percent?

## **Start with the right mind-set.**

“Get an education, work hard, save money. Then you’ll be fine.” Sound familiar? This sentence sums up the standard middle-class approach to financial security and, more likely than not, you were probably told something similar by your parents. But here is the thing; this advice will never make you rich. Rather, it will keep you in the 90 percent that only has 10 percent of the money. So how do the rich approach financial gain? They certainly do not toil away at one job until retirement; instead, they purchase businesses and make investments.

Why is that, asks Kiyosaki. Well, for starters, because employees inevitably have less money to invest; that is just the way the US tax system is set up. For example, let us say you want to save \$1,000 from your salary. Well, first you have to pay tax, so in order to save that \$1,000, you will have to earn, say, \$1,300. Inflation will reduce your savings’ value every year, and you will pay tax on the interest you earn. Does not sound like a recipe for wealth, does it?

Business owners, on the other hand, have more money to invest because it comes out of their pre-tax earnings. Unlike the employee who has to save out of taxed income, a business owner first buys assets and then pays taxes. As such, an employee has less money to invest in assets that can generate wealth. It does not sound fair, but it is the way the system works – it is hard for an employee to become rich because she gives so much money to the government first. And there is another reason why business ownership and investment are better paths to riches - investors often face less risk than employees.

Lots of people rely on employment, savings and pensions for their financial security. But the old notion of a stable job for life just does not apply in today’s job market. Employees get fired all the time. What happens to a company’s share price when it lets lots of employees go? Very often, it goes up! So being on the investor’s side of the table is usually less risky than being on the employees.

## **Financial literacy can unlock riches.**

Can you explain the difference between assets and liabilities? Or calculate a company’s price-to-equity and debt-to-equity ratios, asks Kiyosaki. Many people shy away from investing because the terminology sounds like a foreign language. If you want to get into that 10 percent, however, it is time to invest in your financial education.

First off, it is important to understand the difference between assets and liabilities. Rich people never confuse the two, but others mix them up all the time. And that is one of the reasons rich people tend to make better financial decisions. Let us take a common example. You have probably heard a homeowner say something like, “My home is a great asset.” Sounds sensible enough, right? But, usually, it is downright wrong. Something is only an asset when it generates positive cash flow – that is, when it brings in money.

Kiyosaki explains; say your house is worth \$200,000, with a \$150,000 mortgage. Where does the cash flow? Not in, but out, through your mortgage, fees, insurance and so on. Sure, maybe one day you will sell it for a tidy profit – but you have no guarantees, so it is actually a liability. Understanding assets and liabilities is a great first step. But to successfully make the investments of the rich – to develop real estate or buy into a business – you need to have a deep understanding of financial terminology. Let us say you want to buy shares in a growing tech business, and you want to understand whether it is a good deal.

How can you figure it out? Well, the share price tells you little, so to really understand value, you will need to calculate and analyse measures like debt-to-equity ratio, return on equity, cash-on-cash return and financial leverage. All in all, if you do not even know that your mortgaged house is a liability, not an asset, it is no surprise that you might think the investments of the rich are too risky. Anything seems risky if you cannot understand it. So, spend time developing your financial education – it may be the

best investment you ever make.

### **There are different kinds of investors, requiring different skill sets and attitudes.**

When we think of investors, we often imagine besuited Wall Street bankers, or bustling men shouting on a trading floor. But the word “investor” can be applied to a range of people, from bond traders to business founders. The taxonomy of investors begins with accredited and qualified investors. These two are outsiders.

We have already met the accredited investor - someone with a high salary or established wealth who meets the legal requirements for the widest possible choice of investments. Qualified investors are just as wealthy as accredited investors, but they are also financially educated. They are equipped to analyse a business’s financials, or the reasons behind market movements. But both are always on the outside. Sure, they may buy shares and prosper that way, but they have little control over their assets.

In contrast, an inside investor creates assets instead of buying them. The inside investor builds her own business, be it a real estate agency, a tech start-up or something else entirely. That business can become a valuable asset, and she can use it to generate income, or eventually sell it.

To truly be the top dog – a sophisticated investor – the inside investor has to use the experience of building her own business to learn how to analyse other companies from the outside. The sophisticated investor knows how to make tax and the law work to her advantage. But first, let us look at how you can become an insider and start accessing the investment opportunities of the rich. It is time to get down to business.

### **Starting a business is an achievable route to wealth.**

Many people think, “I could never start my own business.” But just 120 years ago, 85 percent of Americans were independent farmers or small shopkeepers. In other words, the vast majority of Americans were businesspeople – and you can be one, too. Anyone can start a business and become rich. If you want to become an accredited or qualified investor, you already need to be wealthy. But starting a business only requires a bit of creativity, says Kiyosaki.

The author is a case in point. As a child, he created his first business from nothing. He saw that a local store was discarding old comic books and persuaded them to let him take the discards. He then opened a profitable comic library, charging school friends a 10-cent membership fee. From nothing but a good idea, he built an asset. One reason many people hold back is time and money. You have got to pay the bills, so you do not want to give up your job, right? How are you going to find the time to start a business? But it is entirely possible to start a business part-time, and some of the world’s finest business leaders did just that, says Kiyosaki.

Michael Dell started Dell Computers by working part-time in his university dorm room, and eventually got so rich that he decided to drop out. Jeff Bezos started Amazon part-time, working out of a garage, and today his company is worth over \$500 billion. Imagine if he had not had the courage to start things up in his spare time. Once you have a business, you have options. You can reinvest the cash it generates into other assets; you can grow the business and sell it; or you can take it public. All three can be routes to riches you will never experience as an employee.

### **Master mission, leadership and team and you can build a great business.**

Did you know that Bill Gates did not invent the software that made him the world’s richest man? He merely bought it from a group of programmers. He built a great business, not a great product – and that was the key to his success. Building a business is a matter of mastering three things. First, a

business needs a spiritual mission to guide it. Henry Ford embodied this. His mission was not to make money, though that is exactly what he did, and in vast quantities. Ford's mission was to bring the car to the masses and "democratize the automobile." He pursued this mission relentlessly and the riches followed. Finding a guiding spiritual mission, one that aligns with your financial goals, will help keep you on the right track.

Second, every leader needs a team. Maybe you are an accountant, an insurer or a lawyer. But you are unlikely to be all three, and all are important if you want a successful business. A common factor among rich business leaders is the knowledge that money spent on their team is an investment – one that will almost certainly make them richer.

Third, every team needs a leader. Anyone who, like the author, served in the military, knows that troops will not follow a poor leader. Leadership is a skill unto itself. It is not simply about being the best; rather, it is about bringing out the best in other people. How can you acquire leadership skills? One great way is to volunteer. In many groups, no one wants the responsibility of leading. So, whether at work, at a religious institution or in your community, speak up and volunteer to lead – it is a great way to get feedback and learn where you can improve.

### **Every successful entrepreneur can communicate and sell.**

Raising capital, advertising, negotiating, motivating your team and making sales – what do all these aspects of business life have in common, asks Kiyosaki. All are crucial for success, and all require top-notch communication skills. So how can you become a better communicator? Well, investing time in a sales-training program is a proven approach. Good places to look are network-marketing organizations, as they often have great programs. Joining and sticking with one for at least five years can work wonders. Shy people, scared of failure, come out the other end with the two key skills of a salesperson; the ability to communicate the value of a product with ease, and fearlessness in the face of rejection, says Kiyosaki.

Master these two qualities and you will likely be a powerful communicator. This trait will shine through, not just when you are selling your product or service, but when you have to deal with an investor, negotiate better terms or rouse your team. If you are serious about being a top communicator, do not just think about your words; your physical appearance is just as, if not more, important. Studies of public speakers show that 55 percent of their impact comes from body language, 35 percent from how they speak and just 10 percent from their words. If you think about the business leaders you know, they probably all look the part, right? And this can go a long way indeed.

A banking friend of the author once told him that his bank had just brought in a new president because of his appearance. The new appointee simply looked and spoke like the president of a bank should. The board would run the bank, but the president's outward appearance would generate new customers. Learning to communicate and look the part will pay off in lots of ways. Just like improving your financial literacy, it is an investment worth making.

### **What is next after starting your business?**

So, you have started a business, and it is going well. Now it is time to use the income and the experience you have accumulated and take things to the next level. It is time to become a sophisticated investor. As a sophisticated investor, you will take more control over management, corporate structure, investment decision making and taxes. The result? Maximized returns. Let us look at a restaurant owned by Bill and Jane, two hard-working Americans. They operate as a sole proprietorship, which means that they have one income source. They pay normal, personal income tax and they are liable if anything goes wrong – like a sick customer filing a lawsuit. All their eggs are in one basket.

No disrespect to Bill and Jane, but the sophisticated investor knows better. He would have two corporations: Bill would own the restaurant itself and Jane would own the building it is in. This way, risk is spread. If a customer falls sick and sues the restaurant, the real estate is legally separate and protected. Meanwhile, under this corporate structure, expenses like health insurance and legal fees are allocated as business expenses and paid pre-tax. Tax itself is paid at lower, corporate rates – less risk, less tax, more financial return.

Whatever you want to invest in, as a sophisticated investor, you know how to make your money work for you. An average person's plan for retirement might consist of squirreling away \$15,000 a year in a 401k plan and hoping for an 8-percent return. The sophisticated investor is more likely to invest in real estate, some stocks and shares and a business venture. With the experience brought by building a business, and by investing in his financial literacy and education, he can make the investment decisions of the rich; spotting the best opportunities, understanding what is really risky and what is not. The average approach sees you work for your money. The second approach sees your money work for you. Do not be average.

### **What I took from it.**

If you want to be rich, you must think and act like a rich investor does. That means focusing on building a business and investing in assets, not focusing on employment and savings. In doing so, you can build and control an investment portfolio that generates income and grows your wealth.

Take some time to truly reflect on what your priority is; to be secure, to be comfortable or to be rich. One is not better than the other, but they represent very different choices and outcomes.

Talk to your partner or family and sketch out pros and cons. Being certain in your decision to prioritize becoming rich will give you the mind-set you need. You will find yourself shifting from saying "I can't afford that" to "How can I afford that?"

# Talking to Strangers

Malcolm Gladwell

When British Prime Minister Neville Chamberlain travelled to Munich to meet with Adolf Hitler in 1938, he wanted to get the measure of the man. Initially fearful of another world war, Chamberlain left Germany confident and satisfied that he fully understood what the German Führer had in mind. Hitler, he believed, was a man who could be trusted. History, though, proved Chamberlain catastrophically wrong.

Few of us will ever make a character judgment of such importance. But we do make judgments about strangers all the time. At work, at parties or even in the street, we engage with people of different perspectives, backgrounds and assumptions. We are constantly forced to interpret the words, intentions and characters of people we do not really know. And the truth is, we are incredibly bad at understanding strangers. So says Malcolm Gladwell in his latest book; Talking To Strangers.

From his book you will understand why it is so difficult to judge people's characters. You will see why we are inherently trusting and bad at spotting lies.

The three most powerful points I took from the book were;

1. We are constantly forced to interpret the words, intentions and characters of people we do not really know. And the truth is, we are incredibly bad at understanding strangers
2. Humans are ill-equipped to understand strangers. We assume that people tell the truth, so we cannot detect lies. And we believe that we can judge strangers based on little, usually deceptive, information. The result of this misplaced confidence is that we do not invest enough time and patience in truly listening to and understanding each other.
3. We think that liars look away, twiddle their hair and look agitated. That is nonsense says Gladwell. Plenty of liars will look you in the eye and lie to your face. And plenty of honest people will look, to the world, like they have a secret to hide.

## **We consistently overestimate our ability to judge strangers.**

Solomon is a bail judge in New York State. His work comes with weighty responsibilities, which he takes seriously. He reads defendants' files, of course, but he also knows how important it is to talk to them and look them in the eye. After all, a file will not describe the glassy, dead-eyed stare that is a sign of mental instability. It will not reveal the shiftiness reflected in the failure to make eye contact.

Unfortunately, when it comes to assessing people, Solomon and his fellow judges fared worse than machines when this quality was tested against them. In a 2017 study, Harvard economist Sendhil Mullainathan examined bail decisions in New York. He gave an artificial intelligence program the same basic information the judges had received – age and criminal record – and asked it who of the 554,689 defendants should receive bail. The result? The defendants released by judges in real life were 25 percent more likely to commit a crime while out on bail than those the computer would have selected.

Judges think they can evaluate strangers based on the look in their eyes and a conversation. In fact, we all think that! But we are wildly overconfident about our ability to make character judgments based on this flimsy evidence. In a 2001 experiment, psychologist Emily Pronin asked a group of people to quickly fill in the missing letters in words like 'GL\_\_' or '\_\_TER.' Afterward, Pronin asked them to analyze what their word choices said about them. Most said that their choices were meaningless. Whether they had written 'glum' or 'glad' did not reflect their personality or even their mood. However, when Pronin showed the group lists completed by other people, everything changed. Clearly,

this person was goal-oriented, the group decided, based on the words chosen. Another was obviously tired. While people were confident that their own word choices were random, they easily read into strangers' word choices.

Pronin's research points to a simple truth. With the smallest glimmer of information, we judge people we do not know at all. We are confident in our own complexity, but strangers are easy. Well, if there is one thing Gladwell's book show us, it's that they are not.

### **We are incapable of spotting deception – it is human nature to default to the truth.**

Ana Montes was an intelligence analyst and a model employee at the US Defence Intelligence Agency, or DIA. She was also a Cuban spy, who handed over damaging US defence and intelligence secrets to Havana.

In hindsight, there had been red flags. Her fellow intelligence analysts might have noticed that her reports parroted Cuban viewpoints, or that she sometimes took phone calls during crises. But there had never been enough to go on beyond a vague sense of suspicion. After all, what is more likely? That the analyst sitting in front of you is one of the most damaging spies in US history, or that she is just slightly odd?

The problem facing internal investigators at the DIA was one we all face. We default to the truth. We assume truthfulness until the evidence pointing toward deception is overwhelming. Psychologist Tim Levine ran an experiment in which subjects watch videos of students interviewed about a trivia test they participated in. Fellow students – actually working with Levine – encourage them to cheat. In the videos, Levine asks the students, "Did you cheat? Are you sure you are telling the truth? If I ask your partner, will she tell me the same?"

Some cheating students lie, some 'fess up immediately. Others did not cheat, so their denials are truthful. The challenge for Levine's test subjects is to watch the videos and decide who is lying. Levine has run the experiment many times, and the results are worrying. On average, people correctly identify liars just 54 percent of the time. That goes for everyone – therapists, police officers, judges and even CIA officers are terrible at telling who is lying.

The reason for this is simple. Generally, those watching the videos believe that most people are telling the truth. To tip from suspicion to disbelief, observers need an absolutely clear trigger. This could be clear agitation, total avoidance of eye contact or someone struggling to find words when directly accused of cheating. Without that trigger, our suspicions remain just that, and we assume truthfulness.

### **Some people are better at spotting deception.**

Perhaps society would be better off if we were better at spotting fraud and deception. In the early twenty-first century, a New York financier named Bernie Madoff defrauded thousands of investors of over \$60 billion dollars, while claiming to be earning them stellar profits. And for a time, he got away with it. As one investor later commented, if Madoff had simply been making things up, surely someone would have noticed. Everyone assumed that someone else had their eye on the ball.

Everyone, that is, but Harry Markopolos. An independent fraud investigator, Markopolos was not fooled by Madoff's deception. He saw right through it because he does not assume that everyone tells the truth. Growing up, he saw his parents' restaurant business impacted by small-scale fraud and theft, and the experience affected him.

When he analysed Madoff's models, Markopolos immediately saw that the profit was impossible. He even called up all the Wall Street traders dealing in derivatives, which Madoff claimed to be trading, and asked them if they were doing business with Madoff. None were. Markopolos warned the financial

regulatory body, The Securities and Exchange Commission, about Madoff as early as 2000. He warned them again in 2001, in 2005, 2007 and 2008. Each time, he got nowhere.

Here is the thing, though. It is great that there are some people out there like Markopolos, assuming the truth serves the majority of us well. As psychologist Tim Levine notes, lies are relatively rare in real life. Most interactions do not involve people like Bernie Madoff or Ana Montes. Most interactions are fundamentally honest. And to treat them as if they are not is disruptive. Sure, when the barista at your coffee shop tells you that your muffin and latte come to \$5.74 with tax, you could whip out your smartphone and check the calculation. But you would be holding up the line, and most likely wasting your and everyone else's time.

We can celebrate Harry Markopolos's perceptive scepticism, but for most of us, it does not really matter that we cannot spot lies. Defaulting to truth makes sense, and Bernie Madoff and Ana Montes are outliers.

### **Life is not like an episode of Friends – what you see on people's faces does not tell the whole story.**

Watch an episode of Friends with the sound turned off, and you can still follow the action pretty closely. What is happening is written all over the actors' faces. When Joey is shocked, his jaw drops, and his eyes widen. An angry Ross furrows his brow and narrows his eyes. And all of the characters show off broad, authentic smiles – and perfect teeth – when happy. You can read their faces like a book.

The performances in Friends are transparent. Transparency is the idea that someone's demeanour reveals an authentic picture of their feelings. It is one of the primary expectations we have when judging strangers. The problem is that transparency is often completely misleading. Consider this scenario. You are led down a long hallway into a dark room. You take a seat. You listen to a recording of a short story by the master of surrealism, Franz Kafka. You step out of the room. In the meantime, unbeknownst to you, a team of people has been hard at work, altering the space you had walked through earlier. What was a dark narrow corridor is now an open area with bright green walls. A light hang above a red chair, and sitting in the chair, staring at you like something out of a horror movie, is your best friend.

In that moment, what do you think would register on your face? When two German psychologists actually created this scenario for 60 test subjects, they asked them that question afterward. Participants assumed they would look surprised. But the results, captured on camera, revealed that only five percent of participants showed the classic wide eyes, dropped jaws and raised eyebrows that we associate with surprise. In a further 17 percent, two of these expressions were found. In all the rest? Well, nothing clearly identifiable as surprise showed at all.

The researchers concluded that the participants' convictions about their likely facial expressions were heavily influenced by folk psychology – the kind we learn from watching Friends or reading novels where a shocked protagonist's eyes go wide in surprise. When we look at a stranger's face, we think we can read it like we can read Ross in Friends. But life is not an episode of Friends, and we can completely misinterpret what the stranger is thinking. And, as we will see now, that can have serious real-life consequences.

### **When strangers are not transparent, we easily and completely misjudge them.**

On November 1, 2007, a British student called Meredith Kercher was murdered by local criminal, Rudy Guede. The case against Guede was damning – he had a criminal record and his DNA was scattered all over the crime scene. Yet, for a long time, Meredith's roommate and fellow student Amanda Knox was the chief suspect, not Guede.

Knox found Kercher's body and called the police, who came to believe that Kercher was killed in a drug-fuelled sex game gone wrong between Kercher, Knox and Knox's boyfriend. It was a bizarre conclusion. There was no physical evidence tying or even linking Knox to the crime, nor any evidence that Knox was interested in drug-fuelled, dangerous sex games.

So why was she marked out as suspect number one from the very start? Ultimately, the case against Knox was about transparency. The police read her behaviour – and her character – like they were watching *Friends* with the sound off. While Knox was innocent, she acted kind of guilty. When Kercher was murdered, most of her friends behaved as you might expect, crying and speaking in hushed tones. Knox did not. She was openly physically affectionate with her boyfriend in front of grieving friends. When someone said they hoped Kercher had not suffered, Knox blurted out, "What do you think? They cut her throat. She bled to death!" As Diane Sawyer of ABC News later suggested to Knox in an interview, that did not look like grief.

But the problem with all that is, some people simply are not transparent. They are mismatched, or their demeanour does not reflect what they are thinking. Let us go back to Tim Levine's videos of possible cheaters. The author watched one video of a woman – he jokingly named her Nervous Nelly – who would not stop playing with her hair. When the interviewer asked her if she cheated, she got defensive. She fidgeted. She repeated herself, halting mid-sentence, clearly agitated. The author was convinced that Nervous Nelly was lying. She was not. She just was not transparent. We think that liars look away, twiddle their hair and look agitated. That is nonsense says Gladwell. Plenty of liars will look you in the eye and lie to your face. And plenty of honest people will look, to the world, like they have a secret to hide.

### **Alcohol can make interactions between strangers far worse, with terrible consequences.**

Around midnight on January 18, 2015, two Swedish students spotted a man and woman on the ground outside a Stanford University fraternity house. Something seemed wrong. When the students approached the interlocked pair, the man, freshman Brock Turner, got up and ran away. Turner had sexually assaulted the woman, who was unconscious. Encounters like this happen all too often. Why?

Well, the author believes that sexual consent between people who have just met is rarely entirely clear, even before alcohol enters the mix. A 2015 Washington Post poll asked students what constituted consent for continued sexual activity. 47 percent believed that someone taking off their own clothes constitutes consent for going further. 18 percent believed that simply not saying no constitutes consent to keep going. There was no truly clear consensus on any indicator of consent.

And a murky situation gets even murkier when alcohol is involved. The author believes that alcohol causes people to become myopic. Alcohol makes us disproportionately focus on short-term wants and forget about long-term consequences. Normally, we maintain a balance between the two. Alcohol strips away the long-term considerations that restrict our behaviour. It encourages a shy man to blurt out his intimate feelings. And it can destroy the impulse control of a sexually aggressive teenager like Brock Turner.

Unfortunately, the power of alcohol-induced myopia is poorly understood. The Washington Post study also asked students to name measures that could effectively reduce sexual assault. At the top was tougher punishment for assaulters. Just a third of students thought it would be 'very effective' for people to drink less, and only 15 percent agreed with stronger restrictions on alcohol availability on campus.

In a statement to the court, Turner's victim said that focusing on campus drinking culture rather than consent culture or sexual assault on campus is wrong. In her opinion, men must learn to respect women, not how to cut down on alcohol. But the author disagrees – he thinks we should do both. Because, as alcohol-induced myopia tells us, if you want people to be honest and clear in a social environment, they cannot be drunk.

## **Sandra Bland was a victim of our inability to judge strangers.**

On July 10, 2015, a 28-year-old African American woman, Sandra Bland, was pulled over by a Texas State Trooper, Brian Encinia, for failing to signal a lane change. As Bland pointed out, however, she had only changed lanes because Encinia had aggressively driven up behind her. She had simply tried to get out of his way as quickly as possible. Bland made her irritation clear. When Encinia then asked, 'Are you done?' it must have felt, to Bland, like a provocation. Encinia later claimed not to have meant it that way. Bland lit a cigarette, trying to calm her nerves. Encinia asked her to put it out. Bland refused – why should she? Encinia could have said 'You're right, I've got no right to ask you that. I'm just not a fan of smoke.' But he didn't. He demanded that she step out of her car.

From there, things escalated. Bland refused to move, and Encinia started shouting, threatening her with a stun gun. Eventually, he dragged her out of the car and slammed her to the ground. Bland asked him if he felt good about what he had done and mentioned that she had epilepsy. 'Good, good,' replied Encinia. Three days later, Bland – it is alleged – committed suicide in police custody. So, what does this horrible situation tell us? Well, according to the author, it shows the folly of defaulting to the truth at the wrong time. When Encinia pulled Bland over, he was practicing a well-established policing approach that many believe works in high-crime areas – stopping motorists for minor traffic violations to create an opportunity to look for greater crimes. But this makes no sense in a low-crime area like the stretch of highway that Bland was driving along. Encinia abandoned his assumption of truth when he should not have.

This also reminds us how flawed transparency is. Encinia thought that he could interpret character from demeanour. But Bland was not transparent – her agitation was a sign of stress, not criminal intent. The author believes that when Bland lit a cigarette, Encinia was terrified. He saw a dangerous threat, rather than someone simply trying to calm her nerves. Encinia thought he knew how to talk to strangers, but he did not. In fact, most of us do not. There are some ways we can get better, and the best way to start is to stop making assumptions.

## **What I took from it.**

Humans are ill-equipped to understand strangers. We assume that people tell the truth, so we cannot detect lies. And we believe that we can judge strangers based on little, usually deceptive, information. The result of this misplaced confidence is that we do not invest enough time and patience in truly listening to and understanding each other.

What I love about Gladwell's books is the thing that I think many people find frustrating: I do not agree with everything he says. But what brings me back is that he finds interesting threads and premises and manages to weave them together in such a way that it makes me think about my own beliefs a little different. It is an interesting read.

# The 10x Rule

Grant Cardone

We all have our own definition of success. If you ask 10 people how they will know when they are successful, you will get 10 different answers. There is nothing wrong with changing your definition of success as you journey on in life, but it is important to have one at any one moment. Your goals, aspirations and daily actions will be guided by what your definition of success is.

I remember mine at 18 years old being to own a M3 BMW - in yellow; even if it meant eating bread only and drinking water for the rest of my life. Luckily, I grew out of that phase quickly. My definition of success now is to live an abundant life. To be in a position to provide materially for my family to a joyous level. To have a happy family and a loving home. To be grateful and content with and for what we have, but still remain ambitious. To keep growing in knowledge, wisdom, and spirit.

It is to grow old, but never grow up – always to remain a child at heart. Ultimately to be at peace when I go to bed and after a long, healthy and happy life, to be surrounded by the people I love. That is my definition of success now. Who knows what it will be in the future. Success, however, you might measure it, is often elusive though. Over the years, many people have tried to distil the essence of success into easy catchphrases or simple mottos, but most of these have failed.

This book, in my opinion, present a real method to success, the 10X Rule. Based on the experiences of a top sales trainer and business owner, they explain how anybody can apply one simple rule to set themselves up for the lasting successes and ambitious achievements that once seemed out of reach.

The three most powerful points I took from the book were;

1. We should emulate children when it comes to decision making
2. You should go “all-in” in life
3. Keep a close eye on how much time you have, then work harder and budget your time more effectively

## **What the 10X rule really means.**

Perusing the shelves of your average bookstore, you are bound to find a plethora of titles that promise you the secrets to a successful life. But with so many options, it can be hard to know which is the best one. So, before you get sucked into another questionable formula for success, consider the 10X rule – a surefire way to succeed at whatever you want, says Cardone. The 10X rule is based on the knowledge that success always requires more effort than you originally thought. You can look back on your life and easily see that your endeavours always demanded ten times more effort than you thought they would. Success in business pursuits always came when you invested ten times more than your competitors.

So, if you want to sell a product and think making ten phone calls a day will help you do so, you should probably aim for closer to 100 phone calls per day. But putting in this added effort will not just help you achieve your daily goals; the 10X rule will help you accomplish a whole lot more, according to the author. All your goals should be ten times bigger than what is considered realistic, Cardone states. In other words, reach for the heavens and pick a goal that is beyond your wildest dreams. It might seem silly, but if you aim too low, you will still be disappointed when you achieve your goal and feel crushed if you fail.

It is much more desirable to fail to meet an incredibly high expectation than to attain a mediocre goal.

For instance, say your dream is to be an author. Writing a novel should be your goal, not writing a two-page short story. Even if you successfully accomplish the latter, you still will not consider yourself a writer. In this way, the 10X rule is about trying harder and dreaming bigger.

### **Overcome obstacles and reach your full potential.**

History has shown time and time again that merely having the best product is not enough to make you a success. Real market success is a product of the right attitude and the readiness to handle unexpected issues. That is why the 10X rule is also about being ready to confront unforeseen challenges.

By aiming as high as the 10X rule tells you to, you will be working hard enough to deal with anything that comes your way. Imagine you aim to sell 100,000 items in your product line when most people would shoot for just 10,000. This massive goal means that if you, say, experience a huge influx of orders, you will succeed where others will fail because you have developed the capacity to handle a bigger operation, says Cardone. But the 10X rule also offers some clear guidelines for success.

The first has to do with the fact that people often think of success as something for others, but not for themselves. It is essential to disabuse yourself of this belief and remember that success has no restrictions.

No matter what other people say, success is not a zero-sum game, says Cardone, and there is plenty to go around. Anyone with a 10X mindset can achieve success, and it does not have to come at someone else's expense. Until the age of 25, Cardone himself's life was all about alcohol and drugs. At a certain point, he realised he was not living a fulfilling life whatsoever and had no will to achieve anything at all. So, he transformed his mindset and pushed himself to levels of achievement he could never have imagined.

### **When faced with a challenge, go all out.**

Have you heard about the four degrees of action? It is a pretty simple concept that states that, when confronted with a situation, you can respond in one of four ways, says Cardone. You can either do nothing, retreat, take normal action or take massive action, and it is the last of these that is the key to success.

To see this principle in action, look no further than children, he says. When they are faced with a challenge, they simply give it everything they have got; they do not pause to calculate or budget their effort. So, follow their lead. Instead of determining how many hours you will need to devote, just make massive action your natural habit.

However, following this route means taking responsibility. Remember, success is not something that happens to you – it is something that happens because of you. As such, it is key to avoid thinking of yourself as a victim, or someone who can be acted upon, and start thinking of yourself as an actor.

Embrace challenges and see opportunities instead of risks and dangers. Keep in mind that the word “average” by definition means less than extraordinary; it is your task to push beyond this boundary. The fact is, the world is full of average everything, says Cardone. Just consider how most people aim to be middle class. Wanting to be average means thinking only about getting by, perhaps thinking about tomorrow or the day after, but not any further.

The danger here is that average can sink to below average very quickly. The 2008 financial crisis is a great example, as it hit the middle class hardest, forcing many into poverty. It just goes to show that aiming for average isn't enough. Define what average means in your context, but only to shoot for ten times above it – doing so will make you a success for years to come.

## **To get the biggest results, you have to go all-in**

Anyone who has been around a card table knows that going “all-in” in a game of poker is a risky move. You might win the round and take home the pot, but you could also lose everything you have, says Cardone. Luckily, going all-in in life is a little bit less risky. When applying the 10X rule, going all-in just means investing effort, energy and ideas to reach your goal.

But going all-in also means thinking outside the box to come up with solutions. After all, if you have chosen appropriate goals, the problems you will face will be immense. Problems of this magnitude often crush other people who try to overcome them. You will need to be clever, using every last drop of your effort and energy, to succeed; warns the author. Whatever you do, do not follow in the footsteps of those who have failed. First, you need to identify goals that are big enough for you to be motivated to achieve them. To do so, begin by picking objectives that are out of your reach and go all-in to realise them.

To succeed against such odds, you have to be obsessed with your goals; they have to dominate your thoughts and become your mission. This is another context in which kids can be great role models. Children are obsessed with every new thing they encounter, devoting their full energy to their new object or activity of interest. To succeed, you will need to do the same thing, says Cardone.

When others see how obsessed you are, they will be prepared to follow you on your journey to realise your wildly ambitious goals. On the other hand, if you fail to show this devotion, they will be unlikely to believe in your optimism.

So, obsession with your goals is a crucial factor, but it is just as important to avoid obsessing over failures and to shy away from excuses. That is to say, you should only be obsessed with doing things right and not worry about when they go wrong.

## **Strive for growth and control emotions.**

Living by the 10X rule means remembering that you always have to keep growing, says Cardone. After all, the road to success is paved with growth and it is better to fail while fighting than while retreating. So, to keep your eyes on the prize, it is important to shake off outside influences that seek to control your actions; instead, keep pushing for the goals you want to attain.

For instance, says the author; in failing economies, people tend to panic and scramble to move their assets to safe havens. But you do not have to worry about what other people are experiencing, just about achieving your own goals. Another important thing to keep in mind is that overexposure is nothing to fear. You might be worried that pushing ahead time after time will bore people or make them feel annoyed by you and your company. But the simple truth is that overexposure is far better than obscurity.

Just consider Coca-Cola or Facebook – has overexposure hurt them, asks Cardone. To truly be successful, you need to seize control of your workday and your feelings. Many people have concerns about time management and time, of course, is limited. However, the real question is not which one of any two given options you can accomplish, but rather how you can foster a mindset that makes everything possible.

The only workable strategy here is to strive to accomplish more in less time. Keep a close eye on how much time you have, then work harder and budget your time more effectively. We can again look to the author for a good example. After his daughter was born, he started waking up one hour earlier to spend quality time with her and let his wife sleep in, all while doing the same amount of work as he was doing before. In this way, the structure of your workday is critical, but so are your feelings. Emotions like fear and pride can hold you back; being scared of risk can prevent you from reaching your goals and too much pride can make you averse to constructive feedback. So, when faced with

such feelings, remember that it is your job to remain in control and keep marching toward your goal.

### **Set targets that are meaningful to you.**

With all the above considered, how will you choose your goal? Well, says the author, what you definitely should not do is follow in the footsteps of others who simply adopt the targets imposed upon them by their social circles. Take the concept of customer satisfaction as an example, he says. Even though people are constantly told that satisfied customers are of the utmost importance, most companies do not have enough customers in the first place; their real target should be to increase their customer base.

Not only that, but with the 10X mindset, you do not need to live in fear of poor customer satisfaction because you'll always deliver above and beyond people's expectations. As a result, you can focus your energy on finding new customers. In fact, truly successful brands like Google and Apple always put customer acquisition before customer satisfaction. They know that the more people they get talking about their brand, the further they will reach. And keep in mind that feedback from a customer, even if negative, is always valuable, as it shows you how you can improve.

Another target that is good to keep in focus is name recognition. You should consider your name your most valuable asset and make it synonymous with what you stand for. For instance, when people think of mp3 players, they think of Apple; when they think of app-based mobility services, they think of Uber. So, do as these successful companies have done and proudly advertise what you have to offer.

Then, once you have set your sights, jump into action. Simply list your goals, outline what you need to do next and give it everything you have got. If your goal is to sell 100,000 units of your product, you should consider exactly how to get there. Do you need to increase your marketing budget, or should you develop a great advertising strategy? After you write this list, you can keep checking on it and adapting it based on what works and what does not.

### **What I took from it.**

The 10X rule is about shifting your goals and your focus to reach beyond what you thought possible and accomplish much more. With a 10X mindset, you will think bigger, work harder, show greater commitment and be more inspired to reach targets that once seemed unthinkable.

This is NOT just another how to get rich quick book. Especially if getting RICH is just a money thing for you. This book is about SUCCESS. Success with anything you want to excel at. Your faith, your relationships, your career, your finances. The 10x Rule will teach you exactly what you need to know in order to achieve the success you desire and deserve in life. Nothing new here if you have read these types of books before but reading the book and listening to Grant himself on the audio version, brings across a level of enthusiasm that is infectious. Worth a read / listen.

# The Human Edge

Greg Orme

It is no secret that AI is changing everything around us. In many cases, we are welcoming the benefits of this technology. But as machines start taking over tasks and roles that people have filled for decades, there is growing uncertainty around what this means for humans in the workplace. Based on a 2017 survey by the Pew Research Centre, 76 percent of American employees worry that AI machines could replace them. So says Greg Orme in his book, *The Human Edge*, published in 2019.

Orme goes on to say that AI machines may be faster and smarter in some aspects, but they fall short in areas where humans are particularly strong. The book will teach you how to make the most of your natural skills in order to add value in the workplace of the near future.

The three most powerful points I took from the book were;

1. Artificial Intelligence can match some human mental skills, and as a result, do some of our jobs. So be prepared for that, but also know there are skills that AI will never be able to have, like showing empathy
2. Rather than competing with machines in these areas, we can retain valuable roles in the digital economy by focusing on learning widely, developing our ability to find interesting questions and solutions, and collaborating with each other
3. Living on autopilot means many people only focus on the next thing on their to-do lists, and miss the unexpected, unusual moments around them. But it is these moments that could trigger the next big idea

## **AI can match some human mental skills, and as a result, do some of our jobs.**

It is the late eighteenth century and the nature of work is changing. Thanks to steam-powered machines, manufacturing is becoming faster, more efficient, and less reliant on manual labour. Today, nearly 250 years later, machines are once again changing the world. But this time, they are not replacing our arms and legs. The key message here is: Artificial Intelligence can match some human mental skills, and as a result, do some of our jobs.

Machines with logic and analytical skills, also known as Artificial Intelligence or AI, are everywhere. They are in our smartphones, deciding which songs to play next. They are in our homes, keeping a digital eye on what is in our refrigerators and how clean our floors are. And they are gaining a strong foothold in the workplace, too. Tech companies like Facebook and Google already rely heavily on AI, and other industries are next in line.

The McKinsey Global Institute predicts that AI will transform fields such as marketing, sales, customer management, finance, and human resources. And according to the Massachusetts Institute of Technology's Sloan Management Review, 85 percent of companies believe that AI will help them succeed. However, this success comes at a cost. Just as machines took over from human factory workers years ago, AI is poised to take over certain jobs.

In fact, this is already happening to routine tasks and roles. Think of the chatbots replacing customer care agents, and the self-driving cars that will make human taxi and truck drivers obsolete. Or consider AI that can filter through job applications or analyse blood and bone marrow for diseases. This advanced tech means that many new hires will not need a desk in the open-plan office, just a bit of digital real estate in the cloud.

So, just how many jobs will AI take from humans? Well, researchers from Oxford University, the World

Economic Forum, and a number of consulting firms have predicted that between 14 and 47 percent of jobs will go to AI – and that is just in the next 15 years! If these figures have you worried about your job prospects, then you will be relieved to learn that it is possible to future-proof your career. Sure, AI has come a long way, but it cannot outshine humans in every area. Knowing this is the first step in developing your edge.

### **AI has gotten faster and smarter but cannot replicate our uniquely human traits.**

If you have ever watched a talent search, you are familiar with this scenario: a singer takes the stage and it is immediately clear that they know their stuff – each note is pitch-perfect. However, the judges, and you at home, are not quite convinced. Something is missing. Perhaps energy, passion, or what people call the “X factor.” The contestant is skilled but does not have what it takes to become a superstar.

AI is similar to this skilled-yet-uninspiring singer. The key message here is: Even though AI has gotten faster and smarter, it cannot replicate our uniquely human traits. AI’s capabilities are undoubtedly astounding. And why shouldn’t they be? The speed and power of computer hardware have developed exponentially since the microchip was invented over 50 years ago. To put that into perspective, consider this; if the smartphone had been built back then, it would have been the size of a 100-story building and needed 30 times as much electricity as the entire world produces!

Take all that computing power that we now have in our palms, and add the fact that computers are teaching themselves. Where humans used to write instructions for computers to follow, computers can now write some of their own algorithms. This learning is fuelled by the data we create every second. AI machines scan that data, finding patterns and manipulating it in order to achieve whatever goals we set for them.

And that, right there, is the catch. AI machines can only work on goals that we set for them. Artificial Intelligence systems are good at completing specific, routine tasks. Some are built to recognize faces, others to translate languages, and there are even machines that compose music. They may do all of this much faster than we can, but their knowledge and skills are limited to those particular tasks.

Humans, on the other hand, can learn about a wide variety of things, and we have the ability to find connections between what we learn. Evolution has gifted us with skills that many take for granted. The author sums these gifts up as the 4Cs – Creativity, Curiosity, Consciousness, and Collaboration. AI is nowhere near developing these capabilities, which is why focusing on these skills is precisely what you need to set yourself apart.

### **The ability to create is a vital human superpower in the age of AI.**

Here is a common movie storyline: A teenager abandons a sport that he is talented in and passionate about because a parent does not think it is worth pursuing. You have probably watched something along these lines once or twice. Off the big screen, many people are dissuaded from developing their natural talents for similar reasons. And there is a particular talent that everyone is born with that is often suppressed by our environment.

The key message here is: The ability to create is a vital human superpower in the age of AI, one that we are not always encouraged to embrace. Creativity is the ability to see beyond what exists and come up with new ideas. It requires us to let our minds explore different areas, sometimes called divergent thinking. We are all born with this skill but, unfortunately, many of us lose it as we grow up.

American psychologist George Land discovered this when he tested the creativity of 1,600 children in the 1960s and 70s. At age five, a whopping 98 percent of the children displayed genius levels of creativity. But when that same group was tested at age ten, only 30 percent could be considered

creative geniuses. At fifteen years old, that percentage dropped to 12. The sad truth behind these fascinating finds is that education tends to discourage creative thinking. Our schooling focuses on analytical thinking, following a logical order to reach a single, correct answer. Studies have also revealed that teachers consider creative personality traits like questioning, disagreeing, or veering off-topic as disruptive to the classroom.

Outside of the classroom, society also has some misguided ideas about creativity. And this can prevent many people from exploring their own ideas. A lot of us are told that only artists, experts, and brainiacs can be creative. Or that creative ideas emerge in unpredictable “a-ha moments.” None of this is true. Anyone can be creative, regardless of what they do. And it is possible to prime our minds so that those “a-ha moments” come regularly. Unlearning these myths and others like them helps to unlock creativity. Which is what anyone who wants a place in the workforce of the future has to do.

Here is some good news: creativity is becoming increasingly important in the workplace. In a 2012 survey of 5,000 adults across five countries, research firm StrategyOne found that eight in ten people think creativity is essential to economic growth. And in 2019, the World Economic Forum’s Future of Jobs report rated creativity as the third most valuable human skill, jumping ten places since 2015. Whether our creativity was discouraged at school or out in society, we can reclaim it and start using it at work.

### **Curiosity helps us gain enough knowledge to stay relevant.**

Previously, we learned why creativity dwindles as we grow, and why it is more important than ever to rebuild it. The question is: Exactly how do we do it? Many things in life are the result of multiple components working together, and creativity is no different. Along with curiosity, consciousness and collaboration, creativity will differentiate us from AI in the workplace. And these skills do not work independently. They actually feed into and build on each other.

So, for creative genius to kick in, we first have to develop another one of the 4Cs – curiosity. The key message here is: Curiosity helps us gain enough knowledge to stay relevant and develop interesting ideas. Remember how creativity relies on thinking widely? Well, curiosity makes this possible by encouraging us to learn new, different things – something that AI machines cannot do.

And since the life expectancy in developed countries is now close to 100 years, gaining skills and knowledge as the world changes won’t just give humans the edge over technology, it will also give us the option of changing careers in our 60-year-long working life. But what is the best way to use this curiosity? Should we try to learn everything under the sun, or become go-to experts in one subject? The answer here is a bit of both.

Curiosity comes in two types; wide-ranging and focused. Engaging the first means seeking out a bit of knowledge about a wide variety of topics, while the second involves mastering one or two areas. When you learn in both ways, you can make insightful, creative connections between different domains, just like great minds of the past have done. Leonardo da Vinci, for example, dabbled in math, music, anatomy, and even botany, all of which influenced his renowned artwork. And more recently, Steve Jobs was inspired to create beautiful fonts for the Macintosh computer by a calligraphy class he took during his student days.

Da Vinci, Jobs, and other successful people fed their curiosity by learning. You should do the same. Maybe you think you do not have enough time but dedicating just one hour of each working day to learning will make a difference. After all, it worked for Benjamin Franklin, the United States founding father who also invented the lightning rod, bifocals, the Franklin stove, and more.

## **Get into the habit of asking the right questions.**

Ever sat back to consider how far questions have brought us? If someone had not wondered why we cannot fly, we probably would not have the luxury of air travel. This, and a host of other inventions we have today, started as questions in the minds of curious individuals. Asking questions is beyond the capabilities of AI machines. They can process the questions that we program them to, but they cannot come up with new ones of their own and, consequently, cannot form novel ideas. This is where being inquisitive – another aspect of curiosity – comes in handy for your career. The key message here is: Getting into the habit of asking the right questions is how we develop our own bright ideas.

The truth is, any one of us can ask a question. However, finding the right question or problem takes a lot more effort, and this is what sets the most creative people apart. Psychologist Mihaly Csikszentmihalyi learned this in a study on innovative thinking. He challenged 31 art students to select a few objects, arrange them together, and then sketch the arrangement. Some of the students chose their objects quickly and spent the bulk of their time drawing – their focus was getting to the perfect solution. The other students spent more time selecting objects. Asking the right questions and finding the right problem was more important to them. With limited time remaining, they rushed through their drawings.

Six years after the study, only a third of the study participants had become successful artists – and they were all from the group that had taken time to find the right questions. If you are wondering just how to ask the right questions, consider these pointers from some of the most innovative organizations out there.

First, remember that good questions do not seek to confirm or clarify what you already know. They are open-ended and invite people to explore possibilities. Global design firm IDEO uses what it calls “How Might We?” questions. Here, the word “might” imply that there are many possible solutions, and this encourages a variety of responses. Over at auto manufacturer Toyota, they use a simple method established by the company’s founder in the 1930s. When investigating an issue, they ask “why” over and over again. That is right, every answer is met with the question “why?” This happens a total of five times and it helps to uncover the root of the problem.

But here is the thing, even when you do ask the right questions, you do not always find the best answers. And this is why it is important to continue asking questions long after you have a solution. By doing so, you will find opportunities to improve your solutions, or even change them altogether.

## **A change in habits and perspective will kick-start your creative ideas.**

Anyone who knows writers or musicians will have heard about the creative block – that frustrating period when good ideas are nowhere to be seen. The bad news is it does not just affect artists. Whether you are writing, composing, or solving a business problem, you are fair game. But there’s good news, too. There are ways to make your creative blocks a thing of the past. The key message here is: A change in habits and perspective will kick-start your creative ideas and keep them flowing.

The scientist Louis Pasteur once said, “Chance favours the prepared mind,” and this is true of creative ideas. If you want more of them, more often, you have to prepare your mind through certain habits. Starting with being more attentive. Living on autopilot means many people only focus on the next thing on their to-do lists, and miss the unexpected, unusual moments around them. But it is these moments that could trigger the next big idea. That is how the microwave in your kitchen came about. Its inventor, Percy Spencer, was testing radar machines when he noticed that the candy bar in his pocket had melted. Through this small accident, he realized that the microwaves emitted by the machines could be used to heat and cook food.

So, when the unexpected happens, take a minute to think about it and understand exactly what might be going on. The next step on the journey to countless ideas is to get away. A new environment alters

your thought processes by exposing you to different perspectives and ideas. There's evidence for this in the fact that people who have lived in different countries score higher in creative thinking tests. And a 2015 study of fashion houses found that the most successful ones were led by directors who had worked abroad at some point.

But do not worry, you do not have to book a flight across the globe. A nearby city, a different neighbourhood, and even a new route to work are all opportunities to renew your perspective. As is the next habit that you need to establish. Hopefully, it is something you are already doing – getting some sleep. When you are in deep sleep, your brain becomes flexible and easily connects different ideas, facts and events. In fact, participants in a Harvard University study were found to be 33 percent more creative after a nap. So, the next time you are struggling to make a creative breakthrough, sleep on it.

### **Be conscious of how you use technology and stay organized.**

Quick question: How often do you think you check your smartphone? If you are thinking every 45 minutes or every 30 minutes, you are way off. The United Kingdom's communication watchdog reports that the average person checks their phone every two minutes. And the average time spent online? That is about 24 hours a week. These stats suggest that jobs are not all that technology is taking. It is also taking our time, and with it, our attention.

The key message here is: By being conscious of how we use technology and staying organized, we can reclaim our time and focus. Between all our devices, we are constantly distracted by the information coming our way. As a result, our ability to focus is suffering. According to a study by Microsoft researchers, attention spans have dropped from 12 seconds to 8 since mobile internet was introduced. And this tech-induced inattentiveness can hold us back in the age of AI. Learning new things, finding interesting problems, and coming up with creative solutions all require uninterrupted attention.

So, how do we become more focused? We start by guarding our time against intrusions. Just because we can be connected constantly does not mean that we should be. Think about it, do you really need to respond to your emails and messages as they come in? What if you dedicated 30 minutes in the morning and another 30 minutes in the afternoon to doing this? You would have stretches of uninterrupted time to focus on the new subject you are learning about, or a new idea you have developed.

We can even go as far as designating spaces for learning and creative thinking. The psychiatrist Carl Jung owned a house near Lake Zürich in Switzerland that he used as a thinking retreat, and Sigmund Freud turned a room in his London home into a sanctuary filled with books and objects to stimulate his mind. Our own sanctuaries do not have to be lake houses or entire rooms. A desk at home, a seat in a favourite coffee shop, even a playlist that puts us in the zone will do the trick.

Unfortunately, despite these measures, inattentiveness might still get the better of us. And this is where we can benefit from mindfulness, a practice that enables us to reign in our wandering minds. By meditating often, or doing yoga, we can develop the mindfulness that will help us focus better and become more conscious overall.

### **Collaboration is key to innovation.**

Okay, so you are learning, asking intriguing questions, and coming up with stellar ideas. Plus, you have regained precious time and attention. Congratulations! You have got curiosity, creativity, and consciousness sorted. Now, let us say you are working on a new idea with great potential. Imagine how much better it would turn out with the help of a whole team of curious, creative and conscious individuals? This is the last C that will put you ahead in an AI-filled workplace: Collaboration. The key message here is: Collaboration is key to innovation, but it is important to know when to team

up and when to work alone. History books are filled with geniuses who we imagine working alone, intently focused on their projects. But this image of the lone genius is not quite right. A great idea may strike one person, but it evolves incredibly when others can contribute, and some of the best minds knew this.

Leonardo da Vinci had an entire studio of protégés helping him, while Benjamin Franklin established the American Philosophical Society, a group of peers dedicated to discussing life's big questions. Collaboration brings a variety of perspectives and expertise to the table, increasing the chances of innovation. To build your own network of collaborators, you have to form what psychologists call "weak ties." These are connections outside your strong relationships with family and friends, and they are most likely to offer perspectives, information, or connections that you would not otherwise have access to.

You may not have a long commute, but you can meet different people by changing routes, going to different coffee shops and restaurants, and, most importantly, talking to new people when the opportunity arises. You can accumulate weak ties by increasing chance meetings. Bell Labs, where fibre optic cables and the first laser were invented, benefited from chance encounters. Its building in New York had hallways so long that people could not see the ends. As a result, researchers from different fields often met on their long commutes from one point to another.

Once you have a network, do not rush out and collaborate every time an idea forms. There is a time for everything, and this also applies to collaboration. Before reaching out, ask yourself exactly why you need external input, and what the people you have in mind can offer. If you cannot clearly answer those questions, put some more solo work into your idea until you can.

### **What I took from it**

AI is developing faster than ever and making short work of the routine tasks and jobs that humans have done for years. Rather than competing with machines in these areas, we can retain valuable roles in the digital economy by focusing on learning widely, developing our ability to find interesting questions and solutions, and collaborating with each other.

Look for meaning in your work. When our work gives us a sense of value and purpose, our motivation levels shoot up and so does the curiosity, creativity, and determination that we bring to our jobs. Look for ways in which your work makes a positive difference in other people's lives or think about the aspects of your job that you are most passionate about. Finding and focusing on these will give you a newfound enthusiasm. So, do not be too afraid of AI replacing you. In the words of the author - "Machine are tools, and tools need to be used. By people. To imagine otherwise is to fall into the realm of science-fiction extrapolation."

# Thou Shall Prosper

Daniel Lapin

Throughout history and well into modern times, Jewish people have had a reputation for business acumen. This commercial savvy has often been presented in a negative light; however, in spite of these views, the ability to produce wealth that is often ascribed to Jewish people is now generally recognised as a positive and enviable attribute. But why have Jews become successful in business and how can it serve as inspiration for others?

Jewish prosperity in business is rooted in the books and oral history that make up the Jewish religious canon. In combination with Jewish traditions, the Torah, Talmud and other sources have inspired and guided Jews for millennia. So says Rabbi Daniel Lapin in his book, *Thou Shall Prosper*, published in 2002. In his book, Lapin reveals how you or anyone who wants to succeed in business can draw inspiration from these sources as well.

The three most powerful points I took from the book were;

1. A common lesson is to sacrifice present pleasures for future benefits – a reminder that putting in hard work today may well lead to a successful business tomorrow
2. Jewish wisdom teaches us that success only comes if the business has the approval of our friends; it is this approval that creates the passion and drive behind the endeavour
3. “Life is a journey, not a destination.” One should learn to regard business the same way. This means that we should not be counting the days to retirement. There is no reason to stop earning money when we hit a certain age. To retire is to stop providing value to society. It is also to limit your potential

## **Despite many misconceptions, Jews are successful in business because of education.**

If you are familiar with Shakespeare’s *The Merchant of Venice*, you know that the Jewish character of Shylock is portrayed as a greedy and vengeful loan shark who is only interested in money. Unfortunately, this derogatory portrayal of the Jewish businessman has persisted. In addition to this negative image, there are many false theories about why Jews have tended to have business success.

One absurd theory suggests that Jews evolved in such a way that moneymaking is simply part of their DNA. Jews have survived countless periods of persecution, so it has been suggested that only wealthy Jews survived these ordeals since they could buy their way out. Therefore, the future generations of Jews were born with a so-called “money gene.” Another nasty theory is that all Jews are cheaters.

However, this enduring myth is refuted by the Torah, the holy book that defines Jewish law. It specifically calls for people to maintain an honest reputation when doing business. Any instances of cheating would be a direct offense against God. Then there is the conspiracy theory that Jews are part of some secret society. While it is true that community is an important part of Jewish life, Jews also tend to be very argumentative, so it’s ridiculous to think they could keep some secret organisation together and under wraps, says Lapin. People also often think of Jews as possessing superior intelligence.

But intelligence generally does not increase monetary gain since people with higher IQ, s tends to become academics and scientists, not business leaders. When Jewish people do become successful, it is because they have received a good education at home and in the synagogue. A Jewish home is often filled with books, and the centrality of education in Jewish life is why Jews throughout history have had high literacy rates. This is also why, even though Jews only comprise 0.2 percent

of the world's population, there is a disproportionately large number of books published every year concerning Jewish themes.

In addition to the Torah's teachings, there are also oral traditions that continue to be passed down. A common lesson is to sacrifice present pleasures for future benefits – a reminder that putting in hard work today may well lead to a successful business tomorrow.

### **In Jewish tradition, business is seen as a good, morally honest and noble endeavour.**

It is not uncommon for corporations and businesses to be demonised by politicians and the media. And this can turn people's attention away from the job creation and the charitable work that comes from the private sector. On a more personal level, a healthy business venture can also make people feel better about themselves. It is not unlike someone being part of a clinical trial and being given a placebo; the patient often ends up feeling better just by being part of the program. The same can happen when someone is part of a noble business pursuit. Due to the teachings of the Torah, Jews will apply this kind of morality to doing business and earning money.

Jewish wisdom teaches us that success only comes if the business has the approval of our friends; it is this approval that creates the passion and drive behind the endeavour. We are also urged to be virtuous and ethical. When we see ourselves as morally upright, running our business in an honest and ethical fashion, we are less likely to enter illegal or immoral territory. Of course, if someone gets away with cheating, they will probably be tempted to cheat again.

However, this can be prevented by atonement. Atonement – being “at one” with God – is an important part of Judaism. By atoning, one can “reset” after committing a bad deed. But to reset one has first to learn from what one did wrong and diminish the temptation to repeat the behaviour. Here is a little-known fact, says Lapin; Jews joined the banking profession in an effort to perform a noble service and help others.

Jewish tradition views lending money, as opposed to giving money away, as a charitable act. By lending, others can start their own business and retain their independence and dignity in the process. This goes against another misconception; that Jews became bankers to escape oppression, says Lapin. Christians and Muslims tend to subscribe to a literal interpretation of the Bible that prohibits charging interest. But the oral traditions that were passed down – the Jewish laws that were not written in the Torah – taught Jews that there were moral circumstances that permit charging interest.

### **Jewish customs also teach us how to build successful relationships and strong networks.**

Now that you know some of the noble reasons for getting into business, let us take a look at how tradition can lead to successful business relationships. In a traditional Jewish workplace, co-workers are not unlike friends and family. But for these kinds of relationships to develop, they have to be genuine. People can sense false intentions, so it will not work if a friendly environment is forced.

You might think of friends and family as being separate from business, but they can actually be a good source of inspiration. For Richard Simon, his personal relationships lead to him becoming a pillar of the publishing world. As a child, Simon saw how much his grandmother and her friend loved doing the Sunday crossword puzzle together. But they would always finish it by Tuesday, which left them with four puzzleless days.

Sensing a market for a book full of puzzles, Simon took the idea to his friend Lincoln Schuster, and, before, long the publishing giant Simon and Schuster was born. The communal nature of traditional Jewish life also provides a helpful network of connections. Traditional Jewish prayer requires a quorum of ten men called a minyan; every synagogue in every city has one. So, whenever a Jewish businessman is traveling, he can join a minyan and find a number of opportunities to form new

relationships. And since this kind of network is always growing and evolving, there are always new possibilities.

There are also teachings that can help form successful new relationships by allowing people to better understand themselves and how others perceive them. Once we clearly understand how others see us, we can change things about ourselves that might be hindering a successful relationship. These lessons about self-change are taught by Mussar, a body of ancient Jewish literature. In this context, “change” does not simply mean changing how you appear; it also means changing who you really are. And with this understanding, relationships can take on a deeper, even spiritual, meaning.

### **Business isn't perfect, but Jewish tradition shows that imperfection isn't a bad thing.**

Are you a perfectionist? Do you end up working longer and harder than others because you are never satisfied until things are absolutely flawless? Well, trying to be perfect is a fool's errand because, in fact, nothing is perfect – especially when it comes to business. There is a Jewish belief called “ethical capitalism,” which reminds us that people are taught the ways of business by others and that this, in turn, can lead to corruption. It also reminds us that it is wrong to blame capitalism for the mistakes of a few capitalists.

It helps to look at business as an inanimate object. You cannot blame an object for causing problems; you can only blame the people who misuse it. Bernie Madoff is a perfect example. His Ponzi scheme cheated people out of millions of dollars by means of fraud and false trust. So, we must hold Madoff accountable, rather than blaming capitalism.

Being moral in your business practices is a challenge since most actions can have both good and bad effects. When we look at the steel magnate Andrew Carnegie, and the railroad tycoon George Pullman, we see two people who improved society at a great cost to others. Carnegie is considered to be one of the biggest robber barons of the nineteenth century. And though Pullman pioneered US railway expansion, he exploited his workers by charging them higher rates for housing and food. Some workers for the Pullman Company owed more than they ever earned.

But business, though far from perfect, does not have to be evil, and there are Jewish traditions that show how one can work morally within the business system. They say business is driven by greed. But Jews are taught that you must provide for yourself before you can help others.

By turning people into customers, business is considered dehumanising. But Jewish tradition offers a different perspective; business emulates God's creativity by being a source of growth and inventiveness. Business is also sometimes blamed for creating inequality. However, without business, there would be no wealth to sustain the economy. And it's the government – not business – that's responsible for just redistribution of this wealth.

### **Leaders are united by certain traits, which are often the result of tumultuous times.**

What comes to mind when you think of a great leader, asks Lapin. There have been many great leaders over the years, and Jewish tradition shows us that there are certain characteristics that they all share. One of these characteristics is the ability to follow. Leaders often are, or were, followers. Even Moses, one of history's greatest leaders, had a mentor; God. Leaders also have a vision and a goal, and they are persuasive in telling people how they will achieve it.

God's vision, according to Lapin, was the world we see before us, and his goal was the Sabbath. That is why Jews celebrate the Sabbath every Friday night. And leaders are not afraid of necessary confrontation. The necessity of confrontation is driven home by the tale of Joseph. Joseph's brothers, envious of the favour shown him by their father, plotted to kill Joseph. One of these brothers, Judah, instead of confronting his brothers, compromised and suggested they

sell Joseph into slavery. This cost Judah his role as leader. If he had stood up to his brothers, it is likely they would have listened to him and never attempted to kill or enslave Joseph.

Leaders also use the power of faith. The power of faith can come in different forms. The most obvious is perhaps daily prayer. Less obvious is the ability to have faith in oneself and to instil that personal faith in others so that goals are achieved. And leaders carry themselves with a respectful presence. There is a reason the Talmud, an ancient collection of rabbinical doctrines, calls the lion the “King of Beasts.” It is not the biggest or strongest animal, but it earns its respect through its regal posture and careful movements.

Another thing to consider is that there is no single definition of a leader, and that they fill many roles; guiding people through change, being an inspiring role model or helping people develop, for example. More often than not, people do not become leaders by learning these skills; the role is thrust upon them under extraordinary circumstances. Many believe that New York mayor Rudolph Giuliani would never have been considered a notable leader if it had not been for the chaotic and tumultuous events of 9/11. But this event brought out the leader in Giuliani, and he did an able job of guiding the city out of crisis.

### **Success comes to those who embrace change but keep themselves firmly rooted.**

Many people fear change. Yet, as we grow older, we are always learning and changing, even if we are not aware of it. Judaism teaches us to embrace the fact that all humans are unique and that they continue to change throughout their lives. Once we learn to accept this change, we can then learn to profit from it. The Star of David provides clues for us to follow. The star is comprised of two triangles. The three points of one triangle represent three fixed entities – God, humans and the physical world. The other triangle’s points represent openness to change. Change, though often initially painful, is beneficial in the long run.

Some companies go out of business when faced with change. For example, many companies went under when steel replaced cast iron as a construction material in the nineteenth century. But for those that hung on, innovations were soon introduced that allowed them to switch over to the new material, get rid of expensive equipment and retrain or replace employees. In the end, the change brought profits that outweighed the initial loss.

Judaism shows us that change is easier to accept when it arrives gradually, which is why events that honour a marriage, or a death take place over several days. Moving forward is a matter of staying connected to the parts of your life that will never change and remaining open to the things that should or have to change. This applies to successful business, too. Stay rooted to the company’s core values and mission statement, but do not close yourself off to other opportunities. Disney does this well. It maintains a commitment to wholesome family entertainment, but that does not stop it from buying other companies like Miramax to produce more adult-oriented fare.

### **To forecast the future, learn about the factors and trends that influence your business.**

People also fear the uncertainty of the future. However, you can minimise uncertainty by making accurate predictions – something that is not really that hard to do. The Talmud is explicit about how the wise are different from the prophetic. While a prophet can look into the future, the wise can look at today’s events and see what consequences they will have tomorrow.

You do not have to be a genius to see what the future has in store. You can actually train yourself to figure it out, but to do that well, you must keep your ego and ambitions out of the equation. Ego can obscure the obvious. For instance, the crucial difference between Neville Chamberlain and Winston Churchill, two of history’s most intelligent British politicians, is that Chamberlain’s ego prevented him from seeing Hitler for who he really was. Churchill’s sight, on the other hand, remained unclouded by

ego and ambition.

To make an accurate forecast, you do not need to become an expert on every business trend in the world – just the ones that directly affect your business. So, if you work for a tech company, stay informed on regulations that might change how people use the internet. And if you are in the auto industry, pay attention to trade regulations, which might change the price of materials. Foreseeing the future comes from careful interpretation of both the present and the past.

Generally, a steady and stable economy will stay that way unless an outside force brings change. The price of gold, for example, usually remains steady when inflation and civil unrest are at a minimum. However, investors recently noticed that gold prices were remaining stable despite inflation, which is when they realised that Russia was selling off its reserves to counteract inflation and keep investors buying. When Russia stopped interfering, the price of gold went up as predicted.

Other things to keep an eye on are patterns and trends. These can be especially helpful in industries like fashion, where trends can help predict what will sell next year.

### **Money is a part of who we are and there are benefits to giving it away.**

The old adage that “time is money” is certainly true. However, there is more to the equation than that. In the Talmud’s story of Joseph, we also learn that we are money and that money is part of us; it is impossible to separate the two. Everything we possess – time, dignity, persistence, creativity energy – can be quantified in terms of money. And once we accept this notion, we can move forward and have a healthier relationship with money.

Money can also create a bond of trust. This happens every time someone receives a cheque after performing a service. Money serves as a symbol of reputation as well. For instance, Ford paid nine billion dollars to purchase Jaguar and Volvo not because the companies’ assets were worth that much. Ford was buying their reputations.

One of the Jewish terms for money is “zuz,” which, in English, means “to move.” Therefore, money is something that naturally moves between people; when it does not, economies can go into recession or fall apart completely. So, money is not meant to be kept hidden away or stashed under a mattress.

It is far better to follow Jewish wisdom and use that money for charitable purposes, which can spark the creation of even more wealth. Jewish tradition holds that giving money to charity is more spiritually beneficial to the giver than to the receiver. There is no rational explanation for this – it is just the right thing to do. The United States even bases its tax laws on this principle, which is why donations to religious and charitable foundations are not taxed.

In fact, one of the best ways to increase your income is to give your money away. No one likes doing business with someone who seems desperate to cling to every penny. It is better to have a reputation as a giver since most people want to be involved with charitable causes. But remember; though charitableness can come with rewards, you should mainly give because it is the moral thing to do.

### **Thou shalt not retire.**

Here is another apt adage: “Life is a journey, not a destination.” One should learn to regard business the same way. This means that we should not be counting the days to retirement. There is no reason to stop earning money when we hit a certain age. To retire is to stop providing value to society. It is also to limit your potential.

So, pretend you are an Olympic athlete running the 400-meter dash. You do not come to a full stop once you hit the finish line; you keep going, even though you are slowing down. And do not fixate on

the end goal. Focusing on retirement can give you a distorted view of life that may cause you to slow down before you even get there.

Instead, be one of the many people who have remained active and productive in their later years. At age 65, Harlan Sanders was virtually penniless. He was tired of trying to survive on a small monthly retirement cheque from the government. And so, for the next 15 years, he sold fried chicken and began the empire known as Kentucky Fried Chicken, now known as KFC.

Many people are fooled by three lies that get told about retirement. The first is that work has no real value – that it is just a means to an end. From this perspective, the only reason to work is to one day no longer have to. Jewish tradition teaches us otherwise. Work has value for the worker and humanity. It gives them dignity and transforms the world around them.

Another lie is that we become weaker and less productive in old age. But unless you have an extremely physical job, you are likely to become more productive as you get older. As you continue to grow your network of contacts, you will have more and more opportunities to generate wealth. The third lie is that people are meant to be consumers, not creators. But as we have seen above, spirituality and creating wealth can go hand in hand, and as we get older our connection to our spiritual selves only gets deeper.

### **What I took from it.**

We can create success and wealth in business by looking to the ancient teachings and wisdom of Judaism. These principles can be applied to many business situations in the modern world.

Be a numinous networker. It is easy to think of networking as a way to make quick connections to improve your business. But try thinking about these connections in a deeper, more numinous way – in other words, as deeper, more spiritual relationships. Your business networks should be treated like long-lasting and fruitful relationships that benefit both you and the people you are

I enjoyed this book. Many of the concepts shared are good, common sense, back-to-basics, solid, ethical, moral ways to live your life and conduct business, which I agree with. I am not Jewish but found the explanations and references to how the Jewish religion teaches about business and the handling of money to be interesting. If you're looking to lay the foundation or validate core principles regarding money such as, do good work, care about others, be fair, honest and kind in your dealings in business and finance, this is a good book for you.

# Self Help

“Character cannot be developed in ease and quiet. Only through experience of trial and suffering can the soul be strengthened, ambition inspired, and success achieved.”

– Helen Keller

# Atomic Habits

James Clear

How many habits do you have? You might need a minute to think about that question, because habits are, by definition, behaviours that we perform automatically, with little or no thought. From making a coffee when we get up in the morning to brushing our teeth before bed at night, our habits subtly guide our daily lives. So says James Clear in his book *Atomic Habits; An Easy and Proven Way to Build Good Habits and Break Bad Ones*, published in 2018.

As a result, you may not realize how much power there is in habits. If repeated every day, even the smallest actions, from saving a dollar to smoking a single cigarette, can accumulate force and have a huge effect. So, understanding and embracing habits is a great way to take control of your life and achieve more. Studying this book, you will learn precisely what habits are, how they are formed and how you can harness them to change your life for the better.

The three most powerful points I took from the book were;

1. We do not notice tiny changes, because their immediate impact is negligible. But if we repeat small behaviours day after day, our choices compound into major results
2. If you want to make a positive change in your life, you should recognize that change requires patience, as well as confidence that your habits are keeping you on the right trajectory
3. Simple changes to our environment can make a big difference and another great way is to use implementation intentions. An implementation intention introduces a clear plan of action, setting out when and where you will carry out the habit you would like to cultivate

## **Baby steps.**

Imagine a plane taking off from Los Angeles en route to New York. If, during take-off, the pilot decided to adjust course 3.5 degrees to the south, the plane's nose would move just a few feet. Outside of the cockpit, no one on board would notice the small movement. But over the course of a journey across the country, the impact of the change would be considerable, and the confused passengers would alight from their plane in Washington, DC, not New York.

We do not notice tiny changes, because their immediate impact is negligible. If you are out of shape today, and go for a 20-minute jog, you will still be out of shape tomorrow. Conversely, if you eat a family-size pizza for dinner, it will not make you overweight overnight. But if we repeat small behaviours day after day, our choices compound into major results. Eat pizza every day, and it is likely you will have gained considerable weight after a year. Go jogging for 20 minutes every day, and you will eventually be leaner and fitter, even though you will not have noticed the change happening.

If you want to make a positive change in your life, you should recognize that change requires patience, as well as confidence that your habits are keeping you on the right trajectory – even if you aren't seeing immediate results. So, if you find that your behaviours and habits do not seem to be paying off, try to focus on your current trajectory rather than your current results. If you have little money in the bank but you are saving something each month, then you can be confident that your trajectory is right. Your current results might not be great, but keep going in this direction and, in a few months or a few years, you will notice a major improvement.

By contrast, a millionaire who outspends his earnings each month may not be worried about his bank statements from one month to the next, but, in the end, his trajectory will catch up with him. The key to making big changes in your life does not have to involve major upheaval; you do not

need to revolutionize your behaviour or reinvent yourself. Rather, you can make tiny changes to your behaviour, which, when repeated time and time again, will become habits that may lead to big results.

## **What is a habit?**

When you walk into a dark room, you do not think about what to do next; you instinctively reach for a light switch. It is a habit – a behaviour that you have repeated so many times that it now happens automatically. So how are habits formed? Well, our brain figures out how to respond to new situations through a process of trial and error. Nineteenth-century psychologist Edward Thorndike famously demonstrated this with an experiment where cats were placed in a black box. Unsurprisingly, each cat immediately tried to escape from the box, sniffing at its corners and clawing at its walls. Eventually, the cat would find a lever that, when pressed, would open a door, enabling escape.

Thorndike then took the cats that had successfully escaped and repeated the experiment. His findings? Well, after being put in the box a few times, each cat learned the trick. Rather than scrambling around for a minute or more, the cats went straight for the lever. After 20 or 30 attempts, the average cat could escape in just six seconds. In other words, the process of getting out of the box had become habitual.

Thorndike had discovered that behaviours that give satisfying consequences – in this case, gaining freedom – tend to be repeated until they become automatic. Like cats in the nineteenth century, we also stumble across satisfying solutions to life's difficulties and predicaments. And, thankfully, we now understand a little more about how habits work.

Habits begin with a cue, or a trigger to act. Walking into a dark room cues you to perform an action that will enable sight. Next comes a craving for a change in state – in this case, to be able to see. Then comes our response, or action – flicking the light switch. The final step in the process, and the end goal of every habit, is the reward. Here, it is the feeling of mild relief and comfort that comes from being able to see your surroundings.

Every habit is subject to the same process. Do you habitually drink coffee every morning? Waking up is your cue, triggering a craving to feel alert. Your response is to drag yourself out of bed and make a cup of coffee. Your reward is feeling alert and ready to face the world. But, of course, not all habits are good for us. Now that we understand how habits work, let's look at building positive ones that improve our lives.

## **Building new habits.**

All of us have cues that trigger certain habits. The buzz of your phone, for example, is a cue to check your messages. And once you understand that certain stimuli can prompt habitual behaviour, you can use this knowledge to change your habits. How, asks Clear. Well, one way is to change your surroundings and general environment to encourage better habits.

Just take the work of Boston-based doctor Anne Thorndike. She wanted to improve her patients' dietary habits without requiring them to make a conscious decision. How did she pull this off? She had the hospital cafeteria rearranged. Originally, the refrigerators next to the cash registers contained only soda. Thorndike introduced water, not only there, but at every other drink station. Over three months, soda sales dropped by 11 percent, while water sales shot up by 25 percent. People were making healthier choices, just because the cue to drink water rather than soda was more prominent.

So simple changes to our environment can make a big difference. Want to practice guitar? Leave the instrument out in the centre of the room. Trying to eat healthier snacks? Leave them out on the counter, instead of in the salad drawer. Make your cues as obvious as possible, and you will be more likely to respond to them.

A second great way to strengthen cues is to use implementation intentions, says Clear. Most of us tend to be too vague about our intentions. We say, “I’m going to eat better,” and simply hope that we will follow through. An implementation intention introduces a clear plan of action, setting out when and where you will carry out the habit you would like to cultivate. And research shows that it works. A study of voters in the United States found that the citizens who were asked the questions “At what time will you vote?” and “How will you get to the voting station?” were more likely to actually turn out than those who were just asked if they would vote.

So, do not just say, “I’ll run more often.” Say, “On Monday, Wednesday and Friday, when the alarm goes off, the first thing I’ll do is don my running gear and clock two miles.” Then leave your running shoes out where you will see them. You will be giving yourself both a clear plan and an obvious cue, and it may surprise you how much easier this will make it to actually build a positive running habit.

### **Habit vs reward.**

In 1954, neuroscientists James Olds and Peter Milner ran an experiment to test the neurology of desire. Using electrodes, they blocked the release of the neurotransmitter dopamine in rats. To their surprise, the rats simply lost the will to live. They had no desire to eat, drink, reproduce or do anything else. Mere days later, they all died of thirst.

The human brain releases dopamine, a hormone that makes us feel good, when we do pleasurable things such as eating or having sex. But we also get a hit of feel-good dopamine when we simply anticipate those pleasurable activities. It is the brain’s way of driving us onward and encouraging us to actually do things. So, in the brain’s reward system, desiring something is on par with getting something, which goes a long way toward explaining why kids enjoy the anticipation of Christmas so much. It is also why daydreaming about your upcoming hot date is so pleasurable.

We can also turn this knowledge to our advantage when trying to form habits. If we make a habit something we look forward to, we will be much more likely to follow through and actually do it. A great technique for this is temptation bundling. That is when you take a behaviour that you think of as important but unappealing and link it to a behaviour that you are drawn to – one that will generate that motivating dopamine hit.

Ronan Byrne, an engineering student in Ireland, knew he should exercise more, but he got little enjoyment from working out. However, he did enjoy watching Netflix. So, he hacked an exercise bike, connecting it to his laptop and writing code that would only allow Netflix to run if he was cycling at a certain speed. By linking exercise – literally – to a behaviour that he was naturally drawn to, he transformed a distasteful activity into a pleasurable one.

You do not need to be an engineer to apply this to your life. If you need to work out, but you want to catch up on the latest A-list gossip, you could commit to only reading magazines while at the gym. If you want to watch sports, but you need to make sales calls, promise yourself a half hour of ESPN after you talk to your tenth prospect. Soon enough, you may even find those unattractive tasks enjoyable since you will be anticipating a pleasing reward while carrying them out.

### **How to make a new habit.**

We often spend a lot of time on behaviours that are easy. Scrolling through social media, for example, takes zero effort, so it is easy for it to fill up lots of our time. Doing a hundred push-ups or studying Mandarin Chinese, in contrast, requires a lot of effort. Repeating those behaviours daily until they become habitual is tough.

So, making behaviours as easy as possible is key to turning them into habits. Luckily, there are a few tricks we can embrace to make anything seem easier. The first is to focus on reducing friction. The

author has always been hopeless at sending greeting cards, while his wife never fails to do so. Why? Well, she keeps a box of greeting cards at home, pre-sorted by occasion, making it easier to send congratulations or condolences or whatever is called for. Since she does not have to go out and buy a card when someone gets married or has an accident, there's no friction involved in sending one.

You can also use this approach to increase friction for bad habits. If you want to waste less time in front of the TV, unplug it and take the batteries out of the remote. Doing so will introduce enough friction to ensure you only watch when you really want to. The second trick for making a habit easier in the long term is the two-minute rule, a way to make any new activity feel manageable. The principle is that any activity can be distilled into a habit that is doable within two minutes. Want to read more? Do not commit to reading one book every week – instead, make a habit of reading two pages per night. Want to run a marathon? Commit to simply putting on your running gear every day after work.

The two-minute rule is a way to build easily achievable habits, and those can lead you on to greater things. Once you have pulled on your running shoes, you will probably head out for a run. Once you have read two pages, you will likely continue. The rule recognizes that simply getting started is the first and most important step toward doing something. Now let's take a look at the final rule for using habits to improve your life.

### **Make your habits immediately satisfying.**

In the 1990's, public health researcher Stephen Luby, working in the neighbourhood of Karachi, Pakistan, achieved a huge 52-percent reduction in diarrhea among the local children. Pneumonia rates dropped by 48 percent, and skin infections by 35 percent. Luby's secret? Nice soap. Luby had known that handwashing and basic sanitation were essential to reducing illness. The locals understood this, too; they just were not turning their knowledge into a habit.

Everything changed when Luby worked with Proctor and Gamble to introduce a premium soap into the neighbourhood for free. Overnight, handwashing became a satisfying experience. The new soap lathered easily and smelled delightful. Suddenly, everyone was washing their hands because it was now a pleasing activity.

The final and most important rule for behavioural change is to make habits satisfying. This can be difficult, for evolutionary reasons. Today, we live in what academics call a delayed-return environment. You turn up at the office today, but the return – a paycheck – does not come until the end of the month. You go to the gym in the morning, but you do not lose weight overnight.

Our brains, though, evolved to cope with the immediate-return environment of earlier humans, who were not thinking about long-term returns like saving for retirement or sticking to a diet. They were focused on immediate concerns like finding their next meal, seeking shelter and staying alert enough to escape any nearby lions.

Immediate returns can encourage bad habits, too. Smoking may give you lung cancer in 20 years, but, in the moment, it relieves your stress and the craving for nicotine, which means you may ignore the long-term effects and indulge in a cigarette. So, when you are pursuing habits with a delayed return, try to attach some immediate gratification to them.

For example, a couple the author knows wanted to eat out less, cook more, get healthier and save money. To do so, they opened a savings account called "Trip to Europe," and every time they avoided a meal out, transferred \$50 to it. The short-term satisfaction of seeing \$50 land in that savings account provided the immediate gratification they needed to keep them on track for the ultimate, longer-term reward. However pleasurable and satisfying we make habits; we may still fail to maintain them. So, let us take a look at how we can stick to our good intentions.

## **Use the help of a framework to keep your habits on track.**

Whether you are trying to write your journal or give up smoking, managing your own behaviours can be hard. Thankfully, there are a few simple measures that can help. Habit tracking is a simple but effective technique. Many people have kept a record of their habits; one of the most well-known is founding Father Benjamin Franklin. From the age of 20, Franklin kept a notebook in which he recorded adherence to 13 personal virtues, which included aims like avoiding frivolous conversation and to always be doing something useful. He noted his success every night.

You, too, can develop a habit tracker, using a simple calendar or diary, and crossing off every day that you stick with your chosen behaviours. You will find it effective because habit tracking itself is an attractive, and satisfying, habit. The anticipation and action of crossing off each day will feel good and keep you motivated.

A second technique is to develop a habit contract that imposes negative consequences if you fail to stay on track. Bryan Harris, an entrepreneur from Nashville, took his habit contract very seriously. In a contract signed by him, his wife and his personal trainer, he committed to get his weight down to 200 pounds. He identified specific habits that would help get him there, including tracking his food intake each day and weighing himself each week. Then he set up penalties for not doing those things. If he failed to track food intake, he would have to pay \$100 to his trainer; if he failed to weigh himself, he would owe \$500 to his wife.

The strategy worked, driven not just by his fear of losing money but by his fear of losing face in front of two people who mattered to him. Humans are social animals. We care about the opinions of those around us, so simply knowing that someone is watching you can be a powerful motivator for success.

So why not set yourself a habit contract? Even if it is not as detailed as Harris's, consider making a commitment to your partner, your best friend or one of your co-workers. If you agree upon a set of consequences for failing to follow through, you will be much more likely to stick to your habits. And as we have seen, sticking to a positive habit, however small, is a surefire way to achieve big things in life.

## **What I took from it.**

A tiny change in your behaviour will not transform your life overnight. But turn that behaviour into a habit that you perform every day and it absolutely can lead to big changes. Changing your life is not about making big breakthroughs or revolutionizing your entire life. Rather, it is about building a positive system of habits that, when combined, deliver remarkable results.

Use habit stacking to introduce new behaviours. If you want to build a new habit, you could try stacking it on top of an existing habit. Let us say you want to start meditating, but you are struggling to find the time. Try thinking about those things you do effortlessly each day, like drinking coffee in the morning. Then just stack the new habit on top. Commit to meditating each morning when you have finished your coffee and build on the natural momentum that comes from a habit you already have.

# Don't Sweat The Small Stuff

Richard Carlson

When I was in my twenties and early thirties, I always told myself that I need to run my life like a business. I told myself then, that a business is a complex animal. To 'survive' I need to constantly change, constantly look for areas to improve myself. I need to be busy all the time. Run complex spreadsheets calculating various personal finance ratios. Always checking what others (my competition) are doing and therefore what I need to do to stay in front or keep up. How wrong I was!

To some extent, even now in my forties, some of that, unfortunately, is still a part of me. But I do realise more and more now that what Ecclesiastes 1:14 is saying in that "I observed everything going on under the sun, and really, it is all meaningless, like chasing the wind"; is so true.

Now I realise that being more relaxed actually makes me more focused, and being more focused on what really is important, gives me more time to do things properly. I read somewhere that you need to die before you die, to realise what truly is important to you. They go on to say that once you are on your death bed and you look around to see who is with you, do you truly appreciate the meaning of life. Why wait - die before you die, now! Realise now what is truly important to you.

The other day a colleague asked me "Robbie, how do you get it right to always be so calm"? Perhaps I am a ticking time bomb, was my response, but I do feel that I am on the right track. Still having a long way to go to be fully in control though, I decided to read Richard Carlson's, Don't Sweat The Small Stuff. First published in 1997 it is a short read but full of practical wisdom.

The three most powerful points I took from the book were;

1. Why the past and the future do not matter;
2. What the small stuff is and how not to sweat it; and
3. That your life is not an emergency

Keeping up with the modern world is not an easy thing to do, says Carlson. There are always tasks to do, information to analyse, people to meet. How can we possibly get everything done? Surely, we need to concentrate on speed and work quickly to fit everything in? The author disagrees. If we want to lead our most fulfilled lives, he says, we need to start slowing down, not speeding up. The key to getting the most out of life is to disengage from the crazy, fast-paced modern world and take a more considered, mindful path.

## Stay Relaxed.

Carlson asks; what attitude do you need if you want to get the most out of life? Most people think we have to give up relaxation and happiness if we really want to achieve our goals. We need to concentrate, have a competitive attitude and live a disciplined life of hard work. Is this correct?

Actually, no, says Carlson. Constantly working yourself into a stressed-out state will only leave you fatigued and unhappy. You will not get any closer to your goals – you will just run yourself into the ground. If you want to truly realize your dreams, it is much better to have a relaxed and contemplative approach to life. When you do, it is actually much easier to get things done. But how do you start?

Carlson goes on to say that you start by relaxing whenever you can. You might think you should only relax on holidays or the weekend, but that is not true. You should always be able to take a break after you have been working too hard.

If you want to lead a more relaxed life, you have to stop living for other people and follow your own will. We often work ourselves into unhappiness because we are trying to please others. Stop doing what you think other people want from you – it will only stress you out. It is impossible to please everyone all the time. It is much healthier to be true to yourself and your own goals. So, take a step back. Remind yourself that your life is not an emergency.

### **Control your ego and do not let your ego control you.**

‘Significance’ is a basic human need. We all want to be liked and most people want to look important, so they push themselves to do things that will be well perceived. We create a lot of problems for ourselves when we do this. It is natural to want to be in the spotlight. We want to speak our minds and impress people. Unfortunately, this can be very harmful to our relationships. When we interrupt people or fail to listen to them respectfully, we can make them nervous or irritable.

Instead, try to let go of your ego, be patient and let them finish. That can be difficult at times, says Carlson, but it will certainly improve your interaction and help you work through any problems. If you are determined to always be right, you will alienate yourself from the people who really matter. So even if you feel the need to correct something a loved one says, just stay calm and let them keep speaking. This will create a much more relaxed atmosphere between the two of you.

Do not hold on to your anger. It can lead you to turn a small argument with a friend into something big – like deciding to never talk to them again. We also tend to harbour resentment for anyone we have had an argument or misunderstanding with. When we do this, we turn small stuff into big stuff in our minds. Why do we do this? It is because we tend to see forgiveness as a sign of weakness and insecurity.

We subconsciously want to protect our images and will even go so far as to give up relationships with loved ones, to protect your ego, but then hoping that they will come back to us. Why play games like this. You can avoid all this by simply letting go of your need to be right and focusing on being happy instead. Keep the small stuff small. There are much more important things to care about.

### **Be kind to others.**

You can put all your effort into making yourself happy but still feel empty inside. What is a better alternative, asks Carlson? Making others happy instead! Sharing your love with others can be magical. You will not just make them happier – you will make yourself happier too.

We are often so busy working toward our goals that we forget to appreciate the things that matter most. So, take a break each day and think about the people you are thankful for. Let your loved ones know that you are grateful to have them.

Your gesture does not have to change the person’s life, but it will certainly brighten their day. Little acts of kindness – like taking out the trash instead of waiting for your partner to do it – can make a big difference; I can learn from that. And what about the people you do not love? The ones who annoy you. If you want to be happier, give them a break too, says Carlson.

People can certainly be annoying or frustrating but that does not mean you should get upset. Instead, try to understand what is causing them to be that way. It is never the circumstance, but how you handle the circumstance that effects your own mood. When you empathise with them, they will annoy you less.

## **Positive thoughts.**

Your entire life reflects your thoughts. So, make sure you think positively! Your thoughts create your reality. It is very important to be aware of that. You do not just observe your thinking – you live it out. Fortunately, you have the power to control what is happening in your mind. When you are stuck in a bad mood, focus on changing the way you think. Remember that everything will pass. Nothing stays forever. Every moment is temporary, and you can choose to feel better whenever you want. A good way to train your thoughts and become more optimistic is to spend time alone. When you take time for yourself, you give yourself a precious gift. Whether it is ten minutes of meditation, yoga or spending time in nature, quiet time is an important part of your life, says Carlson.

Another important part of thinking positively is to stop fighting against your problems. When you confront your problems with aggressiveness, you will only get more frustrated. You do not achieve happiness by getting rid of your problems – you achieve it by learning from them. You will always have problems – that's life in this system of things. Your problems can serve as great teachers. View them as a source of awakening.

The author gives an example; let us say your problem is that you feel envious of someone else's happiness. First, try to understand why you feel this way. What part of your life are you unsatisfied with and what can you do to make it better? Focus on what you have instead of what you do not have. If you find yourself wishing your partner were different, try thinking about their positive qualities. Instead of complaining about your salary, be grateful you have a job. You will start to feel much better about your life. You cannot control the outside world, but you can control what happens inside.

## **The power of now.**

People are nervous and anxious far too often, says Carlson. We forget to take a deep breath and enjoy the only moment we really have now! If you want peace of mind, it's essential to live in the moment. We tend to dwell on problems from the past and worry about the future so much that we end up frustrated, depressed and anxious.

You can avoid these problems by staying focused on the here and now. Concentrate on your breathing for a few minutes, says Carlson. It is a great way to bring your mind into the present moment. It is very destructive to always want to be somewhere else. Appreciate where you are at the moment. When you focus on where you are now, you will find peace even when things are challenging. Do not keep holding out for the perfect moment – it will never come.

Of course, it is frustrating when life is not exactly what you want, but the secret to being happy is to appreciate the present. You also need to be patient. When your patient with yourself and your life, you will be more willing to accept things as they are. So, practice patience on a daily basis. If you get stressed out at work, take five minutes to focus on your breathing and forget about your boss. You might even gain some new insights on the situation during those five minutes.

Doing too many things at once can also prevent you from enjoying the moment. Do not be too anxious to finish all your tasks at once. Pace yourself and try to learn something from everything you do. Remember: the present is the only time that really exists. Cherish it for what it is.

## **Make peace with yourself and your life.**

We live in a very fast-paced world. Everything needs to be done right now and it needs to be done perfectly. This constant rush puts a lot of pressure on us, even as we go through the most basic tasks in our daily lives. You may think you can bring out your best by being a perfectionist, but that will never work. If you strive to be perfect, you will only end up focusing on your flaws. Focus on the things you appreciate rather than the things you want to change. Remember: your life is

not an emergency, says Carlson. A lot of people neglect their families and dreams because they feel they need to do as much work as they can, as quickly as possible. But really there is nothing more important than your happiness.

So, when you are feeling stressed out or under pressure, just stop for a minute. Repeat to yourself that nothing is an emergency. Call someone you love or do something that makes you happy. Aim to be relaxed even when things are not going your way. We often procrastinate on relaxing, just thinking we will do it later. That is not true – you can relax now.

Even when you are genuinely busy it is still possible to clear your mind. You have to make the choice though, so push yourself to go through your day with a relaxed attitude. Your problems will gradually melt away. You have to decide for yourself how you want to live your life.

### **What I took from it.**

Your life reflects your thoughts – when you master your thoughts you can master yourself. So, stay calm, even in situations where you think you cannot. Thinking positively, take the time to appreciate your loved ones and let go of your animosity. Live in the moment. When you learn to keep the small stuff small, you will find real happiness and peace of mind. Do not harbour negative feelings toward others.

This book does a great job of laying down the framework of how habits are formed and shares insightful strategies for building good habits and breaking bad ones. Even though I was already familiar with research behind habit formation, reading through this book helped me approach habits I am trying to adopt or break in my own life from different angles. I have some way to go.

# First Things First

Stephen R. Covey

Who wouldn't be interested in focusing on the things that bring happiness, joy and meaning to their lives – their so-called “first things”? First Things First; a book written by Stephen Covey and first published in 1994, will help you do just that, by showing you how to find balance between crucial aspects of your life, and ultimately achieve inner peace. It will teach you why we often fail to meet our goals, and what you need to do to change that.

Stephen Richards Covey (October 24, 1932 – July 16, 2012) was an American educator, author, businessman, and keynote speaker. His most popular book and a Top 10 book of mine is The 7 Habits of Highly Effective People. Times magazine named him one of the 25 most influential people. He was a professor at the Jon M. Huntsman School of Business at Utah State University at the time of his death. Covey died in 2012.

The three most powerful points I took from the book were;

1. To increase your quality of life, you need to identify your priorities, replace urgency with importance and create balance between all your tasks
2. When you put your “first things” first, instead of putting the urgent or smaller things first, you'll achieve happiness and inner peace
3. Imagining your ideal life when you are 80 will help you identify your most important goals. The goals you want to have achieved by then should be your “first things”, so start working towards them!

## How to live a meaningful life.

Imagine a fairy offered you the ability to do everything 20 percent faster. Would you accept? Most people probably would but think about it – would that really solve all your problems, asks Covey. Many of us would accept the offer because we strive to do as many things as we can, as quickly as possible. But actually, this is not the best way to manage our time. Unfortunately, many self-help books reinforce the myth that it is by encouraging us to make to-do lists and cross off items as we achieve the bullet points.

That sort of thinking only pays attention to one side of the coin; your commitments, objectives and itineraries – what we can call the “clock of our lives.” It often neglects the other side, the “compass of our lives” – your values, principles and conscience.

Actually, living a meaningful life is not about crossing things off a list; it is about using the compass of your life to identify the first things that have a long-lasting, positive impact on your happiness. For most people, the first things are personal relationships with family and friends. Have you ever heard of a person looking back and wishing they had spent more time at the office, asks Covey.

For instance, imagine that you focus on your career, work your way up in your company and earn a top salary – only to realize that you are now too old to have children. If you have always wanted a family and it is now too late, your career was not truly one of your first things. If you are not aware of your first things, you may end up making decisions that make you unhappy in the long run. So, after all, you would be better off not accepting the fairy's offer. Instead, try to identify the first things that give your life the most meaning, and make those things your priority.

## **Instead of focusing on what is urgent, focus on what is important.**

Most people arrange their daily schedules by doing things they think are urgent and important, such as going to work or visiting family. The problem is that often the “urgent” and “important” things in our lives are not the same. When we have to choose between doing tasks that are urgent, and tasks that are important, most people choose the urgent ones.

There are a few reasons for this. For one, urgency is a status symbol in Western societies; if a person is stressed from having too much work, we assume they must be important. If a person is not stressed out, they often want to defend themselves, so they do not seem insignificant. Another reason is biological; taking care of urgent responsibilities can give you an adrenaline rush, which makes you feel energized and alive.

Unfortunately, when we focus on urgency, we have less time for what is really important. For example, imagine you have not had much time with your family lately, so you plan a family evening, only to have your boss ask you to join a business dinner that same day. What would you do? Most people would choose the business dinner and postpone the family evening for later.

Though you can postpone the family evening, decisions like that can cause distrust and disappointment in your family in the long run. That mistrust is much harder to fix than to prevent. Important things like spending time with family are what bring us long-lasting happiness, but these things are rarely urgent, so they can be easy to neglect. But in the end, it is possible you would be happier not attending the meeting. Surely, you cannot choose your family in every case, but you also should not always let urgent things get in the way of what is truly important.

## **Focus on your principles.**

So, what is the first step in focusing on the important things in life, ask Covey. Well, you need to identify what those things are! To increase your quality of life, you have to fulfil your four basic human needs;

1. The first, the “need to live,” is physical. It means having food, shelter and good health.
2. The next is mental, the “need the learn.” It means being intellectually stimulated.
3. Our social need is the “need to love,” which means having people you trust and care for.
4. The last is spiritual – the “need to leave a legacy,” which means having a sense of purpose in life.

Our happiness depends on meeting these needs. If they are not met, we experience stress, anxiety or fear. For instance, consider the difference between a homeless or lonely person, and a healthy person who is devoted to a meaningful cause. Fulfilling these needs makes the difference between a low and high quality of life.

To fulfil and balance your needs, you must focus on your principles. Your principles are your inner compass – they are what guide you in the direction you want to go in life. Your principles must guide all your decisions – you cannot only adhere to them sometimes. Also, accept that living by your principles might not provide immediate results.

For example, if you are a lazy person but your dream is to become a marathon runner, nothing can transform you overnight. You will have to stick to your principles of dedication and good health for a long time. But sure enough, by exercising and changing your diet, your principles will guide you to meet your goal. So, focus on your principles, and use them to guide yourself as you fulfil and balance your needs. This method will lead you to a greater quality of life.

## **Develop a strong vision for the future.**

Have you ever wondered how some people make decisions easily, while others take forever considering alternatives? Being able to make decisions easily depends on how future-oriented you are. Having a clear vision for your future makes it easier to make choices and generally improve your quality of life. Your desire to achieve your dream will be stronger than negative feelings like fear or doubt, so you will get over them easier.

For example, consider how Gandhi's life was guided by his vision of having an egalitarian society. Before he devoted himself to that goal, he was shy and nervous about public speaking, even in his early days as a lawyer. However, he overcame his social anxiety as he began to commit to his dream, as his shyness was unimportant compared to his vision.

Having a future-oriented vision also helps you through times of struggle, by reminding you what you are fighting for. An extreme and poignant example comes from Victor Frankl, a famous Holocaust survivor. He observed that the most common trait among the Holocaust survivors he knew was not their health, intelligence or family – it was their sense of purpose for the future. "They had," he wrote, "a mission to perform, some important work left to do." Their desires to realize their goals gave them the strength to go on.

So how can you develop a powerful vision for the future, asks Covey. One good way is to write a personal mission statement for yourself. Picture yourself at your eightieth birthday. What do you see? A big family? Maybe you have created a successful business? What have you achieved by then? The goals you imagine yourself having accomplished in your old age are the goals you should focus your future on. Once you know what you want to achieve, start taking steps towards it – do not waste your time with short-term, unrelated concerns. You know what you want, so go for it!

## **Only goals based on principles and a vision for the future are likely to be reached.**

Have you ever made a New Year's resolution you did not end up completing? On New Year's, many people set personal goals, such as studying or exercising more, only to quickly fall back to their old habits. Whether it is New Year's or any other time, people often set goals they don't end up reaching. Sometimes, even if a goal is reached, the outcome can still be disappointing.

For example, the Soviet government put restrictions on alcohol sales in the 1980s, hoping to decrease alcohol consumption. Alcohol consumption did decrease, but narcotics consumption increased, as people just turned to narcotics instead. The goal was reached, but at a high cost. So, what makes the difference between goals that are reached, and goals that are reached in a positive way?

Firstly, the goal must be consistent with your principles. For each goal, identify the what, why and how: the right thing (what) for the right reasons (why) and in the right way (how). For instance, imagine your what is to maintain a healthy body. In this case, your why might be because you want to feel good and set an example for your children, whereas your how could be to change your eating habits and exercise regularly.

In addition to finding your what, why and how, make sure your goal is within your influence. You do not have influence to change the president's foreign policy, but you do have complete control over your body and personal habits.

Finally, your goal also needs to be driven by importance rather than urgency. If you are overweight and want to become fit, it is okay if your goal might take years to complete. What matters is that you remain dedicated because you realize your goal – like being healthy – will have a profound influence on your life and you truly want to work towards it.

## **Find the right perspective and acting with integrity.**

To take nice pictures, a good photographer uses different lenses, getting the right perspective for each one. In the same way, you need to use the right perspective when making your important decisions. Most people use only one perspective when making decisions or plans. They will use a “close-up view” for immediate needs, such as deciding what to have for dinner. Or they will use a “wide-angled view” for long-term goals, such as planning where to be in five years.

The best solution is to combine these two perspectives by planning in weekly terms. Try creating a weekly calendar, where you can allot time for things that matter to you, like work, family or leisure. You do not have to designate specific hours for your activities, just make sure they get proper attention throughout the week, says Covey.

Also, try to combine your goals whenever you can. For example, imagine you are stressed because you have to cook dinner, meet your new neighbours and prepare a new recipe for an upcoming reception. A good perspective here would be to combine these activities; you could try the new recipe for tonight’s dinner and make extra to give to the neighbours and take to the reception!

In addition to using the right perspective, you also need to remember your principles. For instance, imagine that you plan to stay home and read one night, but your friend calls you with a serious problem. What would you do? You would probably give up your reading to go meet your friend, because you value friendship and reliability.

Adhering to those principles is more important than having a relaxing evening. Sticking by your principles in decision-making is called having “integrity in the moment of choice,” and this integrity is crucial for making good choices. So, make good decisions by finding the right perspective on them, and letting your principles guide you.

## **Focus on interdependence and cooperation, not independence and competition.**

Throughout life, we are constantly compelled to compete; we worry about who is got the best grades, the best job, or who is smarter or prettier than us. This unhealthy focus on independence and competition impacts us negatively. Trying to achieve everything alone and in competition makes us rush to get things done. People “rush to live” by getting fast food while running to an appointment, instead of taking time to eat healthily. Others “rush to love” by moving from one relationship to another – ending things when difficulty arises, rather than working through it.

Unfortunately, this lifestyle of rushing has many negative effects. A bad diet leads to health problems, for instance, and couples lacking patience to work through difficulties leads to divorce. Rather than being driven by independence and competition, we need to focus on interdependence and cooperation. Why these two concepts in particular? Well, consider that the four basic human needs (living, loving, learning and leaving a legacy) all involve having relationships with others. Everyone depends on other people to stay alive, healthy and happy, and we need to acknowledge this interdependence as a good thing.

Valuing interdependence and cooperation is much more positive than viewing everything as a competition. When we work independently, we often think that in order to win, we must cause someone else to lose. But if we focus on cooperation, it is much easier to create win-win situations.

Consider, for example, two people working through their marriage. Many couples divorce when their initial honeymoon-phase has worn off and they hit their first serious problems. But couples who work together, share a vision, and value cooperation might find that solving problems together can make their marriage even stronger. So, you can see the long-term and immediate benefits of working cooperatively with the people in our lives, rather than viewing them as competitors.

## **Be a strong personal leader by empowering those around you.**

We all play leadership roles for others in our lives sometimes. As a parent, it is your relationship with your children. As an employee, it is your relationship with your colleagues. To be a good personal leader in such situations, you must strive to empower those you lead. While it is not possible to directly instill empowerment in anyone, you can create conditions that allow them to empower themselves. Conditions such as trust, respect and honesty will naturally lead to empowerment in others.

To foster those conditions, involve others in your decision-making. For example, imagine one of your subordinates at work comes to you with a problem. Do not immediately try to fix it – first, ask them what they would do, and encourage them to find a solution themselves. They will appreciate that you value their creativity and feel respected. They will likely feel empowered and strive to perform even better in the future. So, when you lead someone, focus on mutual trust and accountability. Studies have shown that companies with a “high-trust-culture,” in which employees feel trusted by their employers, perform better than those with a “low-trust-culture.” So, do not lead through strict supervision and control; it might seem easier in the short-term to get immediate results, but in the long run it’s not productive.

A good way to cultivate a “high-trust-culture” is to get regular feedback from those you lead. This will demonstrate that you respect their opinion, and you will also know what areas you might need to work on. For instance, if a CEO listens to his employees’ feedback, it shows that he values their judgement, and also demonstrates his humility; he knows his performance might not be perfect and he is willing to change. You will find personal leadership roles in every aspect of your life, whether it is family, work or even just friends. So be a strong leader by basing your relationships on trust, respect and honesty.

## **Picture your different roles and tasks as parts of one whole, not as separate pieces.**

Strong principles are essential for improving your quality of life. They will guide you in deciding how to spend your time, and generally move you in a fulfilling direction. One of the most important principles that provides this guidance is balance. A good sense of balance gives you a more productive view of life. Most people view their lives as having separate compartments: work, family, free time, etc. They view the roles they play and the tasks they perform as falling into these independent categories. But actually, viewing our lives this way can be limiting.

When people view their lives as compartmentalized, they have difficulty transferring their skills between compartments. For example, studies have shown that a person who is successful in academia might fail at a task that is not academic, even if the task is similar. They simply are not used to thinking across the borders they have imagined.

In reality, all our roles and tasks are related. If you only focus on one, it will cause frustration. For example, if an executive only thinks of her timetables and duties, she will be annoyed if her employees interrupt her with questions. But if she allows time for “interruptions” to address employees who have questions and stop by her office, she will be strengthening her relationships with them and allow them to perform their jobs better. The executive would have a more balanced outcome by combining her “work” and “social” roles.

Combining your roles in life is easier than you think. For instance, imagine you are stressed because you feel like you should be exercising more and spending more time with your children, but your schedule is so full you can barely squeeze in one of the two. So why not combine them by playing tennis together with the children? Understanding the connectivity in your life will lead to new opportunities like that one, and help you spend time more effectively. So, do not compartmentalize your life – keep a balanced view, and remember that everything is connected.

## **Striving for quality of life and putting “first things first” will result in inner peace.**

Do you consider yourself to have inner peace? Does your life have balance, joy and meaning, asks Covey. If you are not fully satisfied with your life, it is likely that discouragement, pride or unrealistic expectations are the problem. They are the three most common preventers of inner peace, which is necessary to have a high-quality of life.

Sometimes all three of these occur at once. Imagine you consider yourself highly skilled at your job, but when your supervisor retires, you are not chosen as the successor. You will probably feel discouraged and ashamed at having to stay in your position while someone else gets the promotion.

Instead of feeling shame, try to focus on humility and courage, and live without unrealistic expectations. Do not think you have to compete with others to prove your worth – someone else getting the promotion does not mean that your performance is not good enough. In fact, your performance might be so good that your company does not want you to leave the position. Thinking this way helps you find peace and improves your life in general.

The biggest key to reaching inner peace is putting “first things first.” A powerful metaphor comes from a professor who once presented his students with an empty jar. He filled the jar with rocks and asked the students if they thought it was full. They said it was. In response, the professor poured in gravel, which filled in the gaps between the rocks. Next, he poured in sand, and finally, to completely fill even the tiniest gaps, he poured in water.

What can we learn from this? Think of that jar as the time in your life; the rocks as the important things, and the sand, gravel and water as the rest. If you put in the sand and gravel first – the unimportant daily chores – there will not be room left for the rocks. But when you put in the important things first, everything else will fall into place.

### **What I took from it**

Too often, we focus on the wrong things in life, which results in stress and disharmony. To increase your quality of life, you need to identify your priorities, replace urgency with importance and create balance between all your tasks. You can do this by having a future-oriented vision, which will help you set effective goals. When you put your “first things” first, instead of putting the urgent or smaller things first, you will achieve happiness and inner peace.

Imagine your ideal 80th birthday. What do you see? Who is around you, and what have you achieved? Imagining your ideal life when you are 80 will help you identify your most important goals. The goals you want to have achieved by then should be your “first things”, so start working towards them!

For me, this was a new way of looking at “a balanced life.” Sometimes I focus so much on the urgent things, that I forget about the important things that are not necessarily so urgent. Very insightful. It made me think that I need to focus less on getting things done, and more on getting the important things done!

# High Performance Habits

Brendan Burchard

Are you a hard worker whose efforts still do not set you above the crowd? And, despite aiming for the stars, do you still tend to get caught up in answering emails and checking off tedious to-dos? Then you are probably like most people: an average performer, stuck in the hamster wheel of life, says Brendon Burchard in his book - High Performance Habits.

Luckily, he goes on to demonstrate in his book why this need not be the case forever. In fact, a new body of research shows that the highest performing people in this world are not born with an extraordinary ability to achieve, and neither does their success stem from some specific kind of personality.

Instead, Burchard says; the key to long-term success lies in certain habits – and with the help of just six of them, identified through research on high performance, you will be well on your way to extraordinary achievements. You will see why seeking clarity, generating energy, raising necessity, increasing productivity, developing influence, and demonstrating courage will help you perform your way to the stars.

The three most powerful points I took from the book were;

1. High Performers continually ask themselves big questions, such as, how do I want to be remembered?
2. High performers stand out because they make routine exercise a habit and stick to it, while under-performers are great at coming up with excuses to avoid working out
3. High performers will bring an extra urgency to the work they are doing, usually in the form of an outside obligation that is added to their own internal desires

## **The key to high performance is good habits and high confidence.**

Have you ever met someone who makes it all look so easy? Maybe she is earned multiple degrees while working two jobs, all without breaking a sweat. Or maybe he is the kind of guy with a Midas touch, and every project he tackles turns into a smashing success. Chances are they are what is known as a high performer.

The author, has conducted one of the biggest studies on high performance in history, examining people from over 190 countries to understand exactly how they achieve their long-term success. He concluded that gender, race, age and personality traits have very little to do with high performance. What really matters are certain key habits, like keeping yourself physically fit.

In other words, it is not who you are, but rather what you do that is important. The author also discovered that these habits did not form by accident. High performers took them on deliberately. Now, do not confuse these habits with “life hacks” or some simple, magical changes that take zero effort to implement. High performers outperform their peers because they consciously and consistently practice these habits.

Another common trait is their confidence in being able to master even difficult tasks, like big new projects at work or learning new languages. Again, this is not an inherent trait; it is an earned confidence achieved through diligent practice. This is good news for you, as it means you too can gain this confidence through practice. With continued practice, you will gain more knowledge, master more skills, and your confidence will grow, making it easier to keep learning and growing. This loop of

continual growth and self-improvement is the hallmark of high performance.

### **High performers have self-awareness and a clear purpose in life.**

When was the last time you asked yourself the big questions, such as, how do I want to be remembered? Or, what do I want to do with my life? Many will only think about these questions on their birthday or New Year's Eve. But high performers ask these questions all the time; it is a habit the author calls seeking clarity, and it keeps them goal oriented.

It also gives them a strong purpose, direction and focus in everything they do, since they know precisely how their actions are helping them reach their goals. Conversely, when you lack clarity, you can end up sulking, mired in negative emotions. Clarity comprises four fields that you need to work on to improve:

First is the self and knowing exactly what kind of person you want to become. High performers are focused on becoming the best version of themselves and being remembered this way. This could mean, for instance, being kind, attentive and humble. Once you determine the self you want to be, the question becomes: Have you behaved this way so far and if not, what do you need to change?

Second is the social sphere and being aware and intentional about your interactions with others. High performers do not have an autopilot for socialising. If there is a lunch date, meeting or party coming up, the question becomes: How can I shape this meeting in a positive way?

The third is the field of skills and knowing precisely which talents need to be developed. High performers will focus on a primary profession or field of interest and work on giving themselves time to practice while avoiding all distractions. If you want to be a great writer, this will mean setting aside time to write, not just learn about writing, and then getting feedback to learn what needs improving.

The fourth field is service and finding a way to give back to others. High performers excel at working on behalf of others and not just themselves. Doing so helps motivate them while also endowing them with a passionate drive and granting meaning to their work. The question to ask here would be: Who needs me?

### **High performers have a positive outlook on life and are physically and mentally fit.**

If you were to list the habits you imagine a successful CEO might have, you might think of efficient scheduling and the ability to keep distractions to a minimum. But you might not think of exercise. People often associate CEO's with mental fitness, but research shows that they are also physically fit, and their energy levels tend to be similar to those of professional athletes. The author calls the second habit generating energy, and its key to maintaining a high-performance level.

Research have found that regular exercise increases the production of new neurons in the areas of your brain that are related to learning and memory. Exercise also improves mood and reduces stress, all of which adds up to greatly enhanced leadership performance. But everyone knows that exercise is good for you, right? High performers stand out because they make routine exercise a habit and stick to it, while under-performers are great at coming up with excuses to avoid working out.

As for generating mental energy, this is achieved by having a positive outlook on life. Data shows high performers are more cheerful and positive than their peers, even though their personal and professional lives are no less difficult and troubled. They continually and intentionally focus on the good while avoiding getting mired in negative thinking. And the research suggests that this positive thinking directly relates to high performers leading happier emotional lives and having more mental energy.

To get yourself into the habit of positive thinking, take a moment each morning to ask yourself what you

have to look forward to in the day ahead. Maybe you are meeting an old friend for lunch or celebrating a co-worker's birthday.

Keep in mind that this is not just about staying in a good mood: Neurosciences believe that anticipating positive events releases as much dopamine – the hormone associated with happiness – as experiencing the event itself. In this way, having a positive outlook is a very powerful tool since you get twice the joy – both in anticipation of the event and again when it actually happens!

### **High performers use inner and outer expectations to stay motivated.**

Let us imagine two runners about to start a race, waiting for the starting pistol to go off. Both have a similar track record, and each has put in the same amount of training. But there is one difference: one racer is thinking about the personal glory of winning, while the other is thinking, "I have to win this for my mother." Who is going to win? Probably, the latter. That is because raising the stakes improves performance. The author calls this third habit raising necessity.

High performers will bring an extra urgency to the work they are doing, usually in the form of an outside obligation that is added to their own internal desires. This provides them with more motivation and increases their likelihood of success. Under-performers, on the other hand, will rely solely on their own desire to succeed. This makes their success a preferable outcome, but not a necessary one.

So, to put this into practice, you first need to set a high standard for yourself. Remember, you want to master your craft, so do not settle for simple and easily achievable goals. Now, you will also want to attach your personal goal to an external obligation so that a positive outcome will also benefit someone else in your life. If your local charity will gain exposure and a massive windfall of donations as a result of your project's success, you will likely work twice as hard to ensure it comes together.

Another high-performer habit for raising the stakes is simply to share your goal with a lot of people. Outside expectations are created, and the act of voicing your goal out loud can increase its importance. No one wants to fail publicly, so the more people you tell, the more committed you will feel.

When the author set a goal to create an online video course on personal development, he not only told his friends and family about it, he also invited them to be the first to try it out and offer feedback. So, his closest social circle was both aware and looking forward to him completing this project, and these expectations all-but guaranteed that Burchard would meet his deadline.

### **High performers avoid distractions and are smart with their deadlines.**

It is terrible to always feel busy and run down, yet still not getting enough done. This is a clear sign that there is an imbalance between the energy you are spending and the results you're seeing. This brings us to the fourth habit of high performance: increasing productivity, which you can do by learning how to separate the important work from the unimportant work. This way, you only spend energy on the tasks that really matter.

It is common for under-performers to pay a lot of attention to small tasks that make them feel productive in the short run but add up to very little in the long run. One of the main offenders is email, on which people spend an average of 28 percent of their working week. This is because the simple act of answering an email can give you a reassuring feeling of accomplishment, even though it is likely distracting you from more important work.

Another important aspect of productivity is timing. Data shows that under-performers are over three times more likely to fall into a false deadline trap, which means that they set a deadline that is not strictly enforced. Knowing that the due date is preferable, not a must, you will not feel any motivation to meet it. In short, you will be unproductive.

But high performers are great at planning, which means creating clear and challenging deadlines and goals. Having a visible finish line ahead of you is a great way to maintain focus, fight distraction and keep your energy levels up, and data shows that a person with a clear and challenging goal will always outperform someone with no strict deadline.

Big projects that are carried out over long periods of time can be especially challenging, especially when it comes to staying focused and keeping the momentum going. In these cases, you will find it helpful to break the long-term goals down into sub-goals of four or five small steps that will get you to that finish line. This way you can stay focused and move forward, even when there are months or years still to go.

### **High performers are appreciative, giving and aware of what others need to succeed.**

There is a popular notion that it is “lonely at the top,” meaning that once you reach the highest rung of the professional ladder, there will be no one around with whom to share your achievement. But this is not the case for high performers, as the research shows them to be quite capable of establishing meaningful and lasting connections with their peers.

High performers are appreciative and giving people who are not afraid to also challenge those they work with and expect the same from others. In 2016, the American Psychological Association’s Work and Well-Being Survey revealed that only half of the workers in the United States feel valued and recognised by their superiors. High-performing managers would not stand for this. In his study, Burchard found high performers routinely praising and cheering on their staff. They are also more likely to notice and appreciate good work.

High performers were found to have a giving mind-set – the fifth habit. They are well aware of the struggles and desires of others and use that knowledge to provide people with what they need. They also know that their staff need the trust and freedom to make their own decisions. Having this power is a great motivator, and high performers are both aware and respectful of this. Being perceptive and aware of what people need to grow allows high performers to assign the right tasks to the right people so they can reach the next level.

And when a high performer needs something themselves, they do not hesitate to ask for a favour. This is something under-performers often resist for fear of being judged or rejected, even though statistics show that the average person will get a positive response three times more often than they expect. In fact, fears of being harshly judged by our peers are generally overestimated. The truth is, most people are too busy to spend time thinking about you, so relax!

### **High performers are not afraid to take risks and are open about their ambitions.**

Are you the kind of person who prefers to be left alone in their comfort zone? If so, how much pressure does it take for you to break out? For high performers, risk-taking is not unusual at all. In fact, demonstrating courage is the sixth and final habit of high performers, and it goes hand-in-hand with gaining a positive perspective on challenging situations.

Again, attitudes like these are not inherent personality traits; they are characteristics that high-performing individuals have practiced and worked at over time. They recognise that taking bold action involves a higher risk of failing – that is why these moves are considered bold! But high performers have learned how to overcome their fear and act.

With practice, you too can make bold decisions. And just like high performers, you can even come to enjoy the thrill of taking risks. Making a risky move is like any other learned skill – it gets easier the more you do it, so all you need to do is start taking those leaps. Like parachuting, the first time is always filled with panic and dread, but after each jump, it gradually becomes a little easier and less stressful.

Most people will avoid any kind of struggle but being extraordinary and reaching your goals means learning how to greet challenges with a smile. It's all about having the right perspective, and rather than complaining about life being difficult, higher performers will see each new challenge as an opportunity to grow.

While the average person prefers to work toward their dreams in silence, high performers do not hold back despite being fully aware that someone might call them "delusional," "unrealistic" or even "crazy." For them, it is all part of life's precious struggle. One of the commonest bold acts is being open and honest about one's true ambitions. This is another behaviour that many will avoid due to unwanted judgement or ridicule.

So, do not waste another day. Now's the time to open yourself up to the world and all the good and bad it has to offer. By being open, you will find that there are a lot of people out there just waiting to help turn your dreams into reality.

### **What I took from it.**

High performers are not born extraordinary; they grow through steady and persistent practice that involves a conscious attempt to master certain habits. They are highly aware of the purpose of their work, stay energetic, use external motivators, know how to increase productivity through careful planning, regularly connect and give to those around and take bold risks.

Seek clarity in your social interactions. Do not just enter a social interaction on autopilot. Ask yourself beforehand: How can I be a good person in the upcoming situation? What will the other person expect? What kind of mood and energy do I want to create, and how can I act to achieve that outcome?

This book is chock-full of concrete information and steps to follow to become or reinvigorate the high-performance self. If you are looking to really reflect and do some work, this book will be so helpful. It is not a book about everyday habits, though. It is really for if you are trying to be completely on top of your game and being 100% your best self in your work and life.

# Letter from a Stoic

Seneca

It is often said that the past is a foreign country – but sometimes it is as familiar as can be. Written almost 2,000 years ago, Letters from a Stoic remain as vital and insightful today as when they were first composed. In fact, the book bears a striking resemblance to that most modern of literary genres, the self-help book! Seneca's concern is to help his readers through the maze of perennial problems that confront us in all times and places. What is the good life? And how do we achieve it when we are beset by frailty, subject to unpredictable fates, and face the inevitability of death?

Seneca recommends balanced and simple living in harmony with nature, and his letters set out a series of actionable insights that can help us onto the right path of reflection, inner peace and the avoidance of temptation. In this book you will find out why philosophy is the key to wisdom; the importance of choosing your friends wisely; and how to remain calm in the face of disaster.

The three most powerful points I took from the book were;

1. The fruit of working on our minds is wisdom, and attaining wisdom is the primary aim of our lives
2. The royal road to wisdom is study. The payoff of that effort is insight. We achieve wisdom and come to see that living in harmony with nature is the only truly rational decision.
3. The good life is a life lived in accordance with nature. That means leading a simple and honourable life free of vice and temptation. Studying philosophy can help us in this pursuit

## **True wisdom is knowing how to live a simple life in accordance with nature.**

Imagine wandering through a forest beneath a high canopy of towering trees blotting out every last ray of light or climbing into a jagged cave that no human hand could have carved. The feeling of awe we experience in moments like these reflects our appreciation of the work of the divine. But divinity is not just something out there in the world – it is also something that is within every one of us. The divine resides in our souls. It is part of us, but it is not truly ours. Like the rays of sun that touch the earth but belong to a star in the sky, our souls belong to divinity itself.

Because they are not ours, we cannot work on our souls or take credit when they are praised. But there is something we can work on; the mind. Our minds are unique. They differentiate us from one another. They also set us apart from the animal world, since what defines man is that he can think rationally. Rational thought is a product of the mind. That means we can, and should, devote ourselves to honing and perfecting it. The more effort we make to perfect our minds, the more unique we become. Unlike the trappings of everyday life like houses, furniture and artwork, which are simply backgrounds to our lives, the mind is a true one-off. That is why it deserves our attention and labour.

The fruit of working on our minds is wisdom, and attaining wisdom is the primary aim of our lives. So, what does it mean to be wise? Wisdom is knowing how to live as nature intended us to and constantly striving to stay true to that intention. As the author sees it, Nature's plan for us is to live simply, to abstain from worldly pleasures and the desires that drive us to accumulate vast fortunes, gorge ourselves on food and desperately seek fame and fortune. Wisdom allows us to see that. Living in accordance with nature also means confronting the fears that emerge when we look upon the natural cycle of life, in which loss and death are inevitable.

But that doesn't mean we need to lock ourselves away in a library and devour as many books as we can lay our hands on. All it takes is a little work every day. After all, the royal road to wisdom is study. The payoff of that effort is insight. We achieve wisdom and come to see that living in harmony with

nature is the only truly rational decision.

## **Philosophy is the key that unlocks wisdom and happiness.**

What is philosophy? Simply put, it is the study of truth in the world that surrounds us and the world of the divine; in other words, philosophy is the key to the good life and virtuous living. But wait, how do you get from truth to good living, asks Seneca.

Philosophy is the light that illuminates the truth. And once we can see clearly, we can make better decisions about how we should live. Take the fear of death. When we think philosophically, we see that it is just as much part of the natural order of things as life itself. Why should we fear something that belongs to nature? Or think of the desires that animate our attempts to accumulate riches or seek out the pleasures of intoxicants like wine. Philosophy shows us that both drunkenness and wealth are fleeting moments.

So, once we look at the world rationally, we begin to attune ourselves to nature. In turn, this provides us with true happiness. You can see why Seneca thought that was the most important subject of all! Compare philosophy to technology, an area in which so much of human ingenuity is on display. Engineers and architects help us build beautiful dwellings, which marble quarriers can later adorn with stunning floors.

But what does all that really add up to? Sure, you will have a nice enough banquet hall in which to wine and dine your guests. But do you truly need that? After all, we know of tribes who find shelter in simple pits dug directly into the ground. They do not seem unhappy that they are not sleeping in rooms outfitted with finest marble from Carrara; they appreciate what they have, however little that might seem when you compare it to a palace.

Just as we do not need luxury to find shelter, there are many other things we do not need to be happy. This is another lesson that philosophy teaches us. So how does philosophy stack up against other subjects? Music might help us harmonize notes and chords, but does it help us achieve inner harmony with ourselves?

Or consider geometry. It lets us measure everything from the distance between two stars to the size of our estates. But it offers no insight into why a man who has lost every acre of his estate can still smile in the face of the world. If you want to measure a soul, you will need to turn to philosophy, says Seneca.

So that is the first subject you will need if you want to become wise. Philosophy teaches us what nature intended for us. It helps us learn how to face our fears and achieve a sense of balance while doing away with pointless distractions and focusing on true happiness.

## **Do not just study any old way, do it properly!**

Okay, you have decided to study philosophy to find out how nature intended us to live. How do you go about it? Surely the great philosophers of Greek antiquity can help. Why not dip into the writings of Zeno, the first stoic, or Aristotle or Plato?

But there is a catch; studying has to be taken seriously. You cannot just skim the surface; you have to plumb the depths. Casually perusing lots of different authors will only give you a superficial understanding of their ideas. Think of it like dashing around the world and never staying very long in any one place. You will return home with hundreds of fleeting impressions and a ton of new acquaintances – but very few true friends.

That is why the best course of action is to take an established and trusted author and stick to him. It

is in the deeper end of the pool that you will really start learning how to swim! Sticking to an author means studying his work in detail, but it does not mean ignoring everyone else. No single philosopher, no matter how great, ever divined the whole truth. To get at truth, you need to understand philosophy as a whole.

But you do not just need to read widely and deeply; you also need to read actively. Simply repeating what Plato or Zeno have to say on a given topic might be a good way for children to learn, but it is not enough for adults. Mature learning is active – you gain your own knowledge. Great philosophers can help you with this, but in the end, you will have to take leave of them as well, as you forge your own path.

This means comparing their insights and drawing your own conclusions. Once you start doing that, you are already contributing to philosophical knowledge about the world. Chances are you will not be the next Socrates – but remember, there is no monopoly on truth. In fact, there is plenty for all of us!

### **Your mind is your most valuable possession.**

Some itches just cannot be scratched. You can travel the whole world and see countless new cities, scenes and people, but still wind up feeling restless. That is because travel can be a form of escapism. What you neglect is what really matters; developing your mind. If you take care of your mind, you will be at home anywhere in the world.

Imagine a heavily laden ship. As long as the cargo is properly secured, it can sail the stormiest of seas with confidence. But if the goods are poorly fastened, they will start slipping and sliding around the hold and, soon enough, end up taking the whole ship down. A healthy mind is a bit like the well-stowed ship. Everything is fastened in its proper place. It can travel anywhere and, no matter how rough or serene the ocean, the view from the bridge will always be a pleasure.

But if your mental cargo is badly stored, maintaining an even keel is next to impossible. You will have an unbalanced mind and be beset by restlessness. So, you should focus on securing your mental freight. After all, peace of mind comes from inside – you cannot find it in the outside world. Think of a spacious house in the countryside, far from the hustle and bustle of the city. You buy it in the hope of creating an oasis of calm and you even go as far as establishing rules that stipulate that everyone inside the house has to tiptoe around at night to preserve the absolute quiet.

Yet, even after all that, you still cannot sleep. You lie awake at night and begin imagining strange noises. No matter how peaceful your surroundings are, you are still plagued by a restless mind. What do you do? True serenity is achieved by looking inwards and quieting your mind. Philosophy, which teaches us how-to live-in accordance with nature, is the handmaiden of tranquillity.

A properly working mind is a wondrous thing. It can even heal the body. Health is a necessary but insufficient condition of the good life, according to Seneca. Exercise is important and useful for that reason, but only when it does not become an obsession. A heavy-duty weightlifting routine might get you a washboard stomach and guns of steel, but it can also be a distraction. All those hours working out will amount to time you could have spent cultivating your mind.

Just think what happens if illness strikes. No amount of muscle will support you or restore your health. A sound mind, by contrast, can make all the difference. It can provide the mental strength you need to get through trying times and ultimately help you recover.

### **Master your vices.**

Vice and temptation are everywhere. Think of the Romans; they enjoyed nothing more than seeing men being thrown to the lions, fighting bears and being put to the sword at their local gladiator shows.

It was all part of a normal day. There are countless vices, and some are commonplace. Who has not regretted acting a fool after drinking too much? Another vice is idleness. How on earth are you supposed to figure out how to live properly if you get out of bed as the sun is setting?

In the end, there are pretty much as many vices as there are people. Some squander fortunes, others keep mistresses and still others are slaves to their desire for fame and fortune. So, if vice is everywhere, how do you steer clear of it? By living in harmony with nature. Vice is the fruit of a wish to be better than others. It thrives among those who spurn a normal, simple life. Wanting to be different is what drives people to spend their time and money on fripperies like stylish clothes, fancy carriages and extravagant banquets.

Vice is also a cunning master of disguise. Those who think they have the least work to do are usually those who have the most to do. Think of dreams. When we are sound asleep and unconscious to ourselves, we rarely notice our dreams. Living well is similar. When we are busy pursuing petty pleasures and reacting to fleeting pains, we are unconscious to ourselves and to what we really need. That is why those of us who have the most work to do on ourselves are usually unaware of what we really ought to be doing.

### **Master your fears and anticipate the worst.**

What is your deepest fear? Losing your status, comfort and everything you own? Whatever it is, you will need to confront it if you want to achieve wisdom. A good place to start is by becoming comfortable with the idea of poverty. Take a few days every now and again to live as the poorest do. Wear drab, simple clothes and eat stale bread or barley porridge.

Once you have learned to take pleasure from a few paltry scraps of bread, you will begin to realize that there is nothing to be afraid of when it comes to poverty. This, in turn, will help you cultivate a sound mind. Because nothing lasts forever, it is a good idea to anticipate other disasters, too. The world is full of examples of sudden falls from grace, unexpected hardships and bad luck. Great empires crumble and honest men who have led righteous lives are cast into exile by vengeful masters. Loved relatives and friends die and whole cities are consumed by fire – that is just the way it is.

The world is a play of contrasts. Night follows day and clouds obscure clear skies. There is an uncanny calm before the most ferocious of storms, and the worst day you can imagine can easily come on the heels of the best you have ever had. Fairness and unfairness do not come into play. Every living being and thing is subject to the same unpredictable workings of fate.

Consider soldiers. Even in times of peace, they spend their days participating in drills to prepare for the worst-case scenario – war. That is how you should think about the world. Prepare for the direst outcomes, even when things are at their best. Anticipate the eventuality that everything you have might be taken from you. This way, when fate appears to become vindictive, you will be prepared and come through it all with a smile on your face. Most importantly of all, you will have a clear and calm mind.

### **Choose your friends wisely.**

Some people seek to unburden themselves by sharing their troubles with everyone they come across. Others do not even tell their closest friends what is on their minds. Neither of these options is in accordance with nature, as any wise Stoic will have learned. So, what should you do? Two things. Choosing your friends wisely is vital. But once they are in, you should really let them in.

Your best bet when it comes to choosing friends is to base your decision on trust. Befriend those who you are sure you can rely on. Even better is a trustworthy fellow traveller – someone on the same path of discovery as you. The best friends we make do not just reflect who we already are, they also change us for the better. Friendship is about learning and improving yourself.

That is why it is important to avoid people mired in vice. Adulterers, cheats and torturers corrupt those who are close to them. Make an unwise choice, and chances are you will soon pick up the vices of your new friends. If you are pretty certain you have made the right decision, share everything with your friends. Open the door and let them into your life. Best of all, assume that they will be loyal to you – that is often the best way to make sure that they are loyal!

True friendship is built on a solid foundation and becoming friends with someone for the right reasons is its cornerstone. After all, a wise man is self-sufficient and has learned to be happy by himself. That means he does not need friends. When he does enter into a friendship, he is not out for himself and is not looking for a personal advantage.

And that makes him a good friend. After all, fair-weather friends are not really friends at all. No sooner has he got what he wanted, and your so-called friend is heading for the hills. What the wise appreciate is that friendship is valuable in itself. Creating and sustaining friendships is part of the good life.

### **Face your fear of death.**

Think of eating strawberries. They are at their succulent, sweet best at the end of summer, just before fall, right? Old age is like that too. It is not all about illness, frailty and decline – in fact, aging has its own unique pleasures. But to appreciate them you have to come to terms with your fear of death.

Like the strawberries that mark the impending turn of the seasons, each period in a life is part of the inescapable cycle of nature. And life itself is hardly a great achievement. Everyone and everything, from slaves to masters, insects to animals, has life. The key to developing a healthy attitude is to celebrate what you have already had – the years you have lived – and to be grateful for everything that might be given to you tomorrow.

Pacuvius, the governor of Roman Syria, had a memorable way of doing this. Every night, he celebrated his own death by throwing a dinner party with fine wines and food. At the end of the evening, he was carried to his bed to chants of “He has lived, he has lived” in Greek. While the ostentatiousness of Pacuvius’s ceremony might be off-putting, we can learn a lot from his attitude toward death. Once we have conquered our fear, we can begin celebrating what we have already had of life, and each new day becomes a special blessing.

But what about death? It cannot be avoided and comes for us all. That means the best we can make of it is to die honourably. Clinging onto life merely for the sake of living is pointless. What is the most you can hope for? To eat another oyster or drink another glass of wine, things you have had countless times before? Or to carry on fulfilling your duties? We often forget that death is also a duty we have to fulfil.

The best end to an honourable life is an honourable death. But the author, like many of his contemporaries, also believed that suicide was more praiseworthy than continuing a dishonourable life. Tullius Marcellius put this idea into practice. Struck down with a debilitating illness, he decided to kill himself rather than live with his condition. After dividing his possessions amongst his slaves, he fasted for three days before dying peacefully in a hot bath. He was much admired for his honourable, relaxed and contented death.

### **What I took from it.**

The good life is a life lived in accordance with nature. That means leading a simple and honourable life free of vice and temptation – but that is harder to achieve than it sounds. Even so, studying philosophy can help us in this pursuit. By illuminating the truth, it shows us the path through life’s many challenges and allows us to face danger, setbacks and the inevitability of death, with serenity. Once we have internalized the lessons philosophy offers, our minds can become oases of calm in a tempestuous

world.

Keep your mind in good shape, just as you would with your body. We all know the importance of exercising and eating plenty of vegetables and cutting down on intoxicants like caffeine and alcohol. But health is not just a matter of hitting the gym and maintaining a healthy diet – it is also about training your mind and cultivating a healthy attitude. So, do not forget to complement your fitness regimen with some mental gymnastics.

Studying and learning do not just keep your mind agile, they also open the door to the great truths of the world and mentally prepare you to cope in trying times. Once you have developed the right attitude, you will be able to face anything!

One of the most profound books I have read. Seneca defines philosophy not as a system of logical rules for old men to argue about and rearrange, but as a means to prescribe a way of life. He sees a philosopher as a wise doctor who provides advice on the optimal way to live so as to be as happy as possible.

# Men Are From Mars and Woman Are From Venus

John Gray

This is a book that has been on my radar for many years and I finally managed to read it. It is a shame that it took me so long, as it really could have saved me and my partners many a frustration in the past. But, it's never too late, I guess. John Grey warns in the introduction that he generalises about men and women. Some will ring truer to you than others because we all are unique individuals.

The three most powerful points I took from the book were;

1. Men and women are different by nature. Seems common sense, but sometimes common sense is not so common.
2. To get along, we should make a step towards the other without compromising our true nature
3. Men care about competence and achievement, women about feelings

The author says that some men deny some aspects of their masculine side and women deny some aspects of their feminine side (most workplaces reward masculine attributes).

## **Men Are From Mars, Women Are From Venus.**

The author says that men and women are of two different nature. To get along well they need to stop expecting the other to be the same and understand each other instead.

The most common complaints of women are that her man;

- Do not listen
- Is inattentive
- Is no longer romantic
- Is less centred
- Divorcing reason: he does not give back to all her giving

Men would complain that his woman:

- Overreacts
- Make a big deal out of nothing
- Withholds sex
- Is unreasonable
- Divorcing reason: no matter what I do she is never happy

Fears for men. Men's deepest fear is of being incompetent and not good enough; they are afraid of giving as he risks failure when giving. Fear increases when he cares, so he might stop giving when he cares the most.

Fears for women. Women can be unconsciously afraid of being worthy of love and she is afraid of getting too much. She is afraid she will not be supported and unknowingly pushes away the support she needs, which makes him feel rejected and turns him off.

Men are empowered; when they feel needed and trusted, so women can feel free to show she needs him. Women are empowered; when they feel cherished and cared for.

## **Mr. Fix-It.**

John Gray says that men care about abilities and women care about feelings. Men value power, competency, achievement and their sense of self is defined by their success and ability of achieving their goals. Achieving their goals is a way to prove their competency.

Similarly, men want and need to have their abilities recognised and appreciated and resent having them ignored or called into question. When a woman offers to help it is often an offence for the man as that is a vote of distrust in his abilities.

Women instead want to be listened instead. They do not want to be alone and like cooperation and appreciate assistance.

Men offer solutions when women complain, but women are not looking for solutions. They want to have their feelings recognised and appreciated. They do not want to be left alone when hurt or when dealing with a problem.

## **Men Go To Their Caves And Women Talk.**

When dealing with problems men tend to withdraw, go sit by themselves and avoid communication. Women do the opposite. They communicate to find a solution. When the two sexes communicate, women often communicate for the sake of communication and for the sake of talking. Men like to talk in a solution-oriented fashion instead. For a man, there must be a point and a conclusion in the conversation.

What a woman can do to help her man is to let him know in advance the outcome of the story then goes back for the details. Avoid keeping him in suspense.

## **How To Motivate The Opposite Sex.**

John Gray says that a man's instinct tends to be self-centred while a woman's instinct is to care and look after others, even if that means sacrificing herself. If both genders give in to their instinctive behaviour, the man gets all the care and attention and the woman gets nothing. One win, the other loses, which bodes badly for the relationship long term.

Once the two genders enter into a relationship instead, they should meet in the middle. The man should learn to care for the woman and a woman should learn to give less instead of endlessly giving and then resenting for not getting back. She must remember to express her desire for her needs. And the man should express his desire to help. This way, they both win.

## **Speaking Different Languages.**

John Gray says men communicate literally while women communicate more dramatically and "artistically" as a way to express their feelings more fully. Men like to sort through their thoughts privately before communicating. Women can get antsy as he steps back and need reassurance he still cares.

Women indeed prefer to sort through their thoughts "as they speak" and tend to put all her concerns out there. Men can feel under assault when she does that because it is a threat to who he is. He needs to know she still values him.

When facing challenging situations, the man likes his woman to tell him he "got this" as that is a tacit compliment of his skills. Conversely, he feels undercut if she offers assistance or sympathy.

The woman wants him to show concern instead, she feels snubbed if he doesn't offer any assistance. She does not want him to tell her the problem is "easy" as that would be a way of brushing off her feelings.

Men also tend to jump in with solutions as the woman talks about her problems. He wants to show his skills and resoluteness. But the woman does not want to hear solutions, she wants first of all to be heard. The man should then offer a solution only after he has fully listened to her.

### **Men Are Like Rubber Bands.**

Men alternate between need for intimacy and need for autonomy. John Gray says that men have periods in which they withdraw and want to avoid any communication. Women do not understand this because they only pull back if they feel unloved or if some serious issue arises. Women then can be unconsciously afraid he is avoiding her or going on for ever and keep prodding him for a reaction. The situation can easily escalate.

She should instead allow him to withdraw and give him the space he needs. When women do not do it, they upset the cycle, "torture" the man and destroy the relationship. On the other hand, he can reassure her that he will be back (men's cycles are short anyway).

Once the man springs back he is ready for intimacy and romance again. But she might be hurt and need her time to rebuild back up. That can be another cause of friction. When both partners can be supportive and understanding in their low periods, they will find their partner also finds it easier to do the same. Let him pull away and he will come back quicker.

### **Women Are Like Waves.**

Women Have Slower Up & Down Cycles. They periodically enter into depression and can become negative. When a woman is at a negative point of her cycle, she cannot give love. She may then revisit old issues, even if they have already been discussed and resolved.

With his support she will grow to trust the relationship more and she will go through waves in a milder, more loving way. They will demand to men that they pay attention and provide support. Some men are stumped sometimes by the time it takes for the women to get back to their usual loving ways. But they must avoid trying to rush her or criticise her because it is a natural female behaviour.

The author suggests that if a woman's needs to be heard and supported overlaps with the man's need to be on his own, she should turn to her girlfriends then.

### **Discovering Our Different Emotional Needs.**

John Grey says that men and women also have different emotional needs and providing our partner with our emotional needs will not necessarily fulfil our partners.

Men look for trust, acceptance, appreciation, admiration, approval, and encouragement  
Women look for caring, understanding, respect, devotion, validation, and reassurance

Top 3 mistakes women make in relation to men's needs:

1. Tries to improve him or his behaviour with unsolicited advice
2. Complain about what he has not done and does not appreciate what he has done
3. Corrects him and his behaviour as if he were a child

Top 3 mistakes men make in relation to women's needs:

1. Minimise the importance of her feelings and needs
2. He listens but then blames her for bringing him down
3. After listening he says nothing and leaves

The author says there is a knight in shiny armour in every man and a girl looking for a knight in shiny armour in every woman. And they can find each other.

### **How To Avoid Arguments.**

Grey goes on to say that arguments often balloon out of men's failure to pay sufficient attention and women's expressions of disapproval. Disapproval will get men angry and defensive. When arguments arise, verbal attacks can be destructive for the relationship. Men usually charge the hardest as they want to "win" the argument, using strong and aggressive words.

The woman backs down to avoid never ending escalation and the man feels he has "won". But she has not changed her opinion, so the following "peace" is phoney as the underlying issues have not been fixed.

To avoid that communication degenerates into fights the author suggests men strive to listen without raising their defensive walls and women should communicate without criticising their partners. Women often unknowingly start arguments by not being direct when sharing feelings.

For example, when a man is late the woman might be worried or bothered. But when he shows up, she asks rhetorical and useless questions such as "why didn't you call" or "how can you be so late ". The man feels attacked as that's disapproval to him.

When a woman expresses frustration or disappointment the man gives explanations without allowing her to vent. What she feels though is that he does not care about her feelings. For her to hear his reasons, she needs him to hear her reasons first. It takes two to argue, but one only to stop it

### **Scoring Points With The Opposite Sex.**

Gray says women give unconditionally and proactively. Love for women means anticipating someone's needs and they do not stop giving. Men only give when they feel that their efforts will be appreciated and often are not good at guessing when it is time to give unless they are specifically asked. And they tend to stop giving when they feel they have done their part.

When it comes to giving, men value results while women appreciate more the thoughts that comes with it. So, women appreciate lots of little gifts while men tend to value the big gifts more. When men and women fail to understand these dynamics, the relationship can easily sour. When the woman does not appreciate the man giving, he may stop giving altogether while she continues to give unconditionally expecting to eventually get something back. However, as she gets nothing back, she starts feeling unloved and grows resentful.

To help meet each other's needs men should give in many little ways without being asked and learn that if their partner does not ask does not mean she is happy. Women on the other hand should talk clearly if they are not happy and should reduce their own giving or even ask things back and never forget to appreciate him. Here is a simple one for women: "thank you for listening". With men giving and her appreciating, both will gain.

## **How To Communicate Difficult Feelings**

The author says that to ease unresolved conflicts men bury themselves in work while women might seek perfection and lapse into depression to avoid feelings of anger. He suggests that writing is a great way of expressing negative feeling in a controlled manner instead of exploding with our partners. Once we write and work through our feelings we will be better prepared to explain in a clearer and loving way.

## **How To Ask For Support And Get It.**

Women should not come to expect their partners can read their mind and anticipate their needs. They should ask for help but ask without making it seem like a demand because men hate doing things when they are demanded. Indeed, giving excessive instructions will make him feel like a slave.

Women have to ask with tact because any request to be more or get more makes the man feel inadequate. Questions with the form of “could you” or “can you” sound to him like questioning his abilities, so “would you” or “will you” are better. And it is best to let him choose the way and time he does it.

It is OK to ask him when he is busy, but be prepared for him to postpone or say no. A woman should also come to understand denials as a request also implies the possibility of a no.

## **Keeping The Magic Of Love Alive.**

John Gray says that there is a conundrum in love. The more we feel in love and safe, the more turbulences of the past can surface as our minds “let go”. Wade through them. They are only a sign that your relationship is great.

The author says that love changes over time. The bliss of the beginning does not last forever, and our normal faults emerge for what they are. But by sticking through the highs and lows the initial bliss becomes a more mature form of love which gets stronger as the years go by.

## **What I took from it.**

Men Are From Mars, Women Are From Venus is all about deep insights with direct practical applications. A headline summary for me is that woman should, when telling a story, give him the “executive summary”, a one sentence of what happened. Then flash out the details. Men will get impatient if the it takes too long to get to the main point. The man must let the woman vent first before giving explanations or she will feel he does not care.

Any book saying, “men are”, “women are” is bound to be generic. It is not necessarily a bad thing and generic statements can be helpful. You just need to be aware of the limitations. Personally, I found it a very good book. I found myself laughing at various points as it related to my relationship with my wife. This is a book that has changed my behaviour in dealing with my partner; and if a book makes you rethink your own behaviour, that can only be a good thing.

# The 15 Invaluable Laws of Growth

John C. Maxwell

Everyone has experienced the need for personal growth at some point. Plenty of things prompt this, such as a major life transition, a new professional challenge, or simply the desire to evolve as a person. To grow, you need to be prepared to leave your comfort zone, dream big, and take real risks. But dreaming alone is not enough. Real change happens slowly, over time, through hard work and dedication. It requires that you combine your biggest, wildest dreams with practical daily actions.

In his book; The 15 Invaluable Laws of Growth, published in 2012; John C. Maxwell will teach you how to chip away at the challenges you set for yourself and stay committed, even during those frustrating times when you don't seem to be making any progress at all. Bringing together the tips and strategies of The 15 Laws of Growth, they will be an invaluable guide to making your dreams a reality. What is more, they will help you stay mindful along the way and discover potential you did not even know you had.

The three most powerful points I took from the book were;

1. You cannot wander through the jungle without a map and expect to reach your destination. In the same way, you cannot really grow unless you understand where you want to grow
2. You have to put your intentions into practice by acting – not tomorrow, not next month when you have a gap in your calendar, but right now.
3. Real growth is slow, incremental, and often frustrating. It involves doing small actions every day in pursuit of your ambitions

## **Before you begin your journey, you need to know who you are and what you want.**

You cannot wander through the jungle without a map and expect to reach your destination. In the same way, you cannot really grow unless you understand where you want to go. But for a lot of people, this is easier said than done; knowing exactly where you want to go is not always obvious. So how can you find out? The best way is to really get to know yourself and what you want. That can be challenging to accomplish, of course. But if you ask yourself these key questions you will be on the right track.

First of all, ask yourself if you are happy with what you are doing right now. Does your work make you feel fulfilled and passionate? Do you start the day with a spring in your step? Or are you lethargic, tired, and irritable? If it is the latter, you are clearly not doing what fulfils you. So, what will fulfil you? The answer to that question is as unique as your fingerprints; it is specific to your personality, your values, and your dreams. In order to identify it, you need to observe yourself closely. Notice when something makes you "light up," moves you, or gets you especially excited. Think about times in your life that you have felt useful and valued by the people around you.

Once you have discovered what you want to do, you should stop for a quick reality check. Is your dream doable? Yes, dreams should take you beyond your current reality – that is why they are called dreams. But if your dream is to be a professional basketball player, and you hate exercising and have terrible coordination, then your dream is actually something else: a fantasy. An achievable dream should line up with your talents and capabilities. When you have established that your dream is potentially attainable, you should ask yourself the next probing question: Why do you want to do it?

This is a really important one. You need to sniff out any hidden agendas you may have. For example, if you say you want to do a PhD because you are passionate about learning, but in fact you just want to impress people, you will run into trouble. Not that there is anything wrong with wanting to impress

people! But it is probably not a strong enough motivation to get you through a gruelling PhD program. More importantly, you would essentially be doing it for someone else, which would not make you happy in the long run. What you need to find is a passion that will make you happy just by pursuing it.

### **Personal growth will not just happen by itself.**

Your hair grows by itself. So do plants, given enough water and sunlight. But personal, emotional, and spiritual growth is different – it does not just happen naturally over time. Just as plants require sunlight, personal growth requires intention. You have to think carefully about what you want, what direction you are headed in, and what steps you will need to take to get there.

But intention alone is not enough. You have to put your intentions into practice by acting – not tomorrow, not next month when you have a gap in your calendar, but right now. That is where many people get stuck. They keep waiting for a mythical future moment when they will have enough money and time to actively pursue their dreams. Or they wait until they feel motivated or inspired enough to begin.

The problem with waiting for the right circumstances is that personal growth can be scary; you come face-to-face with many of your fears and have to deal with the discomfort of uncertainty and vulnerability. Most people, of course, have a real knack for avoiding scary things. And so that perfect moment when you feel like working on your self-development – well, it never comes. To get past the fear, you will need to accept that growth is innately uncomfortable – and that you will make lots of blunders along the way because you are attempting to do things that you've never done before.

Once you have accepted this, you have to get started. Just do it, even though you are short of money, have been looking after your kids all day, and really feel like curling up on the sofa in front of the TV. The thing about motivation is that it comes with action, not before it. So, in the same way that you grumpily drag yourself to the gym, but come out radiant and motivated to exercise more, you have to start working on your personal growth in order to get the motivation to continue.

### **To be successful, you need to ask for help.**

Knowing what you want is not the same thing as knowing how to get it. Knowing that you want to build your dream house is a good start. But to get it built, you need blueprints. So, once you know what you want, how do you get it? After all, starting a daunting project is hard. It certainly will not come naturally.

One of the best ways to start is to ask for help. Others have struggled along the path before you, and they can support you. Speak your dreams out loud, even if it makes you feel vulnerable and foolish. Sharing your vision with the world is a crucial first step toward making it real.

Equally crucial is who you share your dreams, so surround yourself with people who are as committed to growth as you are. The people around you will have a big influence on your success. They will either lift you up and support you, or they will drag you down with their apathy and unhelpful criticism. Seek out people in your network who are curious, humble, and hungry to learn. When you have found them, ask them to hold you accountable in setting and meeting goals that will get you closer to your dream. Having to answer to other people is a powerful motivation for getting things done.

Next, seek out people who are doing what you would like to do. These people will be your teachers. Even if you cannot meet them face-to-face, you will be able to find a wealth of inspiration by familiarizing yourself with their work. If your dream is to be an interviewer, for example, and Oprah is an inspiration, you do not have to go to her house for lunch in order to learn from her. Go online and watch her interviews. Studying the people who are doing what you want to do is one of the best ways to learn!

Sometimes you will be very lucky and find someone who is prepared to intensively mentor you. This is the very best way you can learn. Treasure your mentors. Respect their time by being prepared for each session and ready to soak up as much knowledge as possible.

### **Become your own best cheerleader.**

Other people's help is very useful, but ultimately you need to support and encourage yourself. Again, this is easier said than done. Often, the loudest critic comes from within. Not everyone is naturally confident. Growing up, many of us have even learned not to believe in ourselves. Instead, we were taught to question ourselves and our abilities. For those who grew up in an abusive environment, internal negative messages will be even louder. Learning to value yourself in spite of all the negativity you have internalized will not be easy – but it is possible, and it is worthwhile.

First, you should start listening to your own internal monologue very carefully. What kinds of things do you say about yourself in your head? Do you criticize yourself for never doing things well enough, or chastise yourself when you make a mistake? If you bombard yourself with negative messages all day it will be hard to stay motivated and feel safe enough to take risks. Identifying these negative thoughts and beliefs is the first step toward changing them.

Once you have done this, you can take the second step: beginning the work of change. When you catch yourself aiming a torrent of abuse at yourself for messing up, you can consciously change the narrative in your head. Remind yourself that it is normal to make mistakes and that you are courageous for taking risks. It may feel unnatural at first, but with enough practice it will become second nature.

Third, you should stop comparing yourself to other people. Your journey is uniquely yours, and what other people do is just a distraction. You are the only one you need to compare yourself to. Make sure that you are living according to your own goals and values – and nobody else's! Take time to relish your victories, big and small, and acknowledge what it cost you to get there. The fourth and final step is to take every chance you can get to contribute to other people's lives. Often, when you are feeling small and insignificant, you cannot imagine that you could make a difference to someone else. The act of getting out there and using your skills for good will not only be beneficial to the world; it will give you new insight into what you are capable of.

### **Be patient; real growth is incremental and undramatic.**

If you grew up on a diet of Hollywood movies, you are probably used to seeing change packaged obviously and dramatically: A mathematician is struck by inspiration and scribbles down the answer to an impossible puzzle! A woman chases her lover to the airport and proposes to her in front of hundreds of onlookers!

Dramatic moments like these are perfect fodder for moviemakers. In real life, though, it is the more conventional stuff – the stuff that usually ends up on the cutting-room floor – that leads to real growth. The movies do not show the mathematician getting up every morning and puzzling over the numbers without getting anywhere, only to do it again the next day. They do not show the young woman suffering through countless boring Tinder dates before she finds The One.

Real growth is slow, incremental, and often frustrating. It involves doing small actions every day in pursuit of your ambitions. To be able to keep going when you cannot see any immediate progress requires a lot of patience and stubborn discipline. It also requires that you start valuing the process of learning rather than just its eventual outcomes. Learning and growing are exciting in themselves! If you look at some of the brightest minds, you will find they are the most curious. No matter how much knowledge they have, they are always eager to know more and are humble enough to keep asking questions.

In order to stay motivated, you will need to keep your goals in mind and remember that the bigger and more impressive the vision, the more time it will take to accomplish. Think of tomato plants in comparison to apple trees. Tomatoes will ripen within a couple of months and can be plucked from the vine. But, with the first frost, the plant itself perishes. In comparison, apple trees take years to grow tall and bear their best fruit. But they keep blooming, year after year. Investing time and patience in your vision leads to hardy, sustainable, apple-tree-like growth.

Slow and incremental growth might not give you that cinematic rush of adrenaline. But it could give you something even better: the daily satisfaction of applying your mind to something you are passionate about, and the knowledge that you are pursuing your dreams.

### **To achieve your vision, you need to be strategic and systematic.**

Hard work is great, but it is not everything. As anyone who has ever tread water knows, it is possible to expend lots of energy and still get nowhere. We can run around like hamsters on a wheel, working as hard as possible to achieve our dreams, and still fail to get there. Hard work and busyness in themselves are not enough to propel us to where we want to go; to really be successful, we need to strategize and develop everyday systems that help us achieve our goals.

To do that, we need to stop being busy – at least for a while – and take some time to think and create a strategy. For example, at the end of every year, the author reviews the previous 365 days. He looks at all of the appointments and speaking engagements and evaluates them, asking himself which were the best use of his time. He also checks his work-life balance: Did he have enough time with his family and friends?

Accounting for every hour of the last year enables him to build on his successes and make changes for the year ahead, by carefully prioritizing what he will do with his time. One year, he realized that his most productive writing and thinking time was in the morning. So, he stopped scheduling meetings during that time and saved them for afternoons, when he tended to be less productive.

You do not necessarily have to review every day of the year to be successful. But you do need to set aside time to reflect on the steps you have been taking to grow and achieve your dreams. Has your time been well spent, or have you been going to conferences and returning home with nothing but a headache? Does the way you have organized your office help or hinder your progress? Once you have thought about this, you can turn to pragmatic systems that support your success, like developing a new way to file papers or going to a seminar to strengthen your skills.

This is a continuing process of reflection and evaluation, which means you will need to keep evaluating how well your systems are working. What measurable results would you like to see after a few weeks or months? After an entire year? And how will you be able to measure whether or not you have been successful? Setting clear goals – like a specific target for the number of new clients you want to attract within the next quarter – will help to keep you on the road to success.

### **Painful experiences can propel growth.**

We all know that life has ups and downs. And, naturally, most of us would rather avoid the downs. Who wants to experience loss or come face-to-face with unpleasant truths about themselves? As much as we would like to avoid them, painful experiences can actually help us grow. The author had a heart attack when he was 51 years old. It was an excruciating experience, but it prompted him to start dieting and exercising. In a way, the heart attack saved his life by forcing him to address his health before it was too late.

However, the real change happened not because of the heart attack itself, but because of how the author responded to it. He could have decided that, as his health was bad anyway, he should just

enjoy the time he had left and indulge as much as possible. Or he could have gotten angry at fate and wallowed in self-pity. None of those reactions would have helped him live longer, and they would not have led to any kind of personal growth, either.

Health scares are not the only thing that we cannot always control. Many painful experiences, like loss and failure, come our way whether we like it or not. And when we start dreaming big and taking risks, we inevitably start to dare more and fail harder. That can mean that we start to feel as though even more is slipping out of our control. But we can control how we react to pain – and how we interpret what happens to us. Instead of feeling like a victim, we can ask ourselves how this painful experience can help us grow.

What can it teach us? If we have made a mistake, what practical steps can we take to make sure the result will be different next time? If we ask these kinds of questions, we will gain vital self-knowledge and learn how to develop new strengths and capabilities to deal with the situation. If everything keeps going well, we will never have that urgent motivation to grow. Painful experiences call forth our natural creativity and innovation. They turbocharge our growth. So, while our instinct might be to run away from pain, there is a lot to be gained by facing it head-on.

### **Focus on developing character, and external success will follow.**

Imagine that your dream is to start a business. As part of pursuing this dream, you are frantically trying to get financially solvent. Personal development will probably be the last thing on your mind – who has time for that when there are clients to win over and business plans to write?

But you are at the source of everything you do. If you do not develop good character, through traits like honesty and integrity, then everything you build will have a foundation of quicksand. Say you develop a promising business plan – it might be an amazing opportunity, but if people feel they cannot trust you then they will not be willing to invest. You may think that character is something you are born with, like fingerprints. And that is partially true. Your early life and the values you grew up with have undoubtedly influenced you. But the good news is that real character is something you can consciously develop. Something so fundamental is actually within your control.

You have to start by focusing on developing yourself from the inside out, not just from the outside in. Add up what you pay for clothing, makeup, and hair appointments. Or a fancy laptop and the latest iPhone. Then channel some of that money into activities that enrich your emotional health and soul. It could be going to a coaching session, listening to opera, or attending an inspirational seminar. Make it a priority to feed your inner life as much as you do your outer.

Then make sure that whatever you do is done with integrity; what you believe and what you say you believe should be in complete harmony. If they are, you will speak authentically, which will give your words real power. The words you utter will communicate your ideas to others and get them to share your vision because you are genuinely passionate about your beliefs.

Finally, to develop real character, always be open to criticism. Instead of resisting negative feedback, see it as a gift. After all, someone else is taking the time to clue you in to your own weaknesses. Recognize that the job of building character is a lifelong affair and will never be done. You will always be a work in progress, which might just be the best possible scenario.

### **To win, you have to accept loss.**

We have seen it happen on every playground: a toddler will be playing with a fun toy when another kid runs up and yanks it out of her hands. In response, she emits a roar of rage and despair. We may no longer show our emotions so openly, but many of us experience those same emotions when we have

to give something up as adults. But all growth involves loss in the form of trade-offs. Time and other resources are finite, so saying yes to one thing inevitably means saying no to another.

Accepting loss means we can be intentional about making trade-offs. It also ensures that what we lose translates into a greater gain. The author has made seven major career transitions in his lifetime, and in five of those moves he took a salary cut. But he decided that the loss of money was worth the gain in growth opportunities. If he had not been prepared to take those losses, his career would have been much more secure – but also far less personally and financially rewarding than it is today.

Money was not the only thing the author traded. He also gave up security when he changed professions. He went from being a pastor to be a public speaker in the business world, and from being a speaker to writing books, and from writing to founding a non-profit organization. Each of those moves required him to trade roles he was confident in for ones he was very inexperienced in and not that good at – at least, not initially.

It can be especially hard to make trade-offs when you are already successful. After all, the higher up you go, the more you have to lose. But getting complacent will prevent you from reaching your full potential. Of course, not all trade-offs are worth it. Your personal values are key here. If you are committed to having time with your family, then a business prospect that takes up every waking hour will never be fulfilling. If being creative is what makes you feel most alive, then taking a job where you just implement other people's plans will not make you satisfied – no matter how high the salary! But when you identify an opportunity that will genuinely stretch you in an enriching way, do not hesitate to go for it – even if the price seems high.

### **To really grow, you need to contribute to others.**

Ever heard the saying, “No person is an island?” It makes sense because our lives are lived in communities – in families, companies, church groups, knitting circles, and parenting groups. By extension, our successes are never truly just our own because we are nurtured and supported by family, teachers, mentors, colleagues, friends, and countless others.

Recognizing that, and practicing gratitude, will only help us grow more – as will making sure that we are not only taking support, but also thinking about how to give it to others. Start by asking yourself what you wish others would do for you. Then make sure to do those things for other people. This can apply to every area of your life. If you wish your spouse were more considerate about doing the dishes, practice being considerate in an area important to them where you might be falling short. If you wish to work in an environment where you are valued for your skills, make sure that everyone you work with knows that their efforts do not go unnoticed.

If you are a leader, you can contribute to the well-being of your employees by creating the kind of work environment you always wished you had had. Model good leadership that other people can watch and learn from. We live in an era of mass consumption where almost everyone seems determined to get more material possessions, more money, and more prestige. The pursuit of personal growth can turn into just another commodity that people want to hoard and use for their own advantage.

But real growth does not work like this. In fact, it works better if you share it with the world. If the author had wanted to keep his hard-won wisdom to himself, he would never have been inspired to start a coaching business and empower others to deliver his teachings. He would not have begun his non-profit leadership academy, which turned out to be one of the most fulfilling things he is ever done. When he freely gave his insights to the world, he was rewarded by a more interesting – and capacious – career than he ever could have dreamed of.

### **What I took from it**

There is a lot in life that we cannot control, but the good news is that personal growth is always within reach. We develop ourselves when we take responsibility and commit to using adversity to accelerate our growth. Having a good strategy for tackling challenges and working consistently will enable us to achieve our goals. Personal growth requires loss, uncertainty, and a willingness to make mistakes. But discomfort is a small price to pay for the joy of exceeding your potential, again and again.

Cultivate a beginner's mind. Complacency is the enemy of personal growth. A useful exercise to jolt yourself out of it is to do something completely new and intimidating. Like joining a tango class. Or signing up for a crash course in calligraphy. Or improvising a story at an open mic. Learning new skills will help you to develop a beginner's mind – one that is constantly curious and open.

John C Maxwell is master of the To Do list, but what makes his lists so valuable is the profound wisdom contained in the goals he proposes and the methods he suggests to achieve them.

All of us would like to grow: in our character, our relationships, our professional development and our education, but daily demands on our time and attention often get in the way of making growth happen. In this book Maxwell identifies first why it is important to grow, and then how we can apply laws of growth to what we do each day.

# The Motivation Manifesto

Brendan Borchard

Why do you get up in the morning? What inspires you to greet the day and live a fulfilling life? In a word, motivation. Motivation is the power to achieve the things you want in life. You need to be motivated to pursue anything, from simple daily goals to lifelong dreams. People who are deeply motivated are also influential, achieving their own goals while motivating others.

In his book - The Motivational Manifesto, Brendon Burchard will teach you how you too can become both motivated and a powerful motivator, but what you will find here is not just another feel-good motivational rant.

This is a manifesto – a call to make a serious commitment to finding a focused purpose and pursuing the things you love. A yearning for freedom and the burden of fear are humankind's most fundamental driving forces. Does it ever seem to you like there is always something stopping you from being completely free? If so, you are not alone. We all feel frustrated when we sense our freedom is curtailed. But why do we feel this way?

Without personal freedom, we cannot realise our potential as an individual or as a society. And when we stop demanding the freedom we need; life rapidly loses all its vigour and drive and we become slaves to the wants and expectations of others.

This lack of freedom can easily spiral out of control, doing serious damage not only to people but also to entire societies. Just think of atrocities such as the Holocaust, in which many people stood idly by in fear as thousands had their freedom cruelly taken from them.

The three most powerful points I took from the book were;

1. Without ambition, your life is nothing but a ship, drifting aimlessly over a vast sea
2. Children live in the moment, looking at the world as it is now, seizing every second to explore and play and push boundaries. We need to be daring like children
3. When you do what you love, it is not just your happiness that grows. You will also radiate good energy and even inspire others

Even today many of us still feel oppressed, worrying about what other people think and afraid to pursue what we really want from life. So how can you overcome your obstacles to reach whole new levels of joy and fulfilment? The only way to attain personal freedom is to overcome fear. Fear is a powerful part of the human psyche. In our evolutionary past, fear served us well, keeping us from danger.

But how does fear benefit us today, in the modern world? You might hear people say, "Fear is natural," or "Fear makes you work harder." Sure, this may be true at times. But in most cases, it is not. In fact, pretending that fear is our friend is rather like having a wolf as a pet. Sooner or later, this wild animal will turn on us and eat us alive!

**Motivation needs fuel to burn hot. It is in your power to keep that fire burning!**

Ever met someone brimming with energy, full of purpose and life? You might think they were born that way, but this is simply not true. We can all pump up our motivation by first reflecting on our true ambitions. Ambition is simply the choice to seek out something greater in life, through more experience

or higher achievement.

Without ambition, your life is nothing but a ship, drifting aimlessly over a vast sea. But with ambition, you can set goals that you really want to reach. So how do you kindle your ambition? You need to always ask yourself questions. For example, if you have been toiling away at a job for too long, ask yourself: “Is this the best job I could have?” Or if you feel trapped in a stagnant relationship, ask yourself: “Is this the best marriage I could have?”

Asking yourself questions can draw your attention to ambitions you might otherwise ignore. It is also important to remember that having ambition is different than having hope, the difference being a question of expectancy. But what does that mean, exactly? Say you dream of completing a triathlon. While daunting, you have always hoped to get in enough shape to one day achieve it. But with this perspective, you will never make it. Hope just is not enough – you have to visualise yourself in the water, on your bike, in your new running shoes, actually participating and in the end, crossing the finish line.

In other words, you have to expect that you will succeed. This truly is the spark of motivation! Yet once you have kindled your motivation, you need to keep it burning. How do you do this? Motivation needs fuel, and that fuel is continuous effort. We all have days when we would rather curl up in bed and do nothing. But through developing solid routines and surrounding ourselves with strong support systems, you’ll be able to jump out of bed and into your running shoes – even when you’d rather hit the snooze button!

### **Stop looking over your shoulder at what was. Concentrate on what is now.**

Children live in the moment, looking at the world as it is now, seizing every second to explore and play and push boundaries. It is an exhilarating and freeing perspective on life! Yet as we become adults, we often lose this ability to see the world in this way. Too many of us are obsessed with the past. Some people are always looking backwards, to what they believe was a happier time, thinking, “If only life could be like that again, I’d be happier.”

Others see the past as the cause of all of today’s problems, and spend hours thinking, “If only that hadn’t happened, I’d be happier.” With such a perspective, the present moment is tainted by the sadness of what could have been. Obsessing about the past closes us off from the world and drains our motivation. So how can you break this vicious cycle of sadness and regret?

Ask yourself, “What in my life could I focus on right now to feel enthusiastic and appreciative?” Do not just do it once – make it a mantra that you repeat. The more you consider this question, the easier it will be to truly live in the moment. With this approach, being happy is something you can practice. If you want to live life to the fullest, you have got to work at being joyful and curious!

Happiness is not something that “just happens,” a state of being outside of your control. Thinking this way pushes you toward negativity, or dark feelings that can be contagious. Yet negativity is not the only thing that is contagious; happiness is as well! Think about the last time you spent an afternoon surrounded by children playing – you will not find better teachers of joy. Learn to ask: “What if I tried every day to look at the world with the curiosity and presence of a child?”

### **A little humble faith will help slay your inner demons. A little reckless inspiration helps a lot, too.**

We have all got inner demons. They lurk in the shadows of our minds, keeping us from achieving what we really want. Fortunately, these monsters can be conquered. All we need are the right weapons. When starting a new project, you might ask, “Is this really a good idea?” Or perhaps, “Can I really pull this off?” If we let doubt take over, our motivation can disappear. There is only one cure: faith. Not an

institutionalised faith, but a humble kind of faith that lives in you and strengthens you when you feel doubt. Tell yourself, “If I work hard and dedicate all my efforts to my task, in time I will achieve my dreams.”

By having faith in yourself and shaping your thoughts, you will find that it is easier to work steadily toward your goals. But what if your goals seem impossible, perhaps even a little crazy? Keep in mind that no great innovation has ever come about by taking a safer road. To contribute to the world, sometimes we need to be a little reckless and perhaps a little bit crazy.

But the sort of recklessness you need – the kind that will serve you best – is the willingness to challenge what you take for granted and to keep seeking out something truly new. To do this, you will need to realise that you can actually bend reality to your will. Your life is not carved in stone. If you put your mind to it, you can change it. Great men and women throughout centuries have pulled their motivation from this realisation!

The U.S. moon landing in the 1960’s is a great example. At the time, sending a man to the moon seemed impossible, if not dangerous. But the project was a success, and from that moment, changed the world’s idea of what is possible.

**“Fine” is not enough. Strive for fantastic, living on your own terms and inspiring others.**

When you do what you love, it is not just your happiness that grows. You will also radiate good energy and even inspire others. Everyone has the potential to become a beacon of hope for other people, and this role is something for which you should strive. But how do you do this? It is simple. Do what you are passionate about.

When you are asked how you are feeling, do you often say, “I’m fine.” But is fine really the best you can do? Why aren’t you fantastic, great or phenomenal? If you had more time to do the things you really enjoy and that make you feel proud of yourself, you could live a life that transcends “just fine.” Try asking yourself if the people closest to you, your family, friends and colleagues, know what your true passions are. If they do not, it probably means you are not realising who you truly are inside.

Do not let your life be dictated by what other people want you to do! If you allow others to pen you in and keep you from your passions, your integrity and dignity will suffer. You need to say “no” to doing anything that goes against your passions, no matter what the price.

Today’s world is full of conflict and poverty. Yet at the same time, apathy is widespread. Ours is a world in desperate need of role models and inspiring leaders. So why look to others to fill this void? We must realise that we can all play that role; that we can all inspire. Yet perhaps you do not think yourself a leader, or capable of telling other people what to do. Remember this: great leaders do not tell people what to do; they inspire them to find their path.

### **What I took from it.**

To remember the key lessons from this book, just keep in mind the six F’s of motivation: Forget the past, Fuel the fire of your motivation, have Faith in yourself and strive for Fantastic things, never forgetting that Freedom and Fear are your primal motivators.

Be patient! Being impatient can drain energy and motivation. When you are feeling impatient, try to ask yourself: “What could I do to calm myself down right now?” or “Why does this kind of situation always make me impatient?” To follow up, ask: “How will I handle a situation like this next time?” Take a deep breath, and you will feel positive energy flooding back again!

# The Secret

Rhonda Byrne

At a low point in her life, with her father recently deceased and her business close to collapse, Rhonda Byrne's daughter gave her a copy of Wallace Wattles' *The Science of Getting Rich*. The ideas in this New Thought classic, seemed to run counter to everything she believed, but she could not stop thinking about it. Over the next few months she implemented its messages in her life with transformation effect, personally and financially.

Believing she had found a 'secret' that should be more widely known, she began developing the idea for a film, taking advantage of her connections and knowledge as a television producer. She raised money to visit the United States and interview every teacher, writer or speaker that seemed to know about this secret, the 'law of attraction'.

Made for only \$3 million, the film did not have the cinema or television release intended, but this turned out to be a blessing in disguise. *The Secret* became a word of mouth hit as an Internet download, and DVD sales began to explode; over two million copies have sold in the United States alone.

The three most powerful points I took from the book were;

1. Asking the universe for what you want is, like placing an order from a catalogue. Be specific.
2. You do not have to know how the universe will provide what you want, you just require the faith that it will.
3. All that we are is the result of what we have thought

The surprise is that the book is not just a spin-off marketing afterthought to capitalise on the film's success, but a powerful work in its own right that has actually sold more copies. *The Secret* is one long homage to the thinkers and authors that have inspired Byrne - from New Thought legends Charles Haanel, Robert Collier, Wallace Wattles and Genevieve Behrend, to contemporary self-growth gurus such as Denis Waitley, Jack Canfield and Neale Donald Walsch. In between, there are quotes from Einstein, Jung, Emerson and other 'great minds' who she says knew about 'the Secret'.

The book follows the structure of the film in featuring the thoughts of particular teachers with narration, however, it goes into more detail on many points, and has much more of Byrne's own commentary and examples from her own life.

## **The law of attraction and how it works.**

The 'Secret' that Byrne felt she had discovered was the 'law of attraction'. In essence, the law says that whatever you think about or put your attention on becomes reality in your life. We attract to ourselves things, people and situations that are of a similar 'vibration' to ourselves. The universe is essentially energy, and all energy vibrates at certain frequencies. At the personal level, each person is vibrating at a certain frequency, existing as an energy field within larger energy fields.

According to Byrne (and this is where she goes beyond mainstream science), a person's 'vibration' is determined by their thoughts and feelings, and it naturally attract to yourself things of a similar frequency. Think of yourself as a transmission tower, she says, broadcasting frequencies of thoughts into the universe, beyond space and even time. Change your frequency, via a change in your thoughts, and you can become virtually a new person who attracts different people and circumstances into your life.

The law works whether you know about it or not, or believe in it or not. Yet once you do, an amazing possibility emerges you can “think your life into existence”. In observing the incredible imbalance of wealth on our planet, Byrne offers this as the reason: People who are wealthy think only thoughts of more wealth - “They only know wealth, and nothing else exists in their minds.” Even those people who have made a fortune then lost it, most become wealthy again before long. This is because they remain focused on abundance all the time, despite current circumstances. The law of attraction must deliver to them the equivalent of their dominant thoughts.

Naturally, when people discover the law, they worry about the effects that their negative thoughts will have. But as Michael Bernard Beckwith, one of the teachers in the book notes, affirmative thoughts are many times more powerful than negative ones. He suggests we “...proclaim to the Universe that all your good thoughts are powerful, and that any negative thoughts are weak.” There is thankfully a time delay or buffer between your thoughts coming to fruition, which allows you some space to refine what we really want.

### **Creative process.**

The ‘creative process’ is the specific way we can use the law of attraction to obtain what we want. It involves three steps:

- Ask the universe – you must be crystal clear about what you want.
- Believe – act, speak and think as though you have already received what you have asked for.
- Receive – feel great that it is coming to you. Feeling good sets up the necessary vibration to manifest the desire.

Asking for what you want is, Byrne writes, is “like placing an order from a catalogue”. You do it once, then wait expectantly for it to arrive. When buying from a catalogue you do not make an order, then make another one in case the first one does not arrive. Ask once and do so as if you know what you have asked for is on its way.

Remember that the universe does not strain in its creation of anything. Think about grass – it grows effortlessly. In the same way, you manifest easily when you are relaxed and have a knowing and joyful sense of expectation. Action that you take which is inspired by meditation or which happens through the law of attraction is effortless – and a lot more powerful – than trying to do anything by force.

To receive more easily, she instructs, do things now that align you with what you want. If you want a new car, go for a test drive. If you want a particular house, inspect it and picture it as yours. Otherwise, these things will remain ‘out there’, separate to you.

### **You do not need to know ‘how’.**

You do not have to know how the universe will provide what you want, you just require the faith that it will. In the book, co-creator of the Chicken Soup For The Soul book series Jack Canfield provides a good analogy: when driving at night from California to New York, you do not need to see all the way from one coast to another. All you need is for your headlights to show you the next two hundred feet in front, and you will get there. In life, you have to trust that you will be ‘shown the way’. Most people, he observes, never ask for what they want because they cannot see how it could possibly come to them.

If you keep wondering about the ‘how’, the message you are giving out to the universe is doubt. In contrast, when you have a relaxed belief, the universe corresponds to that vibration. You have to “Believe in the unseen”. In response, the Universe will rearrange events and circumstances so that what you imagine to be real becomes real. It always, says featured author Bob Dooley, “...knows the shortest, quickest, fastest, most harmonious way between you and your dream.”

## **Love and gratitude.**

To make the law of attraction really work in your life, Byrne writes, you have to increase the amount of time you are feeling good. Living in a state of love and gratitude for everything around you create a vibration than can only attract more good things and situations into your life.

The book includes plenty of quotes from Charles Haanel, author of *The Master Key System*. Haanel taught that the law of attraction is really another name for love. Have frequent thoughts of love, and you will be a superb at manifesting anything you want. It is vitally important to elevate how you feel in any moment, since when you have negative feelings you are blocking all the good that the universe wants to give you.

Byrne tells the reader: "If you only do one thing with knowledge of *The Secret*, use gratitude until it becomes your way of life." You cannot receive more into your life, be it a house, car or new spouse, while being ungrateful about what you already have. Thoughts of 'not enough' mean that 'not enough' will continue to be your reality. As her hero, Wallace Wattles, remarked, "Many people who order their lives rightly in all other ways are kept in poverty by their lack of gratitude."

Affirming that you are surrounded by plenty ensures that plenty more comes your way. Give thanks for everything when you get up in the morning and before turning in at night and watch your outlook on life and circumstances change. Instead of thinking that 'life is struggle', start believing that things come easily to you.

## **How much do want to earn?**

Byrne notes that "To attract money you must focus on wealth". Obvious? In fact, most people focus on not having enough, and it becomes reflected in their circumstances. After she had read Wallace Wattles, she knew that the Universe would provide for her, because now she was in a state of great expectancy and joy. Her vibration had gone from resistance to attraction of her good, and the good came pouring in. "The shortcut to anything you want in your life," she reiterates, "is to BE and FEEL happy now!" In such a state of mind, it is easy to believe that we already have what we want, and the universe responds quickly and often dramatically to our convictions.

To illustrate her point, in the chapter 'The secret to money', Byrne includes another anecdote from Jack Canfield. He recalls the advice of Clement Stone, the great motivator and businessman, who told him to set a big goal for himself that would 'blow his mind' if he achieved it.

At the time, Canfield was earning \$8,000 a year, so he made it his goal to earn \$100,000 a year. He taped a made-up \$100,000 bill to his ceiling and every day visualized what it would be like to have the money. For a month, nothing happened. Then, he had what he describes as 'a one-hundred-thousand-dollar idea'. He had published a book and worked out that if he sold a certain number of copies, he would earn his money target. In a supermarket, he saw the popular *National Enquirer* magazine and had the thought of getting his work featured in it. A few weeks later he gave a talk and afterwards a woman interviewed him who also wrote freelance for the *Enquirer*. Her subsequent article helped the book to take off.

Did Canfield 'attract' his \$100,000? No, that year he earned \$92,327. But it was close enough, his wife reasoned, to try the process on a larger scale; why not go for \$1 million? In due course, for his first *Chicken Soup For The Soul* book he received a check from his publisher of over \$1 million.

## **What I took from it.**

Is the law of attraction really a secret? You may think it is all mystical rubbish, but in the Bible, it is surely expressed in the statement, "To him that hath, more will be given". That is, feelings of

abundance in the first place only attract more abundance. Feelings of lack have a corresponding effect. Why this should happen is a mystery, but whether you decide to believe in Byrne's law or not, it cannot be denied that there are millions of examples in which a person's convictions, backed up by strong emotion, have been translated into reality.

The Secret includes a quote: "All that we are is the result of what we have thought". Again, this is a rational, rather than a mystical, concept. The circumstances you find yourself in today, if you are not happy with them, are not 'you'. They are simply the result of all that you have thought and done in the past, and your future can be totally different. If most of your thinking is negative and rooted in feelings of lack, it is logical that this outlook is expressed in real life. As one of the teachers in The Secret notes, the only reason anyone is not living the life of their dreams is that they are thinking more thoughts about what they don't want than what it is they do want.

The majority of people who buy The Secret probably do so with an improvement of their finances in mind, however there are also chapters on health and relationships, and how using the law of attraction can change the world. The book and the film may be seen as works of marketing genius that have made their creator millions, but plenty testify to their powerful effect. Of course, they attract the gullible, but also plenty of intelligent people who are interested in the link between mind and physical manifestation.

# The Wisdom of Life

Authur Schopenhaur

The question of what happiness actually is has puzzled humankind for thousands of years, after all it was one of the first issues that the early Greek philosophers turned to. They called it eudaimonia, a term that encompasses prosperity and good fortune as well as happiness. The question troubled Schopenhauer too, and in his essay, *The Wisdom of Life*, first published in 1851, he presents his own thoughts on the matter.

He attempts both to define what happiness is and to ascertain how life should be lived so as to achieve it. According to him, that is the only way to gain the wisdom of life. Schopenhauer, born on the 22 February 1788, was a German philosopher. He is best known for his 1818 work *The World as Will and Representation*, wherein he characterizes the phenomenal world as the product of a blind and insatiable metaphysical will. Schopenhauer died on the 21st September 1860.

The three most powerful points I took from the book were;

1. Most importantly, a person's inner constitution, or "what he is made of," plays the biggest role in shaping his well-being
2. The greatest pleasures are those of the mind. As he puts it, "An intellectual man in complete solitude has excellent entertainment in his own thoughts and fancies, whilst no amount or diversity of social pleasure can ward off boredom from the dullard."
3. An inwardly rich person, unlike a fool, will pay little heed to others' opinions. She will just live her life

## **Life's blessings can be divided into three categories.**

Ruminating on the qualities and nature of human life is nothing new. But after the rumination comes the practical part. How, exactly, are you supposed to live your life for maximum benefit and happiness? Of course, the Greek philosophers got there first. Aristotle thought human blessings could be classified into three categories: blessings that are external to the self, blessings of the soul and blessings of the body.

Aristotle was on the right track. There are three categories of blessings, but they do not align with his conception of them, according to Schopenhauer. First and foremost, there's personality, or "what a man is." Personality is not just your character; it also covers your health, strength, beauty, temperament, moral outlook, intelligence and education.

These attributes are generally determined by nature, and as such they are very significant in governing human happiness. Most importantly, a person's inner constitution, or "what he is made of," plays the biggest role in shaping his well-being. Just think of health; it is axiomatic that a healthy beggar is happier than a sick prince.

Needless to say, for Schopenhauer, the greatest pleasures are those of the mind. As he puts it, "An intellectual man in complete solitude has excellent entertainment in his own thoughts and fancies, whilst no amount or diversity of social pleasure can ward off boredom from the dullard."

The second category is property, or "what a man has." Material wealth can satisfy real and basic needs, but it will not get you any further than that. It is never going to truly satiate you or compensate for a lack of inner wealth. Happiness comes from elsewhere. That is why rich people, though materially well off, are not always particularly happy.

Finally, there's position. In other words, how you are thought of by others. An inwardly rich person,

unlike a fool, will pay little heed to others' opinions. She will just live her life. That is the basics covered. Now let us look at each blessing in more detail.

### **Human happiness depends on physical health and the gifts and pleasures of the mind.**

Let us begin with the first of the three distinct categories that make up the blessings of life; personality. You are always going to carry it with you, no matter where you go or what you do. Therefore, who you really are matters a great deal. A critical part of personality is health and it accounts for nine tenths of happiness. If you are healthy, you are more likely to find pleasure in things. If you are unhealthy, nothing is enjoyable. Aristotle put it very well indeed when he said, "Life is movement." That is to say, if you want to stay healthy, a little bit of exercise each day will go a long way.

What is more, a mind engaged in constant introspection needs an external counterpart. Consider a tree. Every now and again, the wind needs to shake it up a bit, so it can thrive. In addition to health, the gifts of the mind are significant in determining human happiness. A famous phrase from the Old Testament – "The life of a fool is worse than death" – sums this up well.

If you are lucky enough to have been gifted with intellectual abilities, then you should lead an intellectual life. That way, your mind will be kept busy and you need not ever worry about boredom. A rich and fertile mind will see beauty in the commonplace, while a fool is stuck with what is in front of him. Cast your consideration upon Goethe or Lord Byron – the fertility of their minds provided them with inner wealth and happy self-sufficiency. Conversely, if your mind is empty, then you are more likely to search for entertainment, diversion and luxury to stave off boredom. Schopenhauer is pretty damning. For him, "a man is sociable just in the degree in which he is intellectually poor and generally vulgar."

### **Your wealth will determine what you expect in life, and maybe it will bring freedom too.**

It is time to examine the second category, property, or "what a man has." Once again, the Greeks got there first. Epicurus divided human needs into three parts. Specifically, these are possessions that satiate or quell certain feelings. First off, there are natural and necessary needs. These include food, shelter and clothing. Without them, we would be in pain.

Second, there are the natural but unnecessary needs – that is, all things that gratify the senses. These can be tough to satisfy. Finally, there are outright luxuries, which are neither natural nor necessary. And as they are not actually needing per se, they are the hardest to fulfil. Naturally, there is a bit of overlap among the three categories, because we are all different. What one person considers a luxury, for instance, might be considered a natural but unnecessary need by someone else. Once we are fed and clothed and safe from the elements, we all have different ideas of what is and is not "necessary." Moreover, we tend not to expect more than we think it possible to obtain.

For instance, you are not going to notice the loss of a fine coat if you never had one in first place. But if you are accustomed to finery, then you may be pained by the lack of it. This explains why someone born with a great fortune usually takes better care of it than someone who happens into wealth. If you are wealthy from birth, you will see riches as a necessity that you cannot afford to lose. But if you have lived your life without it, you will not worry about losing it.

If you are lucky enough to have been born into wealth – what the author calls a "favourable fate" – then you will probably be freer and feel more in charge of your time. Ultimately, it will result in you having a more independent mind-set, too.

## **Worrying about reputation is pointless and impedes your path to happiness.**

Position is the third category of life's blessings. It is all about how you appear to others. Let us begin with its first aspect, reputation. Generally speaking, we worry too much about other people's estimation of us. We cannot seem to help it, though our concern is completely unnecessary. The story of a man named Lecomte illustrates the point. After conspiring to murder the French king, he was sentenced to death in 1846.

At his trial, he seemed more concerned about his outward appearance than his fate. He complained that he had not worn his finest clothes before the Upper House. Even on the day of his execution, he was more distraught about not being permitted to shave than his impending death. Instead of devoting himself to finding some sense of peace in his final hours, he worried about the opinions of complete strangers.

Excessive attention to other people's attitudes is a folly we are all susceptible to. We call it vanity. More than being an undesirable trait, vanity is a real impediment to happiness. The opinions of others will distract you from finding peace of mind and inner contentment, both of which are crucial to a happy existence. Roughly half of life's anxieties can be traced back to overconcern about other people's opinions. It's a mighty task to reduce this natural impulse, and to tell ourselves not to listen to or think about the views of others. But the moment we see it for what it is – complete folly – we will be one step closer to being rid of it.

## **Pride is pointless, and rank is a sham.**

Coming to grips with understanding position can be hard. In fact, there are two more aspects of it that we really need to talk about; pride and rank. Pride, like vanity, is a common foible. It is also absurd. Pride comes from within and is best thought of as “an established conviction of one's own paramount worth.” But, of course, this conviction may well be misplaced. Pride actually operates in a similar manner to vanity. But while pride is an internalized opinion, vanity acts externally to the self. Vanity loves praise, and the vain individual only gains a sense of self-worth by winning the good opinion of others.

In contrast, a proud person has an unreasonably inflated opinion of himself regardless of what others think. The basest and most unproductive form of pride is national pride. If you are reduced to celebrating your country, you probably have few admirable qualities of your own, says Schopenhauer. To trumpet the superiority of your nation is silly at best, and it is only done by people compensating for their own inferiority. After all, not every nation can be superior to all others, though each would have you believe in its superiority!

Now let us take a look at social rank, which is just as bad as pride. Rank is a weapon of the state. It falsely informs the opinions of the people at large and keeps them in their place. As such, the institution of rank saves the state a lot of money. It means, for example, that public servants get paid a lot less than their monetary due, because they are supposedly also “compensated” by rank. Rank is really a fraud, however, because its value depends on arbitrary, artificial convention. You should respect a person because of who she is, not because of what theoretical rank she holds.

## **The notion of honour stems from a primitive human characteristic.**

We would all like to imagine that we are useful members of society. Indeed, if some impolite busybody marched up to you and said that you were useless, you would probably feel that your honour was under attack. There are two sides to honour; one is objective; the other, subjective. Objective honour is the opinion others have of your worth. Conversely, subjective honour is your own self-estimation. As you doubtless know, society tends to judge people depending on how useful they are to society. One's opinion of one's self counts for very little. So, we are taught to focus on the opinions of others,

and thus favour objective honour over subjective honour.

In addition to the two categories of honour just mentioned, there are four subcategories of honour. First up is civic honour. Civic honour is universally applicable. The idea is that we should unconditionally respect other people's rights. In short, civic honour makes just, lawful and peaceful social coexistence possible.

Then there's official honour. It is associated with people in public service such as doctors, lawyers, teachers or soldiers. Specifically, it is the notion that people in public service should be suited to the job. If it is generally believed that the person in office is truly qualified for the position and able to manage its responsibilities, then that person has official honour.

Thirdly, there's sexual honour. This depends on the division of the sexes. Female honour dictates that a woman give herself to a man only in marriage. On the other hand, male honour requires that he look after the business of the marriage itself. Finally, there is knightly honour, which depends on expressed opinion. For instance, if someone praises you, then your knightly honour remains intact. However, if someone insults you, your honour takes a blow and you must restore it, either with violence or by forcing your insulter to retract the insult.

This last example demonstrates the fundamental issue with honour. Although it may appear to have some use for society as a whole, it is just an element of primitive human nature, and does nothing for happiness.

### **Deserved true fame lasts an eternity, but it is only a product of underlying personality.**

Honour has a twin; fame. But, like the famous twins of Roman mythology, Castor and Pollux, who were immortal and mortal, respectively, fame and honour have utterly different relationships to time. Honour is ephemeral, a mere flash in the pan. Fame is undying and eternal. The thing about true fame is that you have to work for it. Unlike honour, fame must be won. There are many lesser forms of fame, but true fame is like an oak. It grows slowly but gains strength with every passing year. Lesser fame is but a mere fungus. It shoots up overnight, it blooms, then it disappears as quickly as it came.

Fame also precedes the person to whom it is attached. We need not meet the famous to know of them. What marks fame out is that it is won through merit. Honour comes quickly, but it is also easily lost. You cannot just be credited with fame. It takes real effort. But, once acquired, it sticks. Or, as Schopenhauer puts it, "Fame is something which must be won; honour, only something which must not be lost."

What is interesting about true fame is that it barely has any connection to actual achievement. Rather, it is more like an echo or a reflection of a great personality. This is the critical point. It is therefore not the fame itself that makes you happy. Instead, it is the underlying merits that make you happy. Fame is only an articulation of these deeper personal qualities.

Similarly, people will not admire you for your fame alone, but because of those attributes that made you famous. Do not worry if you never achieve fame. You still possess attributes that could contribute to your happiness. Besides, if someone's main goal is merely to achieve fame, then there is really not much in him worth admiring. So, focus on your inner life. If you have sound intellectual abilities, you should work as hard as possible to surpass the ignorant masses. And if you have been gifted with the highest mental faculties, then your studies may bestow a greater gift, and put you among the poets or philosophers.

## **What I took from it.**

There are three aspects of happiness: personality, property and position. Personality, or what is contained in ourselves and what gives us undisturbed pleasures of the mind, is the most important of the three. Property is of lesser significance. It determines how much happiness we expect in life and may even give us some degree of freedom. Position, or how others view us, impedes happiness. It places too much weight on the opinion of others. It is also a folly to worry about it.

This is an amazing book. Even though the book has some deep thoughts within it, it is really easy to get into thanks to Schopenhauer's style of writing. You might find yourself a bit lost after reading the book, at least that was the way I felt, and discussing the book with your book club could be a way to get rid of that feeling. Though, according to Schopenhauer, they might be nothing but pain bringers to your life. Five stars.

# Psychology

“The best years of your life are the ones in which you decide your problems are your own. You do not blame them on your mother, the ecology, or the president. You realize that you control your own destiny.”

– Albert Ellis

# Being & Nothingness

Jean Paul Satre

Existentialism often attracts the 'life is meaningless' caricature, but in fact its greatest exponent, Jean-Paul Sartre, was actually one of the greatest philosophers of human freedom. It is not easy to arrive at this realisation, however, because of the sheer difficulty and weightiness of his greatest work, Being and Nothingness.

In the Introduction, for instance, Sartre defines consciousness as "a being such that in its being, its being is in question in so far as this being implies a being other than itself". Heidegger's influence is apparent in such impenetrability; what could it actually mean?

To understand, we should start with Sartre's basic division of the world into two: things which have consciousness of self (beings 'for themselves'); and things which do not (things 'in themselves', the objects around us which make up the world). Consciousness exists 'for itself' because it can comprehend itself. Most of the book is devoted to this kind of consciousness, and what it means to those who truly have it: human beings.

The three most powerful points I took from the book were;

1. Although we did not choose to be born, once here we must take responsibility for it. We must see everything in the world as an opportunity (whether used, not used or lacking in the first place).
2. The person who realises that they choose the meaning of their own being, even if it is a frightening thought, is absolutely free. They can live without excuses, regrets or remorse, and take absolute responsibility for their actions.
3. The human goal is to realise and appreciate our own being and our freedom. Other goals which we create as substitutes for this indicate a 'spirit of seriousness' which mistakenly suggests that what I am doing is all important. Who we are is always a project of our own making.

Central to Sartre's thinking is the view that people have no essential 'essence'. In fact, when humans analyse their own being, what they find at the heart of it is nothing. Yet this nothingness is a great thing, since it means we are totally free to create the self or the life we want. We are free in a negative way because there is nothing to stop us being free. Sartre remarks that, "...man being condemned to be free carries the whole weight of the world on his shoulders; he is responsible for the world and for himself as a way of being."

Being and Nothingness caught the mood of post-war France in which all the old certainties had crumbled away. If France's existing value system had got it into such a mess in the War, was it worth anything? Sartre represented a new way of seeing and being. People could choose their future, and it was this apparently new philosophy which excited a generation.

## **Freedom and responsibility.**

Not simply are we responsible for what we do, Sartre says, we are responsible for our world. We are each living out a certain project with our lives, so whatever seems to happen to us must be accepted as part of the project. Sartre goes so far as to say that "there are no accidents in life".

He gives the example of being called up to fight in a war. It is wrong to think of the war as an external thing that comes from outside and suddenly takes over 'our' life. In fact, the war must become my war. I could always get out of it by killing myself or deserting, but for one reason or another (cowardice,

inertia, or not wanting to let down a family or a community), I stay in the war – and, “For lack of getting out of it, I have chosen it.” A war depends on its soldiers for its existence, and I have “decided that it does exist”. There is no point seeing it as a block of time taken out of my life, taking me away from what I ‘really want to do’ (pursue a career, have a family etc); by being in the war I must take full responsibility for it and for my time in it. “I choose myself from day to day”, as Sartre puts it. The state of being of man is a constant choosing of one’s self. People may wish they lived in another time to avoid being in the war, but the fact is they are part of the epoch which led to war, and to be in any other time would contradict that. “Thus, I am this war...” – my life is an expression of the era I live in, so to wish for some other life is a meaningless, illogical fantasy.

We are ‘abandoned’ in the universe, Sartre points out. Anguish comes from the realisation that we are not ‘the foundation of our own being’ (i.e. we did not invent ourselves, or create our own birth), and neither can we be the foundation of being for other people. All we can do is choose the meaning of our being. Although we did not choose to be born, once here we must take responsibility for it. We must see everything in the world as an opportunity (whether used, not used or lacking in the first place). The person who realises that they choose the meaning of their own being, even if it is a frightening thought, is absolutely free. They can live without excuses, regrets or remorse, and take absolute responsibility for their actions.

The human goal is to realise and appreciate our own being and our freedom. Other goals which we create as substitutes for this indicate a ‘spirit of seriousness’ which mistakenly suggests that what I am doing is all important. As Sartre puts it, “Success is not important to freedom”. You don’t have to attain what you have wished to be free, you just have to be free to make a choice.

Living as if our actions are all-important, or spending our life trying to live up to some kind of universal moral value system, is a kind of bad faith. Only by truly choosing for ourselves what we will be every minute, by creating our life like it is a work of art arising from this total freedom, do we realise our potential as human beings.

Sartre’s statement, “Man is what he is not and is not what he is” means that we cannot escape our ‘facticity’ – the concrete facts of our existence like our sex, nationality, class, race. All of these provide a ‘coefficient of adversity’ which makes any kind of achievement in life an uphill battle. And yet, neither are we simply the sum of our facticity. Each of us can have a ‘project’ for our life. The problem is that we shrink back from doing totally new things, things out of character, because we value consistency in ourselves. Consistency, or character, is both a form of security and the lens through which we view and make sense of our world but is largely an illusion. Despite all the limiting factors of our existence, we are freer than we imagine.

### **Bad faith.**

Sartre’s famous concept of ‘bad faith’ (*mauvaise foi*) rests on a distinction between two types of lying: the regular lie, which implies “that the liar actually is in complete possession of the truth which he is hiding”, and whose lie relates to something in the world of objects, expressing the view that I and others are separate; and the lie to one’s self, a lie of consciousness that does not involve a separation between deceiver and deceived. This second lie is less black-and-white, but more serious since it involves a flight from our freedom.

As he puts it; “bad faith then has in appearance the structure of lying. Only what changes everything is the fact that in bad faith it is from myself that I am hiding the truth.” Bad faith requires a person to accept things on face value, and rests on a resistance to the idea of uncovering things completely to find the truth. If not an outright lie, it is persuading oneself to not look too closely, in case something is found one does not like.

Sartre spends several pages rebutting Freud. Freud believed that people’s choices and actions are

constantly hijacked by their unconscious minds, but when Sartre sat down to read Freud's cases for himself, he found that the people on the Viennese doctor's couch were simply examples of pathological bad faith.

Another Viennese psychiatrist, Stekel, agreed with him, and wrote "Every time that I have been able to carry my investigations far enough, I have established that the crux of the psychosis was conscious." Indeed, Sartre would have welcomed the revolution in cognitive therapy of the last 40 years, which dismisses the idea that we are sabotaged by subterranean urges and can in fact condition our thinking.

Nevertheless, freedom is a burden, which is why so many escape into bad faith. Sartre notes that bad faith may be the normal way of life for many people, with only occasional, brief awakenings to good faith. The person of bad faith can see quite clearly what he or she is doing but chooses to deceive themselves as to its meaning.

He gives the example of a woman who has agreed to go on a first date with a man. Though she does not try to prevent his acts of flirtation and pronouncements of love or affection for her, at the same time she does not wish to make any kind of decision about the relationship. So, what does she do? To keep enjoying the charm of the evening, she reduces the man's statements to their literal meaning only. When he says to her 'I find you so attractive!', she takes this only for what it is, being careful not to accept any other meaning (such as, I want to sleep with you, or I want to get serious with the relationship).

When he takes her hand, she does not want to destroy the evening by withdrawing it, so pretends to herself that she has not noticed her hand is in his. Seeing her own body as a mere object has the effect of preserving her freedom. She has made no commitment herself – or at least this is how she chooses to see it. But in separating her body, or the 'facts' of the situation, from her transcendent self (her true 'I' if you like) she is creating a lie for herself to serve a particular purpose: maintaining a sense of freedom or non-commitment.

Everyone operates between bad faith and good faith all the time, but Sartre says that it is possible through 'self-recovery' to achieve authenticity, which simply means a person 'being what they are'. For such a person, candour "ceases to be his ideal and becomes instead his being". But this does not happen naturally; a person becomes sincere, or what they are, only as a conscious act.

### **Freedom and relationships.**

It may seem an obvious question; why are human beings obsessed with relationships? Sartre's answer is that, although we are each individually conscious beings, we also need others to see us and 'make us real'. The problem in relationships is that we try to turn other free consciousnesses (people) into objects, which is never possible.

The implication of Sartre's views is that our best chances for happiness or success in relationships is to recognise and allow another's freedom, despite our natural wish to 'own' them. We need to see people as a free being, and not simply the sum of their facticity. We can try to make others dependent on us emotionally, or materially, but we can never possess the consciousness of another. "If Tristan and Isolde [the mythical love pair] fall madly in love because of a love potion", Sartre writes, "they are less interesting" – because a potion would cut out their consciousness.

It is not just a person we want to possess, as an object, but their conscious freedom to want us. Not even a pledge or a vow measures up to this; in fact, these are nothing compared to the full giving of a person to another in spirit. As Sartre puts it, "the Lover wants to be 'the whole World' for the beloved." To the other person, "I must be the one whose function is to make the trees and water exist". We must represent to them the final limit of their freedom, where they voluntarily choose to see no further. For ourselves, we want to be seen by the other not as an object, but as something limitless:

“I must no longer be seen on the ground of the world as a ‘this’ among other ‘thesis’, but the world must be revealed in terms of me.”

Romantic relationships are so potent, Sartre says, because they join together one person’s state of Nothingness to another’s Being. In plain terms, when we fall in love with someone, they seem to fill a hole. We rely on the other to make us exist (otherwise, we are the state of nothing). Yet we are perpetually insecure in love because at any moment we can become, instead of the centre of the lover’s world, merely one thing among many. Thus, for Sartre it is this push and pull between objectivity and subjectivity that is the heart of all conflicts and unresolved issues in love.

Relationships are a perpetual dance between lovers wanting to perceive each other’s freedom and wanting to see each other as an object. Without the other being free, they are not attractive, yet if they are in not some way an object, we cannot have them. It is only in recognising the other’s total freedom that we can ever be said to possess them in any way. Perhaps, reducing ourselves to an object to be used by the other, but in a voluntary way, is in a strange way the height of being human, since it is a kind of giving that goes against the very nature of man to be free - a gift like no other.

### **Sex and desire.**

Sartre see sexual desire as having much less to do with the sexual organs than with states of being. We are sexual beings from birth to death, yet the sex organs do not explain our feelings of desire. Desire of what, Sartre asks. We do not desire someone just for pleasure, or just because they are a vessel for the pleasurable act of ejaculation – as noted above, we desire a consciousness. There is a big gap between normal desires and sexual desire, he points out. We can desire to drink a glass of water, and once we have drunk, we are satisfied. It is that simple.

But sexual desire compromises me, Sartre notes. Consciousness becomes ‘clogged’ by desire, or to put it another way, it invades us. We can let this happen, or try to prevent it, but either way the sexual appetite is not the same as others, since it involves the mind, not just the body. We say that desire ‘takes hold of us’, or ‘overwhelms us’, phrases we do not use in relation to hunger or thirst, for instance.

Sartre likens sexual desire to being overcome by sleep, which is why we seem to have little power over it. Consciousness gives way to just being a body, or in his words, “The being which desires is making itself body.” At the same time, during sex we wish to make the other person only flesh (thus revealing ourselves as just flesh). Not only do we want the other person to rid of all clothes and adornments, we want that body to be an object, no longer moving.

“Nothing is less ‘in the flesh’ than a dancer even though she is nude. Desire is an attempt to strip the body of its movements as of its clothing and to make it exist as pure flesh; it is an attempt to incarnate the Other’s body.”

The caress, Sartre says, “causes the Other’s flesh to be born”, to awaken desire in them, and at the same time makes us realise ourselves as a body, and a body that belongs to the world. The interplay between mind and body he describes in this way: “...consciousness is engulfed in a body which is engulfed in the world”. Though we are conscious beings, in lovemaking we wish to reduce the other to physicality and reduce ourselves to being a mere body – if only for a time.

### **What I took from it**

For a person who said that appreciating one’s freedom and state of being was more important than ‘bourgeois’ achievements (he refused the Nobel prize, for instance), Sartre achieved a lot. Notwithstanding his remark that “Success is not important to freedom”, could it be said that he left us with a recipe for success?

Clearly, yes. Apart from the broader ethic of individual freedom, the recipe is to “insert my action into the network of determinism”. By this he means we must accept the milieu into which we have been born yet be willing to transcend it. We must see the grain of our particular universe, and yet be creative in our pursuit of a meaningful life. The whole book is a warning not to let the apparent facts of our existence dictate its style or nature. Who we are is always a project of our own making.

Sartre himself lived out this philosophy. The death of his father when he was quite young meant there was no pressure to model himself on him, and he felt free to invent himself as whatever person he wished. Consistent with their refutation of all bourgeois or middle-class values, he and fellow philosopher Simone de Beauvoir never married or had children, but their union of minds made them one of the great couples of the 20th century.

For most of their lives they lived in apartments within a stone’s throw of each other and would spend several hours a day together; they admitted it was difficult to know which ideas in their writing originated with one or the other. Their thoughts on being, love, and relationships remain some of the most penetrating ever written.

For me, this certainly was a difficult book to read. The book is 800 pages of brilliance and frustration, pretty much in equal measure. This will need to go onto my ‘read again’ list for when I am more versed in philosophical thinking.

# Ego Is The Enemy

Ryan Holiday

My own ego has been a focus of mine for some time now. Trying to work out why I take things so personally when my views and opinions are challenged; or at worst, not listened to. Why was/ is my desire for recognition so strong. Is it a lack of confidence; a chip on my shoulder?

Even though I feel that I have come a long way in keeping my ego in check and master my emotions, I do still find myself slipping back every now and then, especially dealing with certain individuals. It was with great excitement that I bought Ryan Holiday's, Ego Is the Enemy - in order to advance my understanding and the impact of my own ego. The book surely did not disappoint.

In this book, you will learn where ego comes from and how it can block your road to success. You will learn strategies for how to control your ego, regain humility and forgo seeking praise in favour of sharing it with others.

Author, Ryan Holiday states that a moderate, healthy ego is often crucial to success in life. It allows us to engage in competition, convince others of our strengths and surpass our previous achievements. All too often, when we experience success, our ego becomes inflated. Our perceptions cloud as our self-image rises above our view of others. We can become so confident that we overextend ourselves and end up paying for it. So, taming our pride is a crucial step; but how do we do that?

The three most powerful points I took from the book were;

1. Pride does not just stop us from continuing to learn and achieve, it also makes us overly sensitive to criticism and deaf to warnings
2. One way we can control our ego is by thinking of ourselves as students that never stop learning.
3. Showing humility will always benefit your career, no matter what

## **Ego and your desire for recognition.**

As the saying goes, actions speak louder than words. If that is true, says Ryan, why do we love to feel popular or get praise from others, even for things we have not done? We have got our ego to thank for that. Ego is the desire to get fame and recognition without deserving it. While recognition may result from being successful, many people try to become famous before they achieve success.

The authors ask us to consider the story of former US president Ulysses S. Grant. After the American Civil War, he ran for president and won. But while Grant may have been popular in the army, he did not have much experience in the political sphere. His desire to win the highest political office despite his lack of experience makes Grant the perfect example of an egoist. The same can be said of current President Trump.

Unlike ego, ambition is based on a solid foundation of real achievements. William T. Sherman served alongside Grant and was successful in his post; making him ambitious, but not an egoist. As Abraham Lincoln's 2nd term drew to a close, Grant pushed into politics to compete for the role of president. While egoists chase after fame, ambitious people are driven by the will to excel in their field, regardless of whether they are congratulated and celebrated for their successes.

Sherman simply was not interested in becoming president. He preferred to keep working hard in his field of expertise: military leadership. He was determined to be successful without focusing on gaining recognition for it, and he also knew that success in one field did not necessarily mean it could be

transferred over to others.

### **Rein in your ego by becoming a student for life.**

One way we can control our ego is by thinking of ourselves as students that never stop learning. Even if you are incredibly good at what you do, your ego can get the better of you all too easily. Remind yourself that there is always someone who is better than you.

Another example from the book is the story of Kirk Hammett. In 1980, Kirk Hammett was asked by Metallica to join their band, where his musical talent would be allowed to shine. However, Hammett knew that even though he had just become a member of one of the most famous rock bands of all time, he was not done learning. Hammett became a student of world-renowned guitar virtuoso Joe Satriani and, in doing so, was able to take his guitar skills to a whole new level.

Hammett was able to stay humble by working with an immensely talented peer, a great way to rein in your ego. If you want to remind yourself that you have always got more to learn, you can find yourself a highly skilled mentor. Alternatively, you can become a teacher, a strategy applied by martial-arts expert Frank Shamrock; the author states. Frank believes that in order stay humble, fighters must not only learn from the very best and train with peers at their skill level but should also dedicate time to training beginners. Allowing fighters to see the full spectrum of skill levels in their sport.

### **Do not be blinded by your pride.**

Imagine what would happen if some of the world's greatest inventors let their early achievements deter them from further progress. Why is it that we tend to sit back and relax after achieving success; Ryan asks?

Resting on our laurels is a result of our pride. Pride and ego are not the same thing, but definitely go hand-in-hand. Pride justifies our ego, making us feel like a single success is a sign of how special we are. We are too busy patting ourselves on the back to see that there's room for improvement, or that we could achieve even greater things.

Pride does not just stop us from continuing to learn and achieve, it also makes us overly sensitive to criticism and deaf to warnings. Proud people are very prone to becoming defensive or aggressive when their achievements are criticised.

### **Delegation is a way to keep your ego in check.**

Ryan asks; do you have trouble trusting teammates or colleagues? Ever feel like you cannot give them tasks to do because they just would not do as good a job as you? These are some serious signs that your ego needs reining in. Try placing trust in other people's work – you and your team will benefit from it.

As you move up your career ladder and take on more of a managerial role, conflicts with your ego may emerge. You might have been used to gaining recognition for your work, while your new role might be to oversee the work of others. Many of us tend to hoard tasks we should delegate. Why? Because our ego tells us that we are the only person right for the job. By delegating, you will force yourself to trust and respect the work of others.

If that is not enough to convince you, keep in mind that the costs of refusing to delegate can be pretty hefty. The author tells the story of car manufacturer John DeLorean. John left his job at General Motors to start his own company because he believed he had a better understanding of the car manufacturing business than his bosses at GM. The problem was, he had no substance or expertise to back up

his assumption, and this soon became painfully clear. In his new company, he did not implement responsibility structures that made GM thrive. Instead, DeLorean had to have a say in every single decision, a dictatorial style of management that was unsustainable, to say the least. DeLorean's endeavour eventually failed, ending in bankruptcy.

### **No person is an Island.**

If, no person is an island; why do we love to think of our victories as ours alone? Whether we achieve success after tackling adversity or just through hard work, it is far too easy to let accomplishments go to our heads and let ourselves believe they were all our own doing. The author tells the story of Shaquille O'Neal and Kobe Bryant - both world-class players with the LA Lakers. They won three consecutive championships with the Lakers. They were a fantastic duo but, unfortunately, they both let their individual success get the better of them. O'Neal often complained about Bryant's shortcomings to the media, and Bryant refused to sign with the Lakers again until they traded O'Neal to another team.

Ryan states, that instead of selfishly seeking out praise for yourself, share the accolades with others. Usually, they will do the same for you in return. Showing humility will always benefit your career, no matter what. From the accountants who gave you the numbers for that winning presentation to the designer who made those striking infographics, thanking those who help you along the way will strengthen your own position. Your team will enjoy working with you and will perform better, and you will continue attracting new colleagues, too.

### **Do not always expect success.**

It is natural to feel frustrated if one of your great ideas gets rejected or you do not get the job you applied for. After all, our egos tell us that we are entitled to receive rewards – but the world does not always work in accordance with our plans. Rather than feeling disappointed, we should acknowledge the work we have done and recognise that we cannot always control the outcome of that work, or people's opinions of us. An unexpected result should be welcomed as an opportunity to honestly reflect on our performance.

And on the other side, we should remember that lucky breaks are not the same as success that comes from hard work. So, again, we have to be honest with ourselves about our performance. Another example mentioned that of the New England Patriots football team. They selected Tom Brady in the sixth round of an entry draft, and he turned out to be one of the greatest quarterbacks in NFL history, leading the Patriots to four Super Bowl titles.

However, instead of congratulating themselves for having found such a great player in such unexpected circumstances, the Patriots were determined to improve their scouting program, so they would identify talent like Tom Brady again. The next time something does not go the way you expect it to, take the time to understand why. Improve your best efforts and you will give yourself a better chance in the future.

### **What I took from it.**

An ego is not something a person develops on purpose; it is a part of everyone's personality that develops naturally, especially in conjunction with success. An unchecked ego can end up being detrimental to your success, and you should take careful steps to ensure that it does not get out of control. This book is absolutely full of amazing anecdotes loosely tied together in three sections: *Aspire*, *Success*, and *Failure*. If you are looking for inspiration to get you through a pit of despair, and cannot stand empty platitudes, this book is for you.

# Emotional Intelligence

Daniel Goleman

Some people think emotions play a role only in romantic situations or in the heat of a physical fight. Yet in fact, emotions are everywhere: they form our decisions, help us understand the world and are crucial in any interaction with others. In his book, *Emotional Intelligence*, Daniel Coleman explains in detail what impact emotions have on your everyday life. It shows how they can help you, but also how they lead you astray. It also highlights the role that emotional intelligence plays in allowing us to use emotions to create positive outcomes and avoid situations where they can harm us.

It explains how emotional intelligence makes it possible to create a balanced interaction between the emotional brain and the rational brain. It also shows us how this capacity can be acquired and expanded. Finally, it answers these interesting questions: How does emotional intelligence develop in individuals and why is this capacity so important for society as a whole?

The three most powerful points I took from the book were;

1. Our emotions are important tools for understanding and interacting with our environment.
2. Knowing how you would feel in a certain situation helps you to gauge how others will feel in a similar environment
3. Evidence suggests that people with high levels of emotional intelligence are more likely to be successful.

**Emotions are important; they help us learn new things, understand others and push us to act.**

Do our emotions hold us back? Would we do better if our emotions were removed and we became unfeeling, logical creatures? In fact, emotions are vital to us as they provide us with advantages that help us to lead fulfilled lives.

One such advantage is the way emotions help us learn from our memories. When our brain stores experiences, it does not just collect facts. It also records our feelings and these feelings help us to learn from our experiences. For example, if a little boy touches a hot stove, he will experience intense pain. The thought of touching another stove in the future will carry with it the memory of that searing pain. Thus, his emotions will hopefully keep him from doing it again.

Another value of emotions is the way they help us to interpret the feelings of others, which can aid in predicting their actions. For example, imagine you are faced with an angry man. From his body language – maybe his clenched fists or loud voice – you can tell his emotional state. Knowing this, you can predict his future actions; he might, for instance, be ready to hit someone.

The final advantage that our emotions give us is the drive to act. We require them in order to react quickly to a situation. Take that angry man from the earlier example. If we feel that he may be close to a violent outburst, our emotions will make us feel threatened or even angry, thus preparing us to react quickly if he looked like he was about to attack.

People who have lost their capacity for emotion also lose this drive to act. For example, in the previous century, many psychiatric patients went through a brain surgery called a lobotomy, which separated two regions of the brain that are vital for emotional processing. The result of the surgery was that patients lost their initiative and drive to act, as well as much of their emotional capacity.

## **Our emotions can impede our judgment.**

Our emotions are important tools for understanding and interacting with our environment. However, they are also flawed and can lead us to make mistakes. One such mistake occurs when we become overly emotional. In order to make sound judgments we need to think clearly. Like a juggler, our minds can handle only so many items at once. And when we are in a state of heightened emotion, our minds are bombarded with alarming thoughts and disturbing images. Thus, there is no room for rational thought and our judgment is clouded.

For example, when you are frightened you may find yourself overreacting to situations, thinking they are more dangerous than they actually are. Another mistake caused by our emotions is when we act suddenly before we have the chance to judge a situation clearly. When information enters our brain, a fraction of it bypasses the region responsible for rational thought – the neocortex – and directly enters the emotional brain. If it perceives this information to be a threat to us, the emotional brain can trigger us to act suddenly, without consulting our thinking brain. This is why you may jump out of your skin when you are in a dark forest and you see a strange figure out of the corner of your eye.

The final way our emotions can lead us to act irrationally is when we are affected by obsolete emotional responses. Our emotional mind reacts to situations in the present based on past experiences, even when the conditions have changed. For example, a boy who was physically bullied at school may grow up to be a strong man, but still feel threatened by his former bully. So, although emotions are important, they can take control of our minds and disrupt rational thinking. We therefore require something to help us manage them effectively.

## **EQ enables you to manage your emotions and leverage them to reach your goals.**

So how can you use the power of your emotions without them overwhelming you? You need emotional intelligence (EI), as it allows you to recognize and manage your feelings without being controlled by them. The first aspect of emotional intelligence is being able to recognize and name your feelings. This step is vital to being able to manage your emotions. Studies show that people who are not able to recognize their own feelings are more prone to violent outbursts.

Once you are able to recognize your emotions you need to become aware of what causes them. Often your feelings in a situation depend on how you think about it. For example, if a friend of yours passes you on the street and does not acknowledge you, you might immediately think that they are ignoring you on purpose. This may make you upset or even angry. But, if you stop to think why he failed to acknowledge you, you might find other reasons that leave you less upset. The friend might, for example, not have seen you because they were lost in thought and were not concentrating on their surroundings.

When you begin to recognize and manage your feelings, emotional intelligence can help you concentrate on achieving certain goals. For example, imagine that you need to write a paper for university. You do not really like the subject matter and you would much rather go to a film festival instead.

Emotional intelligence can help you manage these various feelings. Although the subject matter bores you, you could try to look at it from another angle. Maybe there is one aspect of the subject that enthralls you. Also, knowing how the film festival will make you feel, you can defer the gratification and save your potential enjoyment until you have time for it. Students who manage their workloads in this way tend to do well at school even if they have average IQs.

## **EQ is the capacity that helps you navigate the social world.**

Unless you live on an island, it is unlikely that you will develop a happy life just by managing your own mind, says Coleman. Other people play a large role in your existence and only by managing your social interactions with them can you hope to live a fulfilled life. Once again, emotional intelligence can help in achieving this.

Emotional intelligence fosters good social interactions because it helps you put yourself in other people's shoes. Knowing how you would feel in a certain situation helps you to gauge how others will feel in a similar environment. Your emotional intelligence also helps you discover the emotions of others by analysing their nonverbal signs. This means you can judge a person's mood just by looking at cues like their facial expressions or body language.

For example, if you see someone with a face as white as a sheet and with their mouth wide open, you will probably conclude that they have been shocked. What is more, you will probably identify such cues automatically, without any conscious effort. Because it allows you to empathize with others, emotional intelligence enables you to behave in ways which evoke favourable reactions from others.

For example, imagine you are the manager of a company where one member of staff is constantly making the same mistakes. You will need to tell him about this and get him to change, but you have to do it in the right way. If you hurt his feelings, he may become angry or defensive, and less likely to make the changes you desire. If you empathize with him and imagine how he will feel, you can act in a way which makes him more willing to change.

In general, people with emotional intelligence can develop social aptitudes such as the ability to teach others, resolve conflicts or manage teams of staff. And these aptitudes help them to maintain relationships in the social environment.

## **EQ is balance between the emotional “feeling brain” and the rational “thinking brain.”**

The way that we think, and feel are intertwined. This is because the thinking brain – where we develop our rational thoughts – and the feeling brain – the birthplace of our emotions – are linked. They are connected by strong neuronal pathways. Our emotional intelligence is dependent on these connectors between the thinking and feeling brains, and any damage to these neuronal pathways can elicit emotional intelligence deficits.

For example, a person whose emotional brain is severed from their thinking brain will stop experiencing feelings. Their deficiencies in this area will include a loss of emotional self-awareness, which is an important component of emotional intelligence. Evidence of this can be seen in lobotomized patients. After the connections between their two brains were severed, they lost their emotional capacity.

Another example of the importance of the connections between our two brains is the thinking brain's role in correcting the workings of the feeling brain – a process essential for emotional self-regulation. Emotional self-regulation works in the following way; stimuli, such as a sudden loud bang, will often send your emotional brain into overdrive. The feeling brain will automatically perceive the stimulus as a threat, and so it will respond by putting your body into a state of alert.

We use our thinking brains to help regulate this process. After we hear the loud bang, and while our emotional brain is sending alarm bells ringing around the body, our thinking brain is checking the stimulus to see what threat is there. If it sees no danger, then it calms down both the feeling brain and the body, allowing you to think clearly again. This is why we aren't constantly overreacting to every sudden noise we hear.

## **EQ makes you healthier and more successful.**

What is the key to leading a successful and fulfilled life? You may think it is high IQ – that the brightest people will stand the best chance of leading happy lives. Yet emotional intelligence is just as important as high IQ in achieving this. Evidence suggests that people with high levels of emotional intelligence are more likely to be successful.

For example, studies show students with high levels of empathy get significantly better marks than less empathetic pupils with comparable IQs. Students who can control their impulses will also be more successful than their peers. One study conducted by Stanford University called “The Marshmallow Challenge” tested the ability of a group of four-year-olds to resist eating a treat. Years later, it turned out that those who had been able to control their impulses at age four proved superior academically as well as socially throughout their youth.

This success continues into the adult world. Managers who are more socially adept also tend to be more persuasive. What is more, emotional intelligence can also help us lead healthier lifestyles. This can be seen by looking at stress. When we go through stressful periods, our hearts are put under immense strain because our blood pressure is raised. This leaves us at risk of cardiac arrest.

Stress can also weaken your immune system, as demonstrated by a study that suggested that people under stress are significantly more likely to catch a cold. However, emotional intelligence can help us avoid the dangers of stress. This is because if you learn to mitigate stressful feelings like anxiety and anger, you will reduce those feelings’ harmful effects on your health. For example, in a clinical study, people who had already suffered one heart attack were coached to manage their anger, which significantly lowered their risk of further attacks.

## **EQ and your child.**

Given the great impact of emotional intelligence on success and health, there is remarkably little emphasis on emotional skills in the typical school curriculum. While high emotional intelligence makes people happy and healthy, poor emotional intelligence can have society-wide negative effects. For example, the tripling of the US teen murder rate between 1965 and 1990 can be linked to diminishing emotional intelligence. There is strong evidence that suggests that deficits in emotional intelligence can cause delinquency – a major factor in increasing crime rates.

For example, studies show that violent teen delinquents find it difficult to control their impulses and also find it hard to read other people’s facial expressions – deficiencies which are also found in adult sex offenders. Drug addicts also display emotional intelligence problems. For example, heroin addicts have difficulty regulating anger even prior to their addiction.

There’s little doubt that a child’s welfare is determined by emotional competence. Children who grow up in an environment surrounded by emotionally intelligent people will also display high levels of it. This was confirmed by a study that showed that children of emotionally intelligent parents are better at regulating their own emotions, show lower stress levels, are better liked by their peers and described as more socially adept by their teachers.

It is perhaps not surprising that a child’s own emotional intelligence is also related to its welfare. Children with deficits in self-awareness, empathy or impulse control are at risk of developing mental health problems and tend to have more problems at school.

All this evidence shows that the emotional intelligence of children is central to the future of our communities. The children of today are the parents, managers and politicians of tomorrow. In short, many will have a big impact on future society, and it would help any community if the people in charge were empathic, good at resolving conflicts and not prone to blindly acting on impulse. Several very diverse societal factors shape a future community’s well-being, but obviously emotional intelligence is

among the more influential ones.

### **How to boost your emotional intelligence.**

As we have learnt that emotional intelligence can lead to a fulfilled life, you may now be asking if it is possible to boost it, says Coleman. The answer is yes, and a series of exercises can help you achieve this. If you want to enhance your self-awareness and self-management, you can practice using inner dialogues. This will assist you in identifying and naming your feelings. For example, if your friend tells everyone but you about his marital problems you may feel upset. But inner dialogue can help you resolve this. You should ask yourself, “Why am I hurt? Because my best friend confided his marital problems to everyone but me. “

Now, having identified this feeling and its cause, you can dampen its power. You could instead tell yourself, “I may feel left out but it’s possible that he didn’t want to bother me because he knew I was busy drawing up the annual accounts.” In this way, you will feel less upset. If you want to improve your empathy, you can try to mirror another person’s body language. This is helpful because body language does not solely express emotions – it also evokes them. So, for example, by mirroring another person’s tense posture, you may induce tenseness in yourself.

The way you explain your successes and failures has an impact on your ability to motivate yourself. To become self-motivated, start thinking like this; people who can convince themselves that failures are due to something they can change do not give up so easily. They continue to try because they believe that a successful outcome depends on their own actions. In contrast, those who attribute a setback to some permanent personal deficit are likely to give up soon. They are convinced that there is not much they can do about their success anyway. If you want to be successful, try to avoid this thought process.

### **EQ in the office and your love life.**

You may now know quite a bit about emotional intelligence, says Coleman. But you may also be asking yourself – how can I use this knowledge practically? The first piece of advice is; you can avoid misunderstandings in a relationship if you consider the different ways that men and women deal with emotions. Typically, girls are raised to talk about their feelings and connect through intimate talk, while boys learn to minimize feelings that might make them appear vulnerable.

For example, if a female partner complains about a problem, the male reaction might be to instantly offer advice. But this could be wrong; often when a woman complains about a problem, she is seeking validation. She wants her partner to listen and show that he understands. So, an immediate solution might be misinterpreted as a rejection of her anguish rather than an attempt to help. It would be better to listen to her carefully. Also, try to take a break to calm down. Strong emotions tend to distort your thinking so you will likely say or do something you might regret. Fortunately, a cool-down period may help.

Some marriage counsellors even advise couples to monitor their pulses during a quarrel. A pulse rate that overshoots the person’s average rate by more than 10 bpm indicates that the person is getting too emotional to think rationally and needs a rest period. The final piece of advice is: if you have to criticize someone, be specific and offer a solution. By picking an incident and pointing out exactly what should have been done differently and what was done well, you’ll make yourself clear and keep the recipient from feeling devalued and confused.

## **What I took from it.**

Our emotions are important as they serve as indispensable sources of orientation and push us to act. However, they can also make us act irrationally. That is why we need emotional intelligence. Emotional Intelligence is a set of skills that enable you to recognize and manage emotions – both your own feelings and those of other people.

Emotional intelligence is perhaps the most important factor in helping us lead fulfilled lives. Compared to IQ, it is a better predictor of academic success, job performance and life success. And, unlike IQ, we can increase our emotional intelligence throughout life. Emotional intelligence is of paramount importance for a child's welfare. Thus, if you are a parent or a teacher, you might want to help children develop their emotional skills by using one of the following simple measures:

Encourage them to talk about their feelings. This will enhance their emotional self-awareness. If they experience difficulties with this task, provide them with the necessary vocabulary to label their emotions. If they succeed in something, praise them for their efforts and for showing self-control. This will teach them to trust in their ability to improve their lives through their own actions.

Be specific and constructive. If you have to criticize someone, pick a specific incident and point out exactly what should have been done differently and what was done well. That way you will make yourself clear without offending the recipient. When you are very upset during a dispute, try to take a break to calm down. This may help you to circumvent a hurtful overreaction that could otherwise be triggered by rage.

The book is informative, and it can certainly be enjoyed by the readers - serious as well as casual page-flippers. The book has a lot of useful information for the first category readers and a number of interesting facts for the second category readers. I read it somewhere in-between and was delighted as well as informed.

# Get Smart

Brian Tracey

Do you sometimes feel intellectually inferior to others? And, on top of that, do you feel as though there is nothing you can do about it – as though some people are just more creative, or have better problem-solving skills when it comes to math and technology? Well, think again. It is actually far more likely that the brilliant people you admire are simply using more of their brain potential than you are. And they are not special. In fact, we can all learn to use our brain better.

No one knows how to do this better than self-development guru Brian Tracy. In his book, *Get Smart*, published in 2016, you will learn how to turn your mind toward success. With the help of a few simple rules, you can stimulate your brain and fire up those extra neurons.

The three most powerful points I took from the book were;

1. The best way to keep yourself from falling into a comfort zone is to conduct what the author calls zero-based thinking. To do this, you must constantly question the value of everything you do. More specifically, you should ask yourself a hard question: “If I got the chance to do this from the beginning again, would I?”
2. Those with goals can more easily adapt in the face of change. Despite their importance, real goals are pretty rare. Only around three percent of people have a set of clear, written goals to help them navigate through life. If you are not among that three percent already, you should join them now.
3. The most important asset you have in your life is your “earning ability” – what others are willing to pay you for completing a task. Being a success depends on how quickly and effectively you get stuff done

## **The first step to unlocking your brain’s potential is to change your perspective.**

Let us imagine you have a bank account with a balance of one million dollars. Now imagine you can only access \$20,000 of that million. That would be a pretty frustrating situation, right? But, incredibly, that’s pretty much how little access you have to the wealth of brainpower inside your head. Recent studies have discovered that the average person only uses around 2 percent of their mental powers.

In other words, 98 percent of our potential power lies idle. But how much potential is this? Well, we all have around 100 billion brain cells, and each one of these cells is connected to about 20,000 other cells. According to Tony Buzan, an expert on the brain, if everyone could use all of their brain cells, each person could generate more ideas than there are molecules in the universe!

Luckily, each of us is capable of tapping into this unused brainpower. To start, all we have to do is shift our perspective. How we look at and interpret life is incredibly important to getting the most out of it. For example, someone with an optimistic perspective will see a world full of potential and good, while a pessimist will only see problems and negativity. Faced with constructive feedback, a pessimist may become overwhelmed with his failure, while an optimist will probably see it as a chance to learn and grow.

Unfortunately, our perspectives tend to be narrow and limited, as the following famous Buddhist anecdote demonstrates. Six wise blind men are trying to describe an elephant. The first man touches the elephant’s ear and says that an elephant is like a thick blanket. The second touches a tusk and decides that the animal is sharp and pointy. The third touches the leg and concludes that an elephant is like a tree trunk. The fourth touches the side and believes it’s like a wall. The fifth feels the tail and

imagines a rope. And the sixth man puts his hands on the elephant's head, which reminds him of a rock. They all have different perspectives, and though none of them is exactly wrong, each misses the full picture by focusing only on particular parts. We must broaden our own perspectives if we wish to avoid the same fate.

### **Long-term thinking and immediate actions will make future goals possible.**

When it comes to planning in life, there are two perspectives you can take. You can adopt short-term thinking and concentrate on maximizing pleasure in the here and now, or you can think and plan long-term. Long-term thinking centres on being a step ahead and considering the consequences of your actions – and then the consequences of those consequences, and so on. So, which is better? Well, an overwhelming majority of people who are happy and successful also focus on long-term thinking.

In 1970, Harvard professor Edward Banfield, looked at people from different socioeconomic backgrounds and observed that the people who earned more money were the ones who thought ahead – often years or decades ahead. These are society's smartest people. Yet their smartness didn't come from having sky-high IQs; it came from their perspective, most notably their ability to think about how each of their actions would get them closer to their ultimate goals.

And this is just as important today. According to Forbes magazine, there were 290 new billionaires in 2015, 66 percent of whom were self-made and had started off with next to nothing. To generate this wealth from a standing start, long-term planning is key. To join the ranks of these bright individuals, you must think about where you would like to be in five years and then figure out what you have to do now to get there. This involves taking stock of your work and personal life, as well as your health and financial independence, and then making important decisions based on this information.

But it is always worth remembering; just formulating a great plan is not enough; you also need to act on it. For example, are you thinking ahead about enjoying a comfortable retirement? A huge number of Americans – 70 percent, to be exact – live from paycheck to paycheck. They do not think about saving or investing for the future; they prefer to think short-term, focusing on which car or gadget they can buy right now. When these people reach retirement age, they are in for quite a shock, says Tracy.

If you want to avoid this fate, you need an action plan. Set up a savings account immediately and, every month, deposit 10 to 15 percent of your income. Through the miracle of compound interest, relatively tiny investments made at a young age – even as little as \$100 a month – can grow into massive amounts by the time you have retired. Every moment you delay or focus on short-term gratification will cost you in your old age.

### **To make better decisions, slow down your thinking.**

Human thoughts are generally a bit like the bubbles in a glass of champagne – each one vanishes soon after it forms, along with countless others. Though there is always plenty of mental sparkle and fizz, there is a definite lack of real substance. Unfortunately, many of us let ourselves be dominated by these speeding, transitory thought bubbles. Rather than using our brain to think logically and sagely, we allow emotional, reactive thoughts to determine our actions. For example, when we get a ping on our phone, our brain compels us to instantly drop the task in hand and have a look. Or, when someone riles us up, our immediate, angry thoughts often lead us to lash out.

But it does not have to be this way. We can use our brain more effectively. According to Nobel Prize-winning psychologist Daniel Kahneman, there are two types of thought processes. There is the impulsive type of thinking that we just described, and then there is the slower, more rational process of thinking where we weigh all the options and make considered decisions. When planning important long-term goals, utilizing this slower method of thinking will lead to better decisions.

The good news is that the slower method is pretty easy to engage; the longer you take to decide, the more chance you give your slow-thinking brain to come up with the best answer. Here are a few simple tricks you can use to slow down your thinking. One great tactic is to take 72 hours before making any important decision. This will give you ample time to carefully mull over the various options, says Tracy.

Nothing gets the slow brain in gear like a period of solitude. Spending 30 minutes to an hour every day in a quiet, secluded spot will give your mind the time it needs to think. Shut off all distractions, such as phones and music, and let your mind flow like a river. Left alone to contemplate, it will not be long before your mind starts generating great ideas and solutions.

Finally, go through each stage of the author's GOSPA model to think carefully when contemplating long-term strategy.

- **Goals:** What results do you ultimately want to achieve over a specific long-term period. For example, what growth target do you want to aim for over the next five years?
- **Objectives:** The smaller targets that will get you closer to your main goals. For example, what level of growth should you be striving for this year?
- **Strategies:** How will you achieve your objectives? For example, what marketing strategy will generate the required growth?
- **Priorities:** Identify the most effective actions that will make your strategy a success.
- **Actions:** The everyday work that will ultimately get you to your goals.

Going through the GOSPA model, stage by stage, will allow your slow-thinking brain the space to reach the best decisions. Next time you need to think of long-term strategy, be sure to use it.

### **Success depends on intensive research and asking the right questions.**

So far, we have talked mostly about how shifting perspectives can help your personal development. Now, let us look at how altering your mind-set can help you in the world of business. Here is a question for you, says Tracy. Why is it that 80 percent of new products flop and have to be withdrawn? According to Forbes magazine, the main factor determining whether a business will make it is customer demand for their product or service. Quite simply, if no one is willing to use your product, you will fail.

So how do you ensure that customers want what you are selling? Intensive research is at the heart of all business success stories. If you do not know enough about your potential market, you will fail. It is as simple as that. Asking others is a great way to start. There is no substitute for expertise; experts in your field will almost certainly be able to assess the quality of your idea, so be sure to ask them. You should also look for people who have already trodden a similar path. A simple Google search for your potential idea will probably bring up information on what people have already found out. You can even ask these pioneers face-to-face. In short, go out of your way to get all the facts.

Once you have a basic idea for a workable product, it is time to find out whether people will actually buy it. But do not only seek out evidence of your product's greatness. This could lead to confirmation bias, where you fixate on only finding information that validates your idea. Instead, you need to behave like a scientist. Create a hypothesis about what you think your product will bring to the market, and then try to disprove it. For example, imagine you have created a new type of laundry detergent. Your hypothesis will be something like, "I think people will buy my new-fangled laundry detergent." Next, you try and prove why your hypothesis is wrong.

Go out and encourage prospective customers to pick holes in your product; ask them why they would not buy it, or why they should go with a rival brand. If they still seem interested despite your campaign against it, you might have found a winner. Naturally, this approach requires complete honesty on your part. If your idea or product is more important to you than the truth, then you will not find out what you need to know about it. So, adopt a total willingness to fail and learn – and judge your darlings by their

true merits.

### **In an ever-changing, chaotic world, following a written goal will help you stay on track.**

We live in hectic times. Technology is developing at breakneck speed; information and new ideas can spread across the world in minutes; and competition – whether from a rival business or colleague – is fiercer than ever. In this hyper-dynamic world, many of us become overwhelmed. Our lives feel like a constant struggle just to respond to and keep up with every new change. Naturally, if you spend your life treading water like this, you will never be successful.

So how can you escape this fate? Goals, says Tracy. Those with clear goals to pursue have a better idea of what information is important and what to ignore. Also, as they know where they ultimately want to be, those with goals can more easily adapt in the face of change. Despite their importance, real goals are pretty rare. Only around three percent of people have a set of clear, written goals to help them navigate through life. If you are not among that three percent already, you should join them now.

First, grab some paper; goals are most effective when made visible. Then begin by thinking about what you really want to achieve in the next year or so. Think of ten things you want to do. You may be able to achieve some of these goals pretty quickly, while others may take the full 12 months. Write each goal down in a specific way; use the present tense, make them personal and ensure that they are positive. For example, let us say you want to write a novel. You would write that goal thus: “I complete my novel by 31st August, this year.” Or, if you want to give up junk food, you will not use negative wording – “stop eating junk food” – but empowering phrasing, such as “I am a healthy eater.”

Next, look at this list of goals and find the one that really stands out as something you want to achieve this year. Once you have found this goal, it becomes, in the author’s words, your “major definite purpose in life.” Take out a fresh piece of paper and come up with at least 20 things you can do to make this goal a reality. For your novel, these mini goals could be “research potential editors” or “complete writing classes.” Make this list into a checklist and tackle the first task ASAP. If you check something off your list every single day, it will not be long before you have achieved your ultimate goal.

### **Use your time at work to address important tasks. Do not waste precious time.**

We all know that, in order to get an education, children need to go to school. But it is also at school that people pick up a very bad habit – a habit that will cost them when they enter the world of work. This terrible habit is play. From the moment we start school to the time we graduate, play is at the centre of our childhood experience: we play in the morning, at recess, after school and on the weekends.

The problem is this desire to play does not stop when we leave school and start working. Studies have shown that the average employee only really works between 11 a.m. and 3.30 p.m., and, even then, most of this short time is spent interacting with colleagues. Unfortunately, this focus on play limits our ability. How?

The most important asset you have in your life is your “earning ability” – what others are willing to pay you for completing a task. Being a success depends on how quickly and effectively you get stuff done. Therefore, if you want to join the ranks of the successful, you must spend every working hour actually working – not grabbing coffee with colleagues, wasting hours on the internet or endlessly checking your email or social media.

Of course, focusing on the work at hand is easier said than done. The temptation to play and procrastinate is deeply ingrained in all of us. But, luckily, there are a few surefire techniques that will help you succeed. The Law of Three is one great method.

The Law of Three argues that just three of your tasks will represent 90 percent of your results. The key,

therefore, is to identify and focus all your work on these three things. To find these three crucial tasks, write down all the things you have to do. You will probably come up with a pretty long list, but do not worry. Next, ask yourself three important questions.

1. If I were to only do one thing on this list today, which thing would generate the biggest result?
2. If I were to only do two things on this list today, which thing would generate the second biggest results?
3. If I were to only do three things on this list today, which thing would generate the third biggest results?

To help you identify the right answers, you should consult your closest colleagues or your boss. Out of all the tasks and duties you are responsible for, which do they think are the three most important. Once you have your three, your working day should be focused on achieving them; your other tasks simply do not matter. That way, you will get the right stuff done, and you will grow your earning potential.

### **Success in the modern world requires a flexible mind that continues learning.**

Our world is constantly evolving. In fact, we are living in one of the most tumultuous times in human history. Therefore, to be successful, you need to be aware of technological advancements. Just consider the cautionary tale of Borders, the massive book retailer that went out of business after the Kindle and the iPad revolutionized the print industry. Borders was bankrupted by its obliviousness, and if you want to avoid a similar fate, you will have to use flexible thinking. Flexible thinking can be best described as the ability to quickly react and adapt in the face of dramatic change. Unlike the executives at Borders, flexible thinkers will grasp the importance of change and innovation and adapt accordingly.

But how do you develop the right mind-set for flexible thinking? The best way to keep yourself from falling into a comfort zone is to conduct what the author calls zero-based thinking. To do this, you must constantly question the value of everything you do. More specifically, you should ask yourself a hard question: “If I got the chance to do this from the beginning again, would I?” Ask this simple question in every area of your life. For example, are you friends with a co-worker who, if you started working at the company today, you would not befriend? Maybe there is someone who you used to love hanging out with but who you now think holds you back. Or maybe you have made a business decision or career choice that you realize you should not have?

Whatever uncomfortable conclusions zero-based thinking turns up; you must be ruthless in undoing these “mistakes.” This isn’t easy; you’ll need to admit that you made the wrong choice, and, even more importantly, you’ll have to accept that your investments in these areas – whether it be time, capital or emotions – will be lost. You simply have to accept this and cut your losses. Painful as it is right now, it will be better in the long run. Luckily, as hard as it is to cut out the activities that no longer bring reward, the results are worth it. You will come out with more time, more energy and an enormous sense of relief. What is more, you will become more flexible. You will find yourself in a better position, ready to drop the things that slow you down and grasp the new opportunities that come up.

### **Avoid mechanical thinking by taking creative chances.**

If you enjoy cooking, you know that a first attempt at following a new recipe can often lead to culinary disaster. But a good cook learns from these mistakes, tries again and might even end up with a new favourite dish, says Tracy. Smart thinking works the same way; you have to take chances, make mistakes, learn from these mistakes and find creative ways to improve. This is the opposite of mechanical thinking. Mechanical thinkers believe in extremes – things are either a complete success or a total failure, with no room for anything in between. They also tend to reject novel thought, due in part to a fear of failure. But this fear of incurring criticism and ridicule often leaves them stuck with old ideas and methods.

Naturally, these people are not very successful, since they rarely get out of their comfort zone or make changes. You can recognize a restaurant that is run by a mechanical thinker because such restaurants seem stuck in the past, with fading fixtures and the same dull, out-of-date menu. Creative thinkers, on the other hand, hold the keys to success because they are constantly striving for improvement. Where mechanical thinkers fixate on the problems, creative thinkers focus on the solutions.

To start thinking creatively yourself, follow these simple steps. Start by looking at what you do and look for a problem. For example, if you are a business owner, think about what is holding your business back. Once you think you have defined your “problem,” your next step is to admit that, actually, you have not. Your conclusion is almost certainly too broad, so start breaking it down. For example, you might have defined your problem as “not having enough revenue” – but think again. Maybe it is because “not enough people are buying your product,” which leads to “people prefer your rival’s product,” and then “your product isn’t compatible with the latest technology.” Keep working until you come up with the real underlying issue.

Once you have your problem, it is time to find a solution. Work hard and get the help of your team to find it. Once you have one, you can probably guess what you need to do next. Yes, that is right; keep going and identify even more solutions. Make a list of them, before finally deciding on which one you think will work best. Then, assign Key Performance Indicators (KPIs) to this solution (these will show you whether your solution is working) and appoint someone to take overall responsibility. Then set a deadline for its implementation. Of course, there is a chance that your solution will not work out, so develop a few back-ups plans just in case. By applying this structural approach to finding creative solutions, your business stands the best chance of staying ahead of the game and thriving in an ever-changing world.

### **Becoming wealthy starts by thinking like a rich person.**

What is the secret of wealth, asks Tracy. Why are some people rich while the rest of us remain poor? What is their secret? As surprising as it might sound, the rich do not really have one. Anyone can become rich if they start thinking like a rich person. This is because of the Law of Correspondence, which states that the way you position yourself internally – that is, your outlook on and perceptions of life – will be reflected externally. For example, if you perceive yourself to be worthy, hardworking and an asset to the world, you will find yourself succeeding.

The Law of Correspondence really works. When the author was poor, he once witnessed someone in the same evening school as he rocks up to class in an expensive, beautiful Mercedes. He wanted one immediately. So, he started thinking like a rich person. He read up on billionaires, he found a better job and he worked longer and harder for his employers. Very soon, he had earned enough in bonuses to be able to buy himself the very same Mercedes. He had become a success because he started thinking like a successful person.

Like the author, if you want to be rich, then it is time you developed a wealthy mind-set. To do this, you should start by analysing what wealthy people do. Watch interviews with billionaires and read up on them. Especially, look for the habits that make them so successful. Habits are probably the most important element to becoming successful. After all, they determine 95 percent of what you do. So, focus carefully on developing powerful ones. To make a good habit – for example, waking up very early – focus on one element at a time and endeavour to do it every single day. After 20 to 30 days, you’ll probably have made this habit a part of your life, and you can move on to the next one – say, carefully planning your tasks each week, or managing your investments to get the best results.

And even if you have developed a few good habits already, you should not rest on your laurels. Wealthy people are always on the lookout for new opportunities to grow, so you should be also. Keep researching and learning. Your wealthy mind-set depends on it.

## **What I took from it**

There are good and bad ways to use your brain. You can have a distracted and unfocused mind that only wants to learn about things that reinforce your negative preconceptions, or you can have a sharp and creative mind. The latter sees the positive things in life and finds success by being inquisitive, adaptable and innovative. So, stop procrastinating, use flexible thinking, write down your goals, change your perspective and adopt the mind-set of the rich.

See the chance in every challenge. Take a moment to think about your biggest problem. Now, instead of thinking of it as a problem, try to think of it as a gift – an opportunity to learn something about yourself. Maybe it will provide insight into your behaviour and provide a chance for you to change the future and be more successful. Remember the words of Henry Ford: "Failure and hardships are chances to start all over again and to make it better."

Get Smart is not just theoretical intelligence - it's about thinking better and applying those improved thoughts to have a better life in general. There is a lot of focus on harnessing better brain power to do better in business because after all, financial success by honest means is often a good indicator of whether you are accomplishing your goals.

Comparatively small book but chock full of great tips. I made lots of notes while reading. I read the entire book in an afternoon, so I will be revisiting it as a reference as I implement the strategies Mr. Tracy suggested.

# Learned Optimism

Martin Seligman

Have you ever wondered why some people seem to find it easier to get through life than others? Or, why some people are far healthier and enjoy more success? If so, you have probably thought at least once that such people were just “born under a lucky star.” But have you ever considered that perhaps their good fortune is the result of their optimistic outlook on life?

Learned Optimism is about exactly this phenomenon. Its author, Martin Seligman, is considered the father of the positive psychology movement, a movement which began with Seligman’s studies of, what he called, “learned helplessness.” In perhaps his most famous experiment, Seligman administered electric shocks to dogs. Some of these canine subjects had the ability to put an end to the shocks by touching a button with their nose, while others could not stop the shocks no matter what they did.

The three most powerful points I took from the book were;

1. Compared with their pessimistic peers, optimists are generally healthier
2. Optimistic people find it easier to sustain friendships, and friendship is beneficial to our health
3. One particularly effective way of handling negative self-talk is the so-called ABC technique. It is important to monitor yourself in order to observe the link between adversity, belief and consequence in your life.

What fascinated Seligman was that the dogs who could not change their fate in this experiment would later also not even attempt to do anything about their situation when they actually could. Instead, they would simply lay there, apparently defeated. While it is quite normal for people to feel helpless in a situation of defeat, one thing makes the helplessness stick, or enables us to “shrug off” the situation and move on: our so-called explanatory style.

Explanatory style refers to the way in which we explain the negative events of our lives to ourselves: optimistically or pessimistically. Both optimists and pessimists tend to use very distinct explanatory styles. As you will see the book that this style does not only pertain to individuals, but also to entire teams. For example, all other things being equal, explanatory style is a predictor of the success and failure of sports teams, especially when under pressure.

Also, you will discover in the book the reason why optimists tend to be healthier than pessimists. You will find out why talking to yourself in a pessimistic way can lead to depression. Finally, and most importantly, you will discover that our explanatory style is learned, and that it is possible to change your outlook on life for the better.

**Pessimists have explanatory styles that are universal, permanent and internal; vice versa for optimists.**

Whenever we experience a negative event in our lives, we always explain it to ourselves in one of two ways: optimistically or pessimistically. But what exactly characterizes our explanatory style? First, pessimists consider problems to be permanent, while optimists consider them only temporary. For example, if you lose an important client, you might think, “I always lose the most important clients.” By using the word “always,” you make the explanation permanent: you have always lost important clients, and always will – so what is the point in trying?

In contrast, if you use an optimistic explanatory style, then you consider negative events to be fleeting. For instance, you might think, “I lost this one important client, but I’ll do well with other ones.” Second, where optimists think of problems as being specific to a certain situation, pessimists tend to generalize.

For example, if a pessimistic student believes that the bad grade, they received is unjustified, they might go on to think of grades as unfair in general. Consequently, they might find it a lot harder to study for their next exam. However, if they instead thought about the problem they encountered in a specific manner, then they would focus only on the event itself. For instance, they might think: “Ok, this one professor is unfair, but perhaps the others will better appreciate my work.”

Third, while optimists tend to consider negative events as being externally caused, and positive events as internally caused, pessimists usually think of these the other way around. For example, if your spouse leaves you, you could think: “He left because I’m not good enough, or because I didn’t laugh at his jokes”, says Seligman.

On the other hand, if you consider the source of negative events as external, you might think instead: “He simply wasn’t ready for a commitment, so actually the relationship was a waste of my time.” Luckily, the ways in which optimists and pessimists make sense of bad events are not set in stone: all three behavioural patterns can be changed.

### **Pessimism and optimism are both habits of thinking, i.e., self-talk, which can be learned.**

Our explanatory style derives from our individual experience. Depending on our life experiences, we become either pessimists, believing we have no control over our fate, or optimists, feeling a sense of control over our destinies. This can, in fact, be seen even in dogs, as seen in the experiment about learned helplessness mentioned earlier. The experiment turned the dogs into victims of an unpleasant situation, and in doing so they were trained to become passive and pessimistic.

Similarly, human thinking habits also are learned, mostly during childhood and mainly from parents and schoolteachers. Children usually imitate their parents’ behaviour, so if those parents tend to explain negative events pessimistically, their child will be more likely to employ the same explanatory style.

Teachers are influential, too. For instance, they often evaluate the poor results of boys and girls differently, telling boys that their poor performance is due to them not paying attention in class, and telling girls that they are “just not that great with numbers.” As a result, girls develop a rather “internal” explanatory style, where they blame themselves for their performance, in contrast to boys, who more often have an “external” style. Because an internal explanatory style can promote depression, this could be one cause of the higher frequency of depression in females.

Moreover, life crises are particularly influential in terms of learning explanatory style. If children learn that crises can be overcome, and thus that adversity is impermanent, they are more likely to develop a relatively optimistic style. Therefore, childhood crises need not have a negative effect on children. It will all depend on how those crises are handled by the child’s primary caretakers. The most important takeaway is that, since our explanatory style is learned, we can change the way we “talk” to ourselves: even if you’ve acquired a pessimistic style in childhood, you’re not condemned to use it forever.

### **Optimists have a better immune system and are generally healthier.**

The positive effects of an optimistic outlook are far greater than most of us assume. For instance, compared with their pessimistic peers, optimists are generally healthier. Why is this? Firstly, on a cellular level, optimists often have a stronger immune system. For example, studies that induced a state of inescapable helplessness in rats have shown that their immune systems produce fewer T-cells – cells that are crucial to immune system response. Other studies have shown that changing our explanatory style, and the relief from the feeling of helplessness that this provides, can even enhance

the immune system of cancer patients.

Secondly, because optimists tend to be more active than pessimists, they are more likely to take good care of themselves. This is because optimists believe that their actions have a positive effect, so they are more likely to adhere to a health care regimen. Pessimists, on the other hand, tend to think that nothing they do matters, so they have no reason to even try to change their lifestyles, however unhealthy they may be.

Also, optimists encounter fewer negative life events than pessimists do, a phenomenon that researchers explain in terms of a pessimist's passivity due to their conviction that they cannot change anything. So, if you are a pessimist, encountering an abundance of negative events, your body will have to suffer a lot of stress, which in turn can lead to disease.

Thirdly, optimistic people find it easier to sustain friendships, and friendship is beneficial to our health. This is because having a friend that you can confide in and discuss anything and everything with actually eases the stress generated by negative life events. So, when you are going through a rough patch, confiding in someone who is close to you can help immensely. Often, because such people know us so well, they will have insightful, useful ideas about what we can do to improve our situation.

### **Pessimism promotes depression.**

At this point in history, the Western world is witnessing an epidemic of depression: at any given moment, approximately 25 percent of the population is experiencing some form of depression. But what are the causes of depression? While negative events and biological factors seem to play a role, these alone cannot explain the whole phenomenon.

For instance, if one of your siblings is depressed, there is a higher probability that you will become depressed, too. However, these genetic influences are not particularly strong. Negative life events also cannot be the main cause of depression. While it is normal to respond to negative events in our lives with mild depressive symptoms – like a bad mood, or lethargy – not everybody responds to such events by becoming seriously depressed. So, if genetic influences and negative events themselves are not the cause of depression, what is? The answer, in short, is our explanatory style: how we think about those events is a determining factor in whether or not we become depressed.

As one study has shown, learned helplessness can be produced by giving people a task that is impossible to fulfil, no matter what they do. In the human study, subjects were placed in a room, and given a panel with several buttons. The room was then filled with noise, and the subjects were given the task of stopping the noise by pressing the panel's buttons. However, the experiment was rigged for some of the subjects: no matter which buttons they pressed; the noise would not stop. The result? These particular subjects learned to be helpless in this situation, and after the experiment was over, they showed symptoms of depression. This study supports Seligman's model of depression, which in his words is "the belief that your actions will be futile." So, while loss, defeat and failure can cause depression, it will only happen if you believe that nothing you can do will change the situation.

### **You are more likely to win at sports if you employ an optimistic style of thinking.**

As we have seen, optimistic and pessimistic explanatory styles have a huge influence on performance. One area where this is particularly true is competitive sports. Given two teams that are equal in every other respect, the optimistic team will always outperform the pessimistic team, especially after a prior defeat.

Consider, for example, a study by Seligman and his colleagues, in which they rated the optimism of baseball teams across two different seasons. Keep in mind that, in terms of players, both teams were equally talented. An especially optimistic team explains their losses like so: "We lost against this one

team, just this one time, and it's not really our fault.”

The study found that, in 1985 – the first season – the New York Mets had the most optimistic style of all the National League teams. On the other hand, the St. Louis Cardinals had a very pessimistic way of explaining their failures. On this basis, Seligman and his colleagues predicted that the Mets would enjoy an even more successful season in 1986, and that the Cardinals would lose ground. As it turned out, this is precisely what happened.

Another example of the powerful influence of optimism on performance can be seen in the 1987 Berkeley swim team. The optimistic swimmers in the team performed better after failure than the pessimistic swimmers.

In an experiment, the explanatory style of each swimmer was evaluated. Then, after the swimmers had actually performed at their best, they were told by their coach that they had performed significantly worse than they had. This was extremely frustrating to the athletes. When asked to swim again, the pessimists swam a lot slower (up to two seconds slower) than their first trial, whereas the optimists swam just as well, or even better!

### **Optimists are much more successful; talent is overrated if it is not matched by optimism.**

If you are not a big-shot athlete, you are more likely to overcome the challenges in your life if you use an optimistic explanatory style. This benefit can be seen even in children, as those with an optimistic style do better in the classroom than their pessimistic peers. In one experiment, two groups of children – one optimistic, the other pessimistic – were given solvable math problems. In this first trial, both groups perform equally well. In a second trial, however, the math problems are switched for unsolvable ones.

How did each group respond? The pessimistic children gave up, refusing to continue with the task. In contrast, the optimistic children, while aware that they were making mistakes, continued in their efforts to solve the problems by using their existing strategies.

Finally, in a third trial, both groups were presented again with solvable problems, and subsequently asked to rate how well they will do when solving similar problems in the future. The pessimistic children responded that they would be able to solve only about 50 percent of the problems, while the optimists believed that they would be able to solve around 90 percent.

The same effect can be observed later in life, too, as optimistic students achieve better grades in college than their SAT scores predict. This was revealed in an experiment at the University of Pennsylvania. Usually, the admissions office chooses students according to their high school grades, their college board scores and the results of their achievement tests. These are calculated into a predictive index: if the score is high enough, the student gets admitted to the university.

But there is a problem with this system: certain freshmen do worse than expected, and some do much better. To find out why, Seligman assessed the freshmen students for their optimism, then waited to see how they would perform in their first semester. As you have probably guessed, the optimistic students performed better than predicted, and the pessimists did worse than expected.

### **Optimism is also very useful in your professional life.**

Why do some people seem to thrive at every job they do, while others barely scrape by? Again, the factor that often differentiates these people is their explanatory style. People with an optimistic explanatory style are better suited for occupations that involve a lot of rejection. This is especially true in sales jobs that involve cold calling: in this environment, having an optimistic explanatory style will determine whether you will thrive or quit. For example, the selection process of the insurance company

Metropolitan – which hires 5000 new agents every year – is extremely thorough, since it costs them more than \$30,000 to select and train a new agent. Nevertheless, after a four-year period, 80 percent of them will have quit.

An important part of a sales agent's work is cold calling, which typically ends in a lot of refusals. Only those agents who continued to call at least ten leads a day, no matter how many rejections they received, became successful. The others usually quit.

In addition to the already extensive selection process, Seligman measured the optimism of prospective sales agents. He proceeded to hire agents that underperformed slightly on the standard industry tests (which measured the applicant's "aptitude" to become a sales agent) but scored very highly in optimism.

As Seligman monitored the careers of these optimists, he found that they actually performed better than the agents who were selected based solely on their skills. As Seligman's study showed, aptitude or talent is not sufficient to predict professional success, particularly in fields where one encounters a lot of setbacks. Therefore, he suggests selecting personnel for three main characteristics: motivation, aptitude and, of course, optimism.

### **You can change your self-talk by using the ABC technique.**

Now that you have seen the devastating effects a pessimistic explanatory style can have on your life; you might reasonably wonder: "How can I change from a pessimist into an optimist?" One particularly effective way of handling negative self-talk is the so-called ABC technique, developed by the psychologist Albert Ellis. This technique involves three steps: adversity, belief and consequence.

First, it is important to monitor yourself in order to observe the link between adversity, belief and consequence in your life.

Consider this everyday example:

- **ADVERSITY:** A love interest does not return your phone calls.
- **BELIEF:** He or she does not like me. My jokes are not funny. I am ugly.
- **CONSEQUENCE:** You feel depressed all day.

But it is not always easy to recognize these ABCs in your own life, as most of our self-talk is unconscious. Nevertheless, you should try to listen to your self-talk and find at least five ABCs, so you can observe their negative effect on your life. To do this, try to record all three ABC components when examining your negative self-talk, says Seligman.

Adversity can describe any challenging event: an argument with your partner, a speeding ticket, or forgetting to buy groceries on your way home from work. Belief concerns how you interpret such situations. Here it is important to distinguish thoughts from feelings (as feelings are consequences). For example, a belief can be I am a bad parent; I am incompetent; I did a good job; My memory is terrible.

When it comes to consequences, you should consider what you did as a result of A and B, and how you felt. For example, did you cry? Were you miserable? Did you shout and get mad? Were you embarrassed? Once you have found a few ABCs in your life, you are then in a position to change them. It is crucial to realize at this point that the beliefs you have recorded will largely determine the consequences.

## **Try to understand the connection between A, B and C, and change where appropriate.**

Our beliefs about a situation will determine both its consequences and how we feel about the situation. So, by changing our beliefs, we also change these consequences and our feelings. While it is difficult to ascertain which of our beliefs are “true,” it’s clear that how we think about negative events greatly influences how they affect us. For example, imagine you are faced with an adverse situation at work – say you are calling a customer repeatedly and they do not pick up the phone. You believe that the customer is probably too busy to answer. The consequence is that you decide to simply leave a message and try again tomorrow.

However, with a different belief, the same adverse situation can have a very different result. For example, after calling for the fifth time, you believe that the customer is probably screening your calls because they do not want to do business with you. The consequence of this belief is that you feel defeated and unworthy and might decide to quit trying to reach them altogether.

Situations like the above pervade our entire lives and can even influence how our children perceive and act in similar situations. But by discussing these ABCs with your children and helping them to develop alternative beliefs, you might actually help them lead happier lives.

For example, consider the ABCs in these two scenarios: Your child’s friend decides to sit with the new kid during lunch. Your child believes that his friend does not like him anymore, and that he is trying to make a new best friend. The consequence is that your child becomes sad, feels rejected and, because he is preoccupied by this situation, stops paying attention in class. Now consider this alternative reaction: Your child believes that it is nice of his friend to try to make friends with the kid at school; he decides to join them and introduce himself. The consequence? Your child feels secure in himself and might even make a new friend as a result.

## **You can become an optimist by questioning and analysing your beliefs.**

As we have seen, optimists interpret stressful situations as being specific, temporary and externally caused. Is this how you tend to respond to such situations? If not, you are in luck, as there are several ways that you can begin to change your beliefs.

The first way is disputation, which works on a deep level to transform your negative beliefs. Disputing your beliefs involves testing every belief in terms of the following four questions: Is the belief actually true? If so, what evidence is there? For example, if one client does not buy from you, does this really mean that you are bad at your job? If you answer “yes,” then how can you explain the successful sales you have made this week?

Is there an alternative explanation? Here, you should focus on the specific, changeable and impersonal causes. For example, if your colleagues suddenly stop talking the moment you entered the office, is it actually because they were talking about you behind your back? Is it possible they were talking about something else entirely?

What are the implications of your belief if it were true? How probable are these implications, and are they really that bad? Finally, ask yourself is what I am thinking useful to me? If a thought is not useful, can you simply let it go and focus instead on how to change the situation next time around?

Once you have practiced this method of disputing your beliefs, you can then move on to the second way: externalizing the voices. For this, you need to get a close friend to do the exercise with you and to attack you as viciously as you do yourself, using all your own negative self-beliefs. Your task is to defend yourself against these attacks by verbalizing your defence out loud. You can also do this exercise with your child. However, you must ensure that your child actually disputes the attacks sufficiently.

By practicing these methods regularly, you will be on your way to changing your negative beliefs for good and becoming a full-fledged optimist!

### **What I took from it.**

Optimism is healthier than pessimism, both mentally and physically, and optimists tend to be happier, more successful people. But both optimism and pessimism are learned responses to challenging negative situations, which means that – by way of a variety of methods – it is possible for you to become more optimistic.

In adverse situations, think ABC. Next time when you encounter adversity in your life, you can use the ABC technique to dispute your negative self-talk. For instance, if your spouse is short with you on the phone, rather than thinking “maybe he doesn’t love me anymore” or “I’m always interrupting her, making it impossible for her to work,” you can use the ABC technique to disrupt your negative self-talk. This will make you much happier in the long run and prevent you from snapping back at your partner, who might simply be in a rush.

Use ABC instead of thinking of a situation as permanent. The next time you ruin your diet by eating a piece of cake, do not tell yourself “I’ll never be able to stick to my diet and will always be chubby” and then proceed to eat the entire cake. Instead, try using the ABC technique to change your thoughts: “Okay, I just ate a piece of cake, which was delicious. Tomorrow, I will get back to my diet again, and I can already see great success on the scale.”

This book should be a must read for every person. It teaches the ability to dispute our own negative thoughts, a crucial ability to prevent pessimism and thus depression. All this is tested on many studies which is why this book is one of the best out there. Well worth your time.

# Mindfulness

Mark Williams

Mindfulness and meditation are deeply rooted in the great civilizations and religious traditions of Asia. Their popularity in the West owes much to the hippies and spiritual voyagers who started importing these practices in the twentieth century. That history has left its mark. Mention meditation to any self-avowed rationalist, and they will often end up running for the hills. After all, isn't mindfulness all gongs, incense and mysticism? Well, no. A huge number of scientific studies show that learning to be mindful massively boosts our happiness and well-being, and that is especially true in today's fast-paced and hyper-connected world.

So says Mark Williams and Danny Penman in the book, *Mindfulness*, published in 2014. Take it also from these two authors whom one is a clinical psychologist and the other a biochemist who devised the special eight-week course in *Mindfulness*. Meditation, they argue, can help everyone find peace of mind and contentment. The added bonus? It will also end up boosting your physical health, memory and motivation! In this book you will learn; how meditation can reshape your brain's architecture; and how to integrate mindfulness into your life.

The three most powerful points I took from the book were;

1. Mindfulness has been shown to boost physical health and alleviate pain.
2. Mindfulness is also a great antidote to everyday stress
3. Mindfulness meditation helps you get a better perspective on your constantly changing thoughts, feelings and moods. A different view of things means you are better equipped to confront your state of mind and avoid getting caught in negative feedback loops. This forms a great foundation for a happier and fuller life!

## **Mindfulness is not what most people think it is.**

Mindfulness has been making plenty of headlines lately. But despite all the magazine splashes, there are still a lot of misunderstandings and mistaken assumptions about what it is and what it is good for. And that is a shame because these myths often end up putting people off. Let us break down some of the most common misconceptions – beginning with the idea that it is a religion. It is not, though it is a popular practice within many religions. Mindfulness is a mental training technique that is compatible with all sorts of beliefs and ideas, says the authors.

But you have to sit cross-legged on the floor to practice mindfulness, right? Wrong! You can if you like, but most people practice it wherever they feel most comfortable. What about time? Doesn't mindfulness take up too much of it, and won't it make you lazy? In a word, no! You can be mindful anywhere from a minute to an entire day – it is completely up to you. As for distracting you from your goals, it has been shown that mindfulness actually helps to focus your mind. Okay, so now that we have busted a couple of myths, let us look at what mindfulness actually is.

Essentially, it is all about compassionate awareness. You observe your thoughts and the feelings they evoke like you would clouds in the sky, without criticising or acting. Take an example from everyday life. As you walk home from work, you begin thinking about how your colleague was rude to you earlier in the day. You could send an angry email complaining about their behaviour when you get home. But what would happen if you just watched your negative thought take shape before flying away – wouldn't it be better to simply let it pass? Mindfulness is about the ability to let negativity pass over you like a raincloud. It grounds you in the present and keeps you attentive to what is happening right then and there.

## **Psychological studies back up the claim that mindfulness is extraordinarily effective.**

Mindfulness is often associated with new age hippiedom and fluffy esotericism, says the authors. But there's hard evidence to back up claims of its effectiveness in enhancing well-being. Let us dive in and have a look at the science behind the practice. Mindfulness has been shown to boost physical health and alleviate pain.

Take it from the authors of a 2003 study published in the peer-reviewed American medical journal *Psychosomatic Medicine*. They found that mindfulness strengthened the immune system – preventing and battling flu, colds and other viruses. But that is not all. Another research paper published in 2008 by Jon Kabat-Zinn and his colleagues showed that mindful meditation can help alleviate chronic pain.

Then there's depression. A study carried out by Belgian professor Kees van Heeringen established that participants were much less likely to relapse into depression when they combined mindfulness with antidepressants – the overall chance of relapse plummeting from 68 to 30 percent!

Mindfulness is also a great antidote to everyday stress. One study carried out in 2006 found that regularly practicing mindful meditation reduced anxiety, irritability and depression. Another group of scientists led by psychologist Amishi Jha established additional mental benefits in 2007. Mindfulness, their study found, boosted its practitioner's memory, reaction times and physical endurance.

Finally, an article by Norman Farb and his associates in the *Social Cognitive and Affective Neuroscience* journal, published in 2007, found that meditation strengthens and expands the part of the brain responsible for empathy. That is important because empathy does not just mean that you are more compassionate toward others but to yourself as well – which improves overall well-being.

## **The key to mindfulness is grasping the distinction between doing and being.**

Have you ever returned from a holiday and realized that you hardly remember any of it? This kind of amnesia happens when your mind is constantly occupied by all the things you need to get done at work and in your private life. It is an example of your mind's doing mode, which is an important aspect of mental life. Without it, you would not be able to make plans and ensure everything gets done. But that mode can also go into overdrive, and when it does, you end up missing out on life's simple pleasures. By contrast, when you are living in the moment, you are in a completely different mode – call it the being mode. Both modes are important, and the key is in understanding their different roles.

Let us start with the doing mode. It is an analytical frame of mind, and when you are in it, you are comparing things, focusing on goals or going over past events. All that thinking is exhausting. Just remember how tired you usually are after you have been mulling over your problems! And all that energy expended on contemplating difficulties does not necessarily achieve much – it is easy to get caught up in reflection without actually doing anything.

The being mode is an entirely different state. When you are in it, you are much more present in the moment and reliant on conscious choices. Thoughts and experiences appear as pictures in your mind's eye, without dominating your thoughts. In this mode, you are much more likely to seek out nourishing experiences. Think of it this way; when you are doing, it is easy to devour a couple of donuts at your desk without even really noticing. But when you are being, you are much more likely to seek out what you actually want and enjoy it.

The doing mode can involve a lot of negativity, which may quickly become a quagmire. That is because the mind and body are connected. Your mood affects your thoughts, and vice versa – creating both positive and negative feedback loops.

Take public speaking. When you think about it, your body may tense up, and you start asking yourself why you feel so worried and wonder how to change that. This can trigger other memories of times

when you were miserable – creating a loop of negative thoughts.

It is a different picture when you are in the being mode. Because you are present in the moment, you can experience feelings more intensely rather than trying to escape them, meaning they also dissipate more quickly. In other words, you break the negative cycle associated with the doing mode. That is what mindfulness is all about; taking a break from doing and simply being!

### **You can train yourself in mindfulness by following an eight-week program.**

An eight-week mindfulness course might seem like a daunting prospect, but it really is worth it. The benefits outweigh the work you will be putting in, and at the end of the course, you are guaranteed to feel less stressed, calmer and ready to tackle life's many adversities head on! So where do you start?

The first week of the course is all about becoming aware of your autopilot. Life can be hectic. It is easy to rush from task to task without ever taking a moment to smell a beautiful flower or take in what is going on around you. In other words, your autopilot is calling the shots. A great way to begin taking back some control is to dedicate time to a meditation called "mindfulness of the body and breath." It is a simple eight-minute exercise designed to fully centre you in the present.

Here is how you do it. Start by getting comfortable. Whether you want to lie down or sit up in a chair, the most important thing is that it is a relaxing position. Now start paying attention to your sensations. Move slowly from your toes all the way up to your head, pausing to register what your body is telling you. Once you have done that, turn your attention to your breath. Take note of the way the air enters and exits your body. It is natural for your mind to wander at this point but try to gently refocus it on your breathing. Do this exercise twice a day for the first week.

The second week of the course is designed to centre you in your own body. Bodies are effective communicators. When they tell us they are hungry, it is virtually impossible to misunderstand what they want. Moods and feelings, on the other hand, are a bit more subtle, and it is all too easy to ignore them. The 14-minute "body scan" meditation aims to unblock the communication channels between your body and mind.

Follow the same procedure as the previous meditation, but now imagine that each breath inflates the body part you are focusing on as you inhale and deflates it as you exhale. Pay close attention to the sensations you experience as you do this – the tingling in your feet or butterflies in your stomach, for example. And remember, there is no winning or failing. If your mind strays, try to bring it back to the exercise and carry on. Do this twice a day for the whole week.

### **Weeks three and four focus on developing greater compassion and sensory awareness.**

Do you sometimes fret over things you cannot change, like aging or the uncertainty of the stock market? As we learned above, endless worries that do not change anything indicate that you are in the doing mode. Week three is designed to help train an "approach system" that will get you into your being mode. When dealing with challenging situations, your brain activates either its approach or aversion system. The aversion system basically manifests itself as a sense of fear, which can stifle your creative process.

But when your approach system is activated, you change the way you look at problems, and rather than trying to avoid them, you begin to view them with curiosity and compassion. To switch over into this more empathetic mode, try an exercise called "mindful movement." It is all about accepting things as they are without immediately trying to improve them.

Start with the eight-minute "breath and body" meditation. Slowly and gently raise your arms until they are horizontal with your shoulders. Now reach out above your head as if you were picking fruit. Then

place your hands on your hips and bend your torso from one side to the other. To finish, try a couple of shoulder rolls. While you are doing that, focus your mind on your boundaries and how far you can stretch. Pay attention to individual sensations you might experience as you move your body. Do this once a day.

In addition to this, week three involves doing the “three-minute breathing space” meditation twice a day. Here, you just take two minutes to tune into your feelings, thoughts and body, before spending a minute taking deep breaths, focusing on inhaling and exhaling.

Great, now you are ready for week four, which is about learning to take a step back from your thoughts. The meditation you will be doing is called “sounds and thoughts,” and in it, you simply spend eight minutes doing nothing but paying attention to the sounds around you.

You will know you are properly tuned in when you start noticing the way sounds come and go like the ebbing and flowing of your thoughts. When you are fully concentrated, your mind will even start developing narratives based on what you hear, for instance transforming a loud crash into the story of a cement block falling from a roof. This is a great way to learn about the way your mind works. By the end of the week, you will be much more attuned to the flow and nature of your own thoughts.

### **Weeks five and six are about exploring difficulties and kindness.**

From what you have read so far, you might be thinking that mindfulness is about detachment. But it is actually much more about facing the things worrying you head-on, rather than rejecting your feelings or losing yourself in distractions. That is what week five of the course is all about. The ten-minute meditation you will be practicing daily over the next seven days is called “exploring difficulties.” So, here is where you start. Make yourself comfortable. When you feel ready, turn your thoughts to a difficult or unpleasant topic. It could be anything, from a loved one’s illness to your child’s poor grades at school. Try to locate where in your body you feel that thought.

Once you have found the spot, let those sensations sink in while taking deep breaths. When you exhale, focus on opening yourself up to those feelings. This is the moment of acceptance and compassion that prepares you to let go. Combine this meditation with the “breath and body,” “sounds and thoughts,” “exploring difficulties” and “breathing space” meditations you have already practiced. Now you are set up for week six!

The next seven days are about tackling overgeneral memory, another feature of the doing mode. Overgeneral memory is the tendency to think of some event in your past in purely negative terms. For example, you might feel that your entire high school experience was horrible, when in fact it was just one class that was unpleasant. When you do that, it is easy to start blaming both yourself and others.

But blame does not help you come to terms with the past. In fact, research indicates that it makes it much harder. So, this week you’ll focus on the “three-minute breathing space” meditation from week three, as well as a new exercise called the “befriending meditation.” This is how you do it. Take a moment to attune yourself to your body and your breathing. Now begin implanting a positive affirmation by repeating it silently to yourself. The author’s affirmation is “May I be free from suffering. May I be as happy and healthy as it is possible for me to be. May I have ease of being.”

The next step is to mentally send your wishes of happiness to someone you love, then a mere acquaintance and, lastly, a stranger or someone you actually hold a grudge against. Giving and accepting kindness is the first step towards healing and letting go of the past.

### **The seventh and eighth weeks focus on physical and mental nourishment.**

Have you ever noticed that when you have a lot on your plate, you tend to forget about the simple

things that make you happy, like preparing a nice meal or taking a family trip? Dropping what seem like nonessential activities from your busy schedule often makes sense in the moment, but those kinds of choices tend to backfire in the long run.

Week seven is about figuring out what nourishes your body and soul, and what depletes you. Understanding this is important because seemingly trivial activities can actually be your greatest source of creativity, energy and insight. So, when you skip them, you will often end up feeling tired, uninspired and stuck in a rut.

This week's exercise is a little different. Rather than just practicing meditations, you will be making a list of all the things that give you a sense of nourishment as well as those that sap your strength. This will allow you to strike a better balance between the two. Think of it as balancing the books. You might want to add one hour of nourishing time in the gym and subtract one hour of overtime in the office. Once you have done that, go back to the meditations you have already learned. Take the two you found most nourishing and add them to this week's routine.

Great, you have now made it to the final week of the course! By this point, you have already covered a lot of ground, and the important thing is to tailor everything you have learned to your own needs and schedule. Ask yourself what you found most difficult over the previous seven weeks. What do you think you still need to work on? Was there anything missing? Answering these questions will help you weave your mindfulness parachute, meaning a patchwork of practices for you to engage in that address your particular needs.

If, for example, you are overly self-critical, then perhaps the "befriend meditation" should be a part of your parachute. But if you are someone who is constantly on autopilot, you might get more out of focusing on the "three-minute breathing space." Another great tip for maintaining a consistent meditation practice is to write down on a piece of paper why you are practicing mindfulness. Keep this paper in a place where you will see it every day, as this will help keep you motivated to continue using what you have learned on this course. And continuing to meditate will, in turn, keep you grounded in the present moment – today and tomorrow!

### **What I took from it.**

Mindfulness meditation helps you get a better perspective on your constantly changing thoughts, feelings and moods. A different view of things means you are better equipped to confront your state of mind and avoid getting caught in negative feedback loops. This forms a great foundation for a happier and fuller life!

Break old habits and try something new each week. Routines are important, but it is also very easy to end up moving through life on autopilot once we become set in our ways. Unfortunately, this would mean missing out on the simple joys that come with being in the moment. So, try breaking out of old habits and mixing things up. For instance, take a stroll around the block, switch chairs or do something nice for someone who will not expect it. Unfamiliarity brings greater attentiveness and with it mindfulness!

This is a practical book containing a variety of mindfulness exercises and how to work them into everyday life without feeling like you are giving up huge chunks of your time. Enjoyable.

# Predictably Irrational

Dan Ariely

Are you single? Here is a surprising tip on how to attract potential dating partners at a club: bring along a friend who looks similar to you, only is slightly less attractive. This will greatly increase your chances of success. So says Dan Ariely in his book Predictably Irrational. Why is this, he goes on to ask. Ariely answers; our minds are fundamentally wired to look for comparisons. What is more, we tend to do this in the laziest way possible: by using the easiest comparisons around.

By showing up at a bar with a slightly less attractive version of yourself, you are giving your potential dating partners an easy comparison. Instead of going to the trouble of comparing lots of different-looking people, they can clearly see that you are preferable to your friend. Since you won this easy contest and other comparisons are harder to make, you will probably be seen as the cutest person at the club. Congratulations! Just do not tell your friend why you have invited them out.

The three most powerful points I took from the book were;

1. The gravity of “free” is so powerful that companies often take advantage of it
2. Our expectations and previous experiences radically influence how we perceive things
3. By acknowledging our weaknesses, we can remedy procrastination.

The same tendency to compare applies to prices of products, and many marketers take advantage of this by introducing expensive “decoy products” that make other things seem cheaper by comparison. For example, some savvy restaurants will deliberately overprice the most expensive item on their menu, so customers will then feel the second most expensive item is relatively cheaper and wind up ordering it.

Though comparing helps us make decisions, it can also make us miserable. Constantly comparing your salary, clothes or car to others’ will leave you envious and in a state of perpetual displeasure with what you have. After selling his Porsche Boxster, James Hong, co-founder of hotornot.com, said: “I don’t want to live the life of a Boxster, because when you get a Boxster you wish you had a 911, and you know what people who have 911s wish they had? They wish they had a Ferrari.”

## **The power of the word ‘free’.**

Few things get people to behave as irrationally as the word “free.” For example, people happily lug home useless free key chains from conferences or buy two products they do not need just because the third one is free. Free is not just a price, but a powerful, almost irresistible emotional trigger.

Consider a study with chocolates: people were offered a choice between tasty Lindt truffles for 15 cents apiece or considerably less-tasty Hershey’s Kisses for one cent apiece. Most people (73 percent) chose the tasty Lindt truffles. But what do you think happened when the prices were tweaked to 14 cents per truffle and zero cents (free) per Hershey’s Kiss? The difference in prices was identical (14 cents), but now one product invoked the power of “free.”

The result: 69 percent of people now chose Hershey’s Kisses, even though they still could have gotten the tastier truffles at a very attractive price. That’s the power of free. Why this irrationality? Basically, whenever we pay for an item, we take a risk: if the item is not worth the price, we lose money. And humans really hate losing things. Hence, when an item has no potential downside (it is free), we perceive it as far more valuable than it really is. This is known as the zero-price effect.

The gravity of “free” is so powerful that companies often take advantage of it. For example, Amazon successfully entices people to order “just one more book” by offering free shipping for orders above a certain threshold. Policy makers should also understand and leverage the power of free to enact change. For example, if the government wants people to have their cholesterol levels checked regularly, they should not just decrease the cost but rather make it entirely free!

### **The first price number we hear affects what we are willing to pay later.**

How much would you be willing to pay for a nice bottle of wine? What about a box of Swiss chocolates? Do you have the figures in mind? Now, if you had been asked to write down the last two digits of your social security number before answering those questions, do you think your estimates would have changed?

Incredibly, the answer is yes. The way in which we decide what we are willing to pay for products is far more irrational than most of us realize. Research has indicated that, instead of making a rational analysis of supply and demand, we in fact tend to rely on a phenomenon called arbitrary coherence: we expect prices to be coherent, so we take whatever price is first quoted to us, no matter how arbitrarily derived, and use it as an anchor to determine a reasonable price in our future purchases.

For example, when a new product like an LED television hits the market, we do not know how much it’s worth, so we look for an anchor. If the first price we hear is \$1200, then we expect future prices to be coherent with that sum. Hence, deals at \$1000 will probably sound pretty good whereas offers at \$1400 will sound like a rip off.

This anchoring effect is even seen when people are asked to write down the last two digits of their social security number before bidding on products in an auction. If the digits form a high number (e.g. 89), the person in question will likely pay a higher price for the items, whereas a low number will have the opposite effect. It seems we will gladly anchor prices to any number we have recently thought about when we see a new product.

### **We overvalue what we own.**

At Duke University, getting tickets for basketball games is, to put it lightly, an ordeal. Students camp out for days in front of the stadium just to participate in a lottery for tickets. Before the lottery, they are a fairly homogeneous group. They all stand an equal chance of winning a ticket and all have worked equally hard for that chance, so presumably they all value the tickets roughly equally. Yet, as soon as the lottery is over, the students are divided into two groups – those who won tickets and those who did not. A survey showed that this completely arbitrary division greatly impacts the valuation of the tickets: students who won tickets refused to sell them for less than \$2,400, while those who had not won tickets would not pay more than \$170 for them. Why this sudden and drastic difference?

First of all, when we own something, we fall in love with it. We think warmly of all the things we have done with it or could do with it (such as experiencing the atmosphere at a basketball game), so we value it more highly. The second reason is that people disproportionately focus on what they are losing: for the seller it is the things they could do with the ticket but for the buyer it’s the other things they could experience with the money. Both feel that what they are parting with is more valuable than what they are getting.

Finally, we expect people to appreciate the same things as we do. A house seller feels he deserves a higher price because of his “creative” wallpapering choices, while the buyer thinks she should get a discount because of them.

Interestingly, this same effect applies to opinions too. If you have invested a lot of time and effort into advocating an opinion, you become stubborn because you feel more strongly that you “own” the

opinion and refuse to part with it.

### **Our experiences are shaped by our expectations.**

At one stage, both Pepsi and Coke claimed that consumers preferred the taste of their cola over the other. But how could both of them truthfully say this? Was one lying? It turned out that in a blind taste test, people preferred the taste of Pepsi to Coke. But in a test where the brands were visible, people preferred Coke to Pepsi.

Why on earth would the brand – a purely mental image – influence how the beverage tastes? The answer is that our expectations and previous experiences – for example with cola brands – radically influence how we perceive things. For example, if we know a movie has received great reviews, we will tend to enjoy it more than otherwise.

Incredibly, even the potency of medicine is impacted by expectations. This is clearly seen in the placebo effect: patients who expect a drug to work will feel better after taking it than those who do not expect it to work. Even more astonishingly, the more expensive the medicine is, the more powerful its effects are. People who were told their pain medication cost \$2.50 per pill found it relieved pain more often than those told it cost just 10 cents per pill.

Similarly, people who paid more for an energy drink performed better on a subsequent puzzle task than people who paid less. The “energizing effect” was modulated by the price of the product. But expectations can also affect us in more subtle ways: if certain stereotypes are evoked in our mind, we start to emulate the behaviour we would expect from the stereotype. Consider that when people had to complete a word task that involved words typically associated with the elderly - for example, “Florida,” “ancient,” and “bingo” - they actually tended to walk slower after the experiment just as elderly people would.

### **Social or market norms plays an important part in our decision making.**

Why would your mother be offended if you offered to pay her \$50 for the Sunday dinner, she lovingly prepared? And why would most employees refuse to be paid in hugs by their employer? The reason is that we apply different sets of norms in these two different circumstances: social norms and market norms. In any given situation, our expectations and behaviour depend on which norms we are using.

Social norms dictate how we deal with friendly requests and favours, where immediate repayment of the favour is not expected. Market norms, on the other hand, are colder and calculating resources are exchanged; work is performed for a salary – tit for tat. Of these two set of norms, it is entirely possible to inadvertently invoke the wrong ones in the wrong situation. The result is usually a disaster: just try ending an evening by paying your date \$500 for the pleasure of her company.

In general, market norms tend to make people more selfish. Take, for example, when lawyers were asked if they would provide cheaper services to needy retirees. Most of them said no, but when they were asked if they would do it for free, most said yes. Why? Surely some money is better than none at all? The answer is that, when offered even a small compensation for work, the request fell under market norms and the lawyers considered the proposed compensation totally inadequate. But when asked to do it for free, social norms applied and the proposal was acceptable.

The lesson is that when you make a request, think carefully about which norms you invoke. Often just mentioning money is enough to make people apply cold market norms, and studies have shown that once invoked, it is very difficult to revert back to warm and unselfish social norms.

## **People are prone to dishonesty, but not wildly so.**

Do you consider yourself an honest person? Would you rob a bank? Would you take a Coke from the communal fridge in the workplace if no one was looking? Studies have shown that most people are a little bit dishonest. For example, when people took a math quiz with small monetary prizes as rewards, it was found that given the chance to grade themselves, most people would cheat by slightly exaggerating their own performance.

Encouragingly though, the amount of cheating did not increase when the chances of being caught were lessened. Even when it was impossible to get caught, people did not begin to cheat massively. The tendency for dishonesty becomes even more prominent when the reward for cheating is not cash but some other item: most people would not steal cash from work but might well take a pen or a coffee mug.

This is because most people consider honesty to be important, so we are more comfortable with dishonesty if we can rationalize it. Studies show this is far easier with items than with money: "It was ok to take that pencil because office supplies are really part of my total compensation." Interestingly, studies show it may be possible to negate our propensity for dishonesty with a certain kind of priming, meaning by invoking certain thoughts in people's minds before they undertake a task.

As seen in the example above, most participants tend to cheat a little in quizzes with small monetary prizes. But what if participants were asked to recall the Ten Commandments before taking the quiz? Astonishingly, they did not cheat at all! It seems that merely thinking about honesty is enough to keep us on the righteous path.

## **Dr. Jekyll sets our rational long-term goals, but we must fight Mr. Hyde's irrationality to reach them.**

Have you ever decided to start living more frugally, eating more healthily or watching less TV, only to find yourself mere days later buying something you don't need, stuffing potato chips in your mouth or spending an entire Sunday watching TV? Sometimes human existence seems analogous to the story of Dr. Jekyll and Mr. Hyde, says the author. The cool, rational, reasonable side of us knows what we should do, but then the impulsive, uncontrollable side takes over and does the exact opposite.

This is why, for example, it is very hard to get teenagers to practice safe sex, says Ariely. Though their rational side may know that a condom should be used, an aroused teenager can easily forget such things. But even as mature, reasonable adults, we still often succumb to Mr. Hyde's irrational urges. We give up our long-term goals in favour of immediate gratification; we procrastinate.

University students are, of course, famous procrastinators, says Ariely; often waiting till the last night before writing essays. But an experiment showed that when allowed to set their own deadlines, some students acknowledged their weaknesses. They deliberately set themselves small, evenly spaced deadlines throughout the course to force themselves to even out their own workload and not procrastinate till the last minute.

The results? Their grades were far better than those of students who had just one big deadline at the end of the course. This seems to suggest that by acknowledging our weaknesses, we can remedy procrastination. One way to do this is to pre-commit to deadlines and restrictions, as the students in the above example did.

Another method is to tie a short-term gratification to the unpleasant actions required by our long-term goals. For example, to motivate himself to endure very unpleasant hepatitis medication (long-term goal), the author used to take the injections while watching great movies (short-term pleasure).

## **People are obsessed with keeping their options open, even when it hurts them in the long run.**

In 210 BC, after the Chinese commander Xiang Yu had ferried his army across the Yangtze River, he set fire to his own ships. He did this to show his troops that retreat was not an option. In response, they fought so ferociously that they won nine battles consecutively. This story has become famous because deliberately closing an available option runs counter to our natural instincts. We humans try to keep our options open as much as possible: in our education, our careers and our choice of romantic partner.

Some might say that in an uncertain world, it makes sense to leave open as many avenues as possible, but studies have actually shown that this tendency is so powerful it can even be harmful. For example, consider a study where people were offered real monetary prizes when playing a computer game. In the game, participants could either earn prize money while letting options close or lose prize money in order to keep options open. Surprisingly, even in a game the irrational desire to keep options open proved irresistible – the participants happily paid for it.

Not deciding also carries consequences. A person indecisive between two career paths, say architecture and IT engineering, may not wholeheartedly pursue either, hence end up a mediocre architect or programmer. As the story of Xiang Yu shows, sometimes closing options is beneficial, because it forces us to focus. Rather than kidding ourselves that we can keep all options open indefinitely, we need to make difficult choices about what is truly important to us. For example, if you really want to spend more time with your children, it might be time to shut the door on another time-consuming dream, such as becoming a partner at your law firm, says Ariely.

### **What I took from it.**

We humans are deeply irrational in most of the daily decisions we make. From deciding what price to pay for a television to struggling to eat healthier foods, our choices and behaviour are guided by irrationality. But the good news is that we need not be helpless victims: through vigilance and caution we can try to avoid irrationality and act in our best, long-term interests.

# Quiet

Susan Cain

Extroverts tend to like noise and need stimuli, whereas introverts mostly prefer to be alone and think. So says Susan Cain in her popular book; Quiet, published in 2012. Cain asks; how can you measure or define someone's personality? She answers that one way is to figure out where a person falls on the introvert-extrovert spectrum.

Extroverts are sociable and outgoing. They like to interact with others whenever they get the chance. They enjoy being in the spotlight and going out frequently; they need to be surrounded by people. For them, social status is directly indicated by social connections, so they want as many acquaintances, Facebook friends and followers on Twitter as possible. In search of success, extroverts are prone to exuberance and euphoria. They need acknowledgement from the people around them and strive for quick successes. If, for example, they lose money on the stock market, they then invest even more money to try to quickly turn this loss into a win.

Introverts, in contrast, prefer to be in calm situations and like to think long and hard about the mistakes they have made. If they have lost money speculating on the stock market, they will probably stop and take time to analyse the market again before investing more. The introvert's tendency to meditate on experiences and sensory stimuli enables her to effectively undertake and complete artistic and intellectual projects.

Introverts are able to yield profits on the stock market in times of crisis and, throughout history, have produced some of our cultural milestones like Schindler's List and the theory of relativity. Introverts can do such things because they enjoy spending time quietly by themselves, or with small groups of people, and find it easy to talk about personal and social problems. While extroverts tend to have many superficial acquaintances, introverts prefer fewer, albeit deeper, friendships.

The three most powerful points I took from the book were;

1. Both introverts and extroverts have qualities that can be extremely valuable to the people in their environment. Both personalities should be given the space they need to realize their potential
2. Many introverts are highly sensitive, often responding strongly to their environment.
3. Both temperaments can maximize their performance through cooperation.

## **Introverts are highly sensitive.**

The vast majority of introverts have yet another personality trait in common: they are highly sensitive. Extroverts, on the other hand, rarely exhibit this characteristic. People who are highly sensitive process information from their environment in an unusually thorough way. For instance, if they are told to search for images in picture puzzles, they will take more time observing and get more involved with the photos than those who are not highly sensitive.

As a result of this complex way of perceiving, highly sensitive people find profound conversations about values and morals far more stimulating than the superficial anecdotes of a colleague's recent vacation. While extroverts engage in small talk, introverts discuss climate change. Highly sensitive people's intense processing of information is also noticeable in their sympathetic nature. Tragedies and cruelties have more of an emotional impact on them. Their skin seems to be thinner, giving them less protection from the deluge of day-to-day impressions and perceptions.

Consequently, introverts have a strict moral conscience. They are aware of how their behaviour affects

others and tend to take their own mistakes to heart. To these highly sensitive individuals, it means a lot to be seen positively by others, which makes it unusually trying for them to meet new people or be interviewed. It is thus safe to conclude that highly sensitive people feel emotions more acutely, notice changes more quickly and react more strongly to looks, sounds, pain and stimulants, such as coffee or alcohol.

This sensitivity also helps us define the difference between introversion and shyness: shy people are afraid of negative judgment, whereas introverts, because of their sensitivity, just prefer quiet environments with little stimulation. Though quiet and reserved, Bill Gates does not seem to care what others think of him, whereas Barbra Streisand is extremely outgoing but suffers from severe stage fright. The former is an introvert, while the latter is a shy extrovert.

### **Introverts' brains show a stronger response to external stimuli.**

We all feel comfortable in different situations. Some people can think of no greater pleasure than sitting in a library; to them, even the thought of going to a techno club is unfathomable. Others are the polar opposite; there is no place they feel more at home than among a throbbing mass of people, and it would drive them crazy to spend a single afternoon in the library. Why are these stark differences? In an attempt to answer this question, psychologists and other researchers observed how infants responded to certain stimuli. In one experiment, they held cotton swabs soaked in alcohol under the infants' noses while simultaneously playing a recording of balloons popping.

The reactions of the children displayed two very distinct behavioural patterns; 20 percent of the children fell into the high-reactive category, that is, they reacted to the stimuli by screaming and kicking violently. Their pulse and their blood pressure also increased sharply. Then, 40 percent of the infants were in the low-reactive category; they remained cool and composed, hardly reacting to the stimuli at all.

These reactions are controlled by the human brain's emotional switchboard – the almond-shaped amygdala. The amygdala is the first place our sensory organs send every stimulus received from the outside world. Then, the amygdala determines our response to this input. The amygdala of high-reactive people is extremely sensitive. Since these people have particularly strong reactions to external stimuli, they end up preferring low-stimulation surroundings, such as libraries, and mature into reserved and thoughtful people - introverts. On the other hand, it is difficult for the brains of low-reactive people to respond to new impressions. That is why in their childhood they remain unaffected by normal stimuli and seek out more stimulating environments, eventually becoming nonchalant, lively extroverts.

### **Introverted children are like orchids; they only thrive in the right environment.**

Not only biology and genetics shape our temperament. The experiences we amass over the course of our lives do, too. This holds especially true for childhood experiences. Extroverted children respond to environmental influences like dandelions: they thrive just about anywhere and are virtually incapable of being thrown off track. Introverted children are more like orchids: in a supportive environment, they flourish; in the wrong place, they close up.

So how can parents better attend to the needs of their introverted children? Treating them with respect and empathy and engaging with them are good ways to start. It is important for parents to recognize that their child is introverted and to understand why he or she is uncomfortable in certain situations, especially those involving large groups.

In the best-case scenario, parents introduce their introverted child to such experiences gradually. If a child is afraid to speak in front of other people, parents might first encourage the child to speak in front of friends they trust and gradually increase the number of people the child faces. This way the child

can develop enough self-awareness to one day be able to speak in front of an entire class. When introverted children get the right upbringing, they can build up self-confidence and learn to develop their skills constructively. But when they are pressured, overstimulated or dismissed, they have a greater chance of suffering from depression or respiratory disorders.

### **The ideal of the successful extrovert prevails in the Western world.**

Who would you consider more competent; an extrovert who captivates other people's attention and sets the tone, or an introvert who sits quietly in the corner and listens? Western society has a very clear answer to such questions. Extroverts are not only considered more qualified and intelligent because of their sociability but also more interesting and cooperative.

Extroverts are often seen as being more physically attractive and nonchalant. The introvert prototype, on the other hand, is pale, nondescript and awkward – maybe even has bad skin or seems to be from a different planet. Based on this way of seeing things, extroversion is considered favourable for success in the Western world. This is highlighted by the author's trip to a seminar by motivational speaker Tony Robbins. The event exalted extroversion above all else, calling it the key to standing out of the crowd in a competitive world.

This trend is why professors at the Harvard Business School make it their mission to turn every one of their students into an extrovert. The program entails rigorous participatory involvement in seminars and collaboration in study groups. Even going out at night with fellow students every evening is part of the obligatory program.

A glance at Japanese and Korean universities reveals a completely different ideal; average students there prefer poring over their books all day to bar-hopping with friends. In seminars, they pay attention and take diligent notes. Speaking without being asked is considered arrogant, inappropriate, big-mouthed and a sign of bad manners. Different cultures value different temperaments. While extroverted behaviour is generally preferred to introverted behaviour in Europe and America, the exact opposite is the case in Asia.

### **The extroversion ideal is a development of the last 150 years.**

Dale Carnegie grew up in a small town in Missouri at the beginning of the twentieth century. He was a typical introvert – skinny, unathletic and nervous; far from being a great orator. But when a speaker from the adult education movement came to Carnegie's hometown, he was enchanted by the man's talent. Later, in college, he was also impressed by the winners of the rhetoric competition, who were considered the leaders of the future.

Carnegie was an ambitious man and he worked hard to hone his skills. With time, he turned into a masterful speaker and a campus celebrity. After graduating from college, he became a traveling salesman of bacon and soap, winning over customers all over America with a charming smile and a firm handshake. Later, he founded the Dale Carnegie Institute, aimed at helping businessmen overcome their insecurities.

Interestingly, Carnegie's transformation mirrors a general shift in twentieth-century America – the shift from rural values to urban ones. In nineteenth-century America, communities were small and close-knit. If you worked hard, behaved properly and stood up for your fellow citizens, you would earn the respect and praise of the community. There was no need to call attention to yourself or announce what kind of person you were. Everyone in the community could see it for themselves.

However, the economic upswing in the early twentieth century broke up these social structures. More and more people moved from the countryside and into the anonymity of big, bustling cities, where the prevailing motto was: "If you want to win over others, you have to know how to sell yourself."

The new ideal of the successful American meant having a brash manner, being open and affable with others and using one's own charm playfully, all the while coming across as an intelligent person. This development can also be seen in the advertisements of the day. As one shaving cream manufacturer warned consumers in the 1930s, "CRITICAL EYES ARE SIZING YOU UP RIGHT NOW." Since the early twentieth century, the desirable individual is someone who brims with energy, sweeping us off our feet and fascinating us with his irresistible charisma.

### **Flipping the switch. Introverts can also act like extroverts.**

Time and time again, every ambitious introvert ends up in situations where being extroverted is a must. Take a college professor as an example. Imagine that this professor is shy and reserved, but also wants to fill her students with enthusiasm for her subject matter. Even if she has an introverted temperament, this does not prevent her from switching into extrovert mode. By reflecting upon herself and others, she can learn to adapt her manner to various different situations, and to flip the extroversion switch at just the right moment. So, what does she do while lecturing? She displays typically extroverted behaviour. She takes long strides when she enters the room, speaks clearly and precisely during the lecture and maintains a nonchalant, relaxed posture.

She can thus accomplish her goal; her students are captivated by her lectures and bombard her with requests for letters of recommendation. Classes proceed far more smoothly for her this way, too. After completing the mission so important to her – giving a stimulating lecture – the professor switches back into her usual mode of introversion, retreating to a quiet corner of the library to enjoy the lack of social interaction. Of course, some introverts find it particularly difficult to switch modes. But it has been shown that a number of them, especially when they want to achieve something important, can overcome their introversion for a short period of time and act extroverted.

### **Companies should not create workplaces tailored only to extroverts.**

Many employers firmly believe that their staff works best when their workplaces are perfectly tailored to the ideal of the extroverted employee. As a result, it is very common today to work in open offices, perform group-brainstorming sessions and present workshop results in interactive PowerPoint presentations. So how do introverts cope with working in an open office or participating in group discussions? They are constantly interrupted; it is loud; their co-workers are openly hostile. Stimuli rain down on them and cause stress. Is it really possible for them to work well and maximize their potential in such an environment?

The argument that the best way to work is as a team is surely influenced by the many successes achieved by big working groups in recent decades. One need only think about Wikipedia or the Linux operating system. However, people often overlook one key difference; big groups of people may be behind these great accomplishments, but the actual teamwork generally does not take place in an open-plan office or a meeting room. Rather, developers usually sit at home, alone, in front of their computer screens.

In fact, a good deal of significant and creative achievements has come about in private. Steve Wozniak built Apple's first personal computer by himself at home; Newton formulated the law of gravity alone, sans brainstorming or group discussions; and J.K. Rowling wrote Harry Potter in solitude.

Modern workplaces make extroverts happy. However, companies risk squandering their full potential if they ignore their introverted employees. In his biography, Steve Wozniak emphasizes that many of the finest inventors he knows are artists, and as such work best alone. If you are lucky enough to have such a person in your company, you do not want to force them into committees or teams, but rather let them work on revolutionary projects alone.

To provide both extroverts and introverts with a suitable environment, make your workspace more

flexible. Give employees the chance to exchange ideas but also to withdraw and be alone. Retractable walls are an excellent solution, allowing both integration and privacy.

### **A truly skilled leader can unite the talents of introverts and extroverts.**

How can employers best use the distinct strengths of their introverted and extroverted employees? In order to get to the bottom of this, a group of scientists asked several teams to perform a simple task – quickly folding T-shirts under the guidance of either an extroverted or an introverted leader.

Extroverted team leaders, although successful in getting their team to adhere precisely to the rules and work by the book to achieve great performance levels, were less successful in responding to individuals' suggestions – for example, how the T-shirts could be folded more quickly and efficiently. Among the introverted team leaders, the study showed the exact opposite.

Although their calm, quiet character made it difficult for them to encourage their comrades and boost their efficiency level, they were more open to their team's ideas and used all available means to put good suggestions into action. It can be argued that, in the workplace, an extroverted leading style is ideal when the goal is to complete simple tasks as quickly as possible. However, introverted leadership qualities are imperative if team members want to get involved and contribute their own ideas.

Another difference between extroverted and introverted leaders became quite clear during the 2008 financial crisis. Extroverted leaders tend to make quick decisions based on little information. And many such leaders had, indeed, made risky investments with their companies' funds. When the bubble popped, though, they paid dearly for their reckless risk-taking. By contrast, introverted leaders usually amass a lot of information before deciding. Companies with introverted leaders were thus less severely affected by the crisis, having invested their money less precariously.

What can we learn from this? When quick decisions must be made, extroverted leaders are the best; when careful consideration is called for, it is better to follow an introvert. In general, extroverted leaders should learn to appreciate the qualities of their introverted colleagues. Each personality type has skills the other can profit from.

### **Both temperaments can maximize their performance through cooperation.**

Interactions between introverts and extroverts are frequently marked by misunderstanding. When conflicts arise, extroverts tend to grow hostile and take the offensive, overpowering or overwhelming the introverts. The typical introvert retreats from an open conflict because he or she finds it unpleasant – which the extrovert more often than not interprets as a lack of interest.

It is only when both temperaments open up to one another and try to understand the other's perspective that they can achieve great results together.

Franklin D. Roosevelt, the US president during World War II, was a typical extrovert. He was brash, lively and cheerful, loved going to parties, flirting and staying out late every night. His wife Eleanor, on the other hand, was very introverted; awkward and shy, she preferred serious conversations and left those same parties as early as possible.

Despite these enormous differences, they accomplished incredible things together. Eleanor opened her husband's eyes to the worrisome fate of children languishing in poverty and of oppressed minorities. When she found out that the black singer Marian Anderson was not allowed to perform in Constitution Hall in 1939, Franklin and she combined his political clout with her social conscience to make sure that Anderson would perform in front of the Lincoln Memorial on Easter Sunday.

These temperaments can complement each other on a smaller scale, too. Every once in a while, an open-minded extrovert also prefers deeper conversation to small talk. And introverts can be inspired

by the liveliness of extroverts, welcoming them as a breath of fresh air in their otherwise calm everyday life. Bringing together both temperaments is well worth an employer's effort, as each possesses unique qualities – qualities they can share with each other and with the company as a whole.

### **What I took from it.**

Both introverts and extroverts have qualities that can be extremely valuable to the people in their environment. Both personalities should be given the space they need to realize their potential.

Quiet is a fascinating book about the prejudice that our society faces against introverts, and why it is unfounded, and how, as an introvert, you can overcome that, as well as just KNOW yourself better.

Susan Cain does an excellent job of explaining the different strengths between introverts and extroverts, and the history of how America came to idealize extroverts. I agree that as a society we tend to value the gregarious go-getters, the loud talkers, the forceful presenters.

But Cain's book reminds us that societies need introverts, too — the thinkers, the listeners, the people who look before leaping. People like me. Luckily I am part of quite a remarkable club of introverts who includes: Albert Einstein, Isaac Newton, George Orwell, J. K. Rowling, Warren Buffet, Steve Wozniak, Gandhi, Mandela to name but a few.

As an introvert, I found the book comforting and inspiring. But extroverts who are in relationships with introverts or who are parents of an introvert would also do well to read this book. The author has good tips for how to handle introverts, especially children.

# The Power of Now

Eckhart Tolle

I was really looking forward to reading Eckhart Tolle's, *The Power of Now*, first published in 1997 and recommended by Oprah. At just under 200 pages, I thought that I would spend my Sunday afternoon sitting back and enjoy taking in some of the wisdom of Eckhart and move onto *A New Earth*, one of his more recent books, the next day. Was I in for a surprise! It took me almost a week to read through it. Now, I consider myself at least of average intelligence, but it was as if I was reading Latin to start with. As if I jumped beginner and intermediate stage, straight into advanced 'Enlightenment' training.

Sentences like "It is life in its undifferentiated state prior to its fragmentation into multiplicity. We call it the Unmanifested, the invisible Source of all things, the Being within all beings" - English, please – that took hours to sink in – if it actually did. But I pushed ahead and about halfway through, once I started to understand the language that is Eckhart; I really got hooked and ended up appreciating what I read.

If you are like me; we spend our time either trapped in the regret-filled past or anxious about a future, we cannot control. Yet at the same time, we also cling to the hope that we can somehow improve our lives, become happier and find enlightenment, even though we might have no clear idea of how to do so.

At the heart of Tolle's philosophy is an emphasis on living in the present moment as a way to avoid most of the pain that we usually experience. To this end, the book focuses on the connection between the mind and suffering, offering a variety of perspectives on the numerous self-destructive ways that we use our minds.

*The Power of Now* has helped me improve my life, including my relationships with my family and others, and, crucially, it increased my awareness of the impact of my ego; improved my self-esteem and helped me understand the power and importance of living in the now.

The three most powerful points I took from the book were;

1. Try to live in the present! Stop clinging to the past and stop fearing the future
2. The ego wants to be the most important part of you and knows no limits, so if you let it gain control, it will bring you much suffering.
3. To truly live in the present, you need to separate your mind from your body

## **Focus on the present and greatly improve your life.**

Many of us want to find inner peace and improve our lives. We are seeking; in a word – enlightenment, yet we do not know which steps to take to find it. Eckhart advises that the first step may be easier than we imagine. We tend to live in the past and in the future. One moment we are reminiscing or regretting, the next we are planning or worrying. Meanwhile, we neglect the one moment that is fully available to us: the present. Now.

Only the present is important because nothing ever occurs in the past or future; things happen only in a continuous stream of present moments. Whenever you feel something, that feeling is experienced in the present, because your senses, according to Tolle, can only give you information about this specific moment. So, when we say that something happened in the past, that is not quite true: it actually happened in a single, present moment; even if it was in 2015.

What we call "the past" is really a collection of once-present moments that have passed. Likewise,

“the future” is made up of present moments that have yet to arrive. As this suggests, there are no advantages to worrying about the future or dwelling in the past, but there are many to living “in the now.” If you manage to achieve that, you will experience no major problems, just small ones that can be dealt with as they arise. So, try to live in the present! Stop clinging to the past and stop fearing the future, and you will see how dramatically your life will improve.

### **How we experience pain.**

Pain, according to Eckhart, is nothing more than a self-created inner resistance to external things that you cannot change. You experience pain when you are unsatisfied with how things are, yet do not feel powerful enough to change them. This manifests itself, on an emotional level, as a negative feeling. Because you think so much about the past and the future, but can live only in the present, you have no means to change many things that you are unhappy about. So, you develop an inner resistance to the way things are – which you experience as pain.

### **Control your ego.**

Eckhart asks the reader if you ever have wondered why some people seem to sabotage themselves even though nobody wants to be miserable - why are so many people unhappy? The culprit is the ego – a part of your mind that controls your thoughts and behaviour without you noticing. Since it cannot easily be observed, most people do not know the extent to which the ego controls their life. For example, you might be driving on the motorway happily thinking of your upcoming holiday when all of a sudden someone cuts in front of you.

Most of us, because we are controlled by our ego, would snap out of that ‘happy thought’ and instantly turn to rage with some flashing light, hooting and perhaps a few suggestive finger signs to follow. ‘How dare he’ – are thoughts coming up, as you feel your ego is being attacked. The person who is in control of his ego would think very differently. It would tell you, that you do not know that person’s circumstances – perhaps he is late for an interview or on his way to hospital to witness the birth of his first borne. With your ego controlled, you happily continue daydreaming about the upcoming holiday.

Why does the ego do this? Because it depends on your misery for its continued existence, it obstructs happiness at every turn, acting against your own best interests. The existence of a destructive part of your mind that produces misery would explain why so many people suffer, despite nobody actively wanting to live an unhappy life.

Some people just love the drama as well. Whenever two or more egos come together, drama always ensues. While people may want to live together peacefully, their egos make them annoyed at trivialities and cause them to overreact. If you find yourself suddenly in a fiery debate over the toothpaste tube being squeezed in the middle rather than from the bottom up, this is probably the work of the ego.

The ego leads you into situations of conflict with others and makes you unhappy with your current situation so that it can gain control over your behaviour and thinking. The ego is a destructive part of the human mind. It wants to be the most important part of you and knows no limits, so if you let it gain control, it will bring you much suffering.

### **To have a richer life, separate yourself from your mind and focus on your body.**

The ego’s power is just one of many reasons that it is important to separate yourself from your mind and pay closer attention to your body, says the author. Many great teachers have spoken about the importance of focusing on the body rather than the mind. Why is this? Because the mind is responsible for pain. It produces pain by continually bringing up memories of the past, or by planning for the future, occupying your entire life with regretful memories and anxiety-ridden future scenarios. In doing so, it

prevents you from living in the present. The result is that since you cannot alter the past or the future, you constantly worry about things you cannot possibly change. And that leads to pain.

Clearly, we need to find a way to diminish the mind's power and reduce some of its control. How do we do this? Eckhart answers; by shifting our focus from the mind to the body. Your body knows what is best for you. By listening to your body, you can get a very clear sense of what is important in your life. Jesus spoke often about the importance of the body, and used it in many proverbs; for example, "Your body is a temple."

### **How to free yourself from pain.**

After you realise that your mind is causing you pain, preventing you from truly living in the present, you need to detach yourself from it. How? To separate yourself from your mind, you must become fully conscious of it and the power it has over you, otherwise you'll never understand the countless small and subtle ways it influences your thinking and behaviour – and therefore your happiness.

An example given in the book asks the reader who wants to observe his mind: "What will my next thought be?" If you focus fully on that question, you will see that it takes a while before the next clear thought arrives. Through observing, you have managed to create a gap in the flow of thinking. If you do that often enough, you will start to notice how much you are normally occupied by the continuous flow of the mind. And you will have found the primary tool for interrupting your mind and thus separating from it.

### **Try to exist in a state of permanent alertness.**

While you get better at separating yourself from your mind, you can try adopting another technique; Eckhart calls this - active waiting. This is a special kind of waiting state, like when you are aware that something important or serious could happen at any moment. In such a state, all of your attention is focused on the now. When you get into a state of active waiting, there is no time for the daydreaming, planning or remembering that usually distracts us from the present.

While in this state, you also pay attention to your body because it has to be ready for anything to occur. As we have already seen, this focus on the body is also crucial to living in the present. For example, Zen masters used to sneak up to their pupils, who had their eyes closed and then attempt to hit the waiting student. The waiting forced the students to fully concentrate on their body, and thus they were able to sense the approaching masters and evade their "attack."

Many spiritual teachers recommended this state of waiting to their pupils because they believed it would lead to a good life. Eckhart gives the example of when Jesus was asked by his disciples what they should do to live a good and peaceful life, he advised them: "Be like a servant waiting for the return of the master." Since the servant does not know at what hour the master will come, he is in a permanently alert state. He does not make great plans for the future and is constantly aware of his surroundings to make sure he does not miss the master.

### **Impacts of living in the now.**

After following the previous steps, you should now be able to live in the present, and are no longer completely dependent on your mind. But how will that change your daily routines; for example, your relationships? Eckhart explains that it's extremely difficult for a "normal" person to share their life with someone who lives fully in the present. The ego of the non-present person feeds on problems, while the person who is present, calm and at peace is experienced as a threat. The non-present person's ego reacts by creating further problems – for instance, by insulting the other, debating a trivial issue to disrupt the peace, or continually referring to past incidents to pull them out of the present. Why would

they do that? Eckhart answered with an analogy: just as the darkness cannot survive near the light, it is difficult for a person still controlled by the ego to be near a person living in the present for very long. Strong opposites cannot exist in close proximity. If you place a candle in the darkness, the darkness disappears. If you put water on fire, the flame extinguishes.

But if you do it correctly, living in the present can also greatly improve your relationship: you'll be able to stop judging, criticising or trying to change your partner, and instead, see him or her as an independent person. If you live in the present, then living with you can be very difficult for your partner. It can even become a new test of your relationship. In the long run, however, it can offer a great opportunity for positive change – for both your partner and for your relationship.

### **Not all pain is avoidable**

While it is true that most pain is self-created, that does not mean we create all of it. A good example of unavoidable pain is that inflicted on you by those who are still controlled by their destructive mind. Another example is the death of a loved one. Since you cannot lead everyone around you to enlightenment, and that death, for now, is inevitable, this pain is clearly unavoidable. So, what can be done? When you experience something traumatic, which causes you real pain, you should just accept it for what it is. For example, if you lose a beloved person to death, you will of course mourn and feel sadness. But if you are able to accept this as something that simply is and cannot be changed, then you will avoid needless suffering.

Being sad is a natural feeling, says Eckhart; something you do not need to feel guilty or ashamed about. Things are as they are. Accepting this means that you do not waste your time constantly wishing that things were different. By being present you will be able to avoid most of the pain in your life, but not all of it. Furthermore, living in the present does not mean ignoring or suppressing pain. Instead, it provides you with the inner strength to accept such difficult and painful facts of life.

### **Surrendering to the present does not mean living a passive life.**

Inner peace is a nice thing to have, but when your outer life situation is bad, inner peace is not worth very much. Does accepting the present automatically lead to a passive way of living in which you are not mindful of or willing to change anything that troubles you? This one of the questions from a student of Eckhart. He answers; not necessarily. Living in the present is an inner process of feeling and insight and does not entail you having to develop a passive external behaviour. For example, if you are stuck in the mud, you do not simply tell yourself that you always wanted to be stuck in the mud. Instead, you can try, without panicking, to free yourself from it.

Living in the present can even provide you with new resources, and new ways to solve problems. It is certainly true that living in the now can bring you new forms of strength and determination because you don't waste your inner resources creating problems. In fact, by living in the present you actually see no problems – only individual, manageable situations that you can solve, one by one. This makes you much more effective.

Living in and accepting the present does not mean you commit to a passive life, or that you choose to not even try to change it for the better. Rather, by focusing on the present, and keeping the past and future in their place, you are more able to see clearly whatever it is that's actually wrong at any given moment, and you also have the strength to change those things for the better. The best way to improve your future is to focus on doing your best in the present.

## **What I took from it.**

Do not focus on the past or the future! Live in the present and try to separate yourself from the over-thinking mind. Following this method will reduce your suffering and improve your life.

The questions this book answered:

### 1. How can I make my life better?

- By focusing only on the present – and ignoring the past or future – you can greatly improve your life.
- A part of you needs pain to survive, and it creates most of the pain you experience.

### 2. What is the connection between mind and suffering?

- The “ego” is a part of your mind that stops you from being happy.
- If you want a richer and almost painless life, separate yourself from your mind and focus on your body.
- Observing the mind without judgement is the best way to separate from it, and thus free yourself from pain.
- Try to exist in a state of permanent alertness.

### 3. What effect will this have on my life?

- Living in the present can be hard for your partner, but it can also improve your relationship.
- Not all pain is avoidable: surrendering to the present does not mean ignoring sad or hurtful feelings.
- Surrendering to the present does not mean living a passive life.

# Road Less Traveled

M. Scott Peck

“Take the high road,” “The road to hell,” “Staying on the straight and narrow”: the list of sayings in our language that use roads as metaphors for life could go on and on. Many of them are about being a good or bad person. But what about a road that could lead to spiritual growth and exploration, a road less travelled? In his book, *The Road Less Traveled* - M. Scott Peck takes you on a trip down this road, and you will learn how a few concepts can lead you down the path of spiritual growth – a path that will help in everyday life. Having a better life starts with practising self-discipline and developing the habit of delayed gratification, says Peck.

Let us not mince words: life stinks, says Peck. And the sooner you accept this, the better off you will be. But do not despair. It is just a simple fact of life that each day comes with the possibility of a new set of problems, and, once you recognise this, you will be on your way to having a solution for these problems.

The three most powerful points I took from the book were;

1. Understanding that life is inherently difficult will spur you to assemble the tools you will need to get by
2. Delayed gratification is just one of the tools that will help you bring discipline to your life
3. It is important to understand that before you can love someone else, you first need to love yourself

Most folks live with the delusion that life should be fair, pleasant or otherwise rosy. This outlook will only lead to disappointment. In contrast, understanding that life is inherently difficult will spur you to assemble the tools you will need to get by. Along with this healthy perspective, the best tools you can have are those that help you practice self-discipline; and the first tool is getting familiar with delayed gratification. No one likes to wait for something good when they could have it right away. Many of us would prefer to have dessert before dinner, and we tend to live our lives according to the same philosophy.

This way of life could be called “play now, pay later,” and the people who practice it are not necessarily dumb. They are the sort of intelligent people who nevertheless manage to get bad grades because they would rather skip class and have fun than deal with the boring business of studying. To put it another way, they are controlled by their impulses. Let us say you struggle with procrastination. Who among us has not tackled the easy work first and then spent the rest of the day struggling with the boring and difficult stuff? The author had a patient with this exact problem, and he advised her to start practising delayed gratification by reversing her work habits. This meant bearing down and dealing with the difficult stuff first - eating your frog as Brian Tracey would say. So instead of facing one easy hour followed by six miserable hours of dragging her feet, she could have one miserable hour followed by the reward of six enjoyable hours.

**Discipline also means accepting responsibility, being truthful and striking a healthy balance in life.**

Delayed gratification is just one of the tools that will help you bring discipline to your life. Real self-discipline also requires that you accept responsibility for your own life. Do the words “this isn’t my problem” sound familiar to you? It is a common way of reacting to the things we would rather not deal with. But remember avoidance does not solve anything.

When the author, was completing his psychiatric training, the bad habit of avoiding responsibility reared its ugly head. At one point, he was upset about working longer hours than his colleagues. But when he asked the director about this, Peck was told: "It's not my problem. It's your problem with your time." For months, Peck was furious with the director for avoiding responsibility, when in fact it was Peck himself who was avoiding the problem. No one was forcing him to work more; it was solely up to him to find a solution.

Another tool that can improve your self-discipline is a dedication to truth, meaning that you honestly and openly face the reality of your life. Now, this can be a tough one since it requires that you have a strong sense of self-reflection and be willing to constantly update your worldview. If this sounds a lot like psychotherapy, you are absolutely right – seeing a therapist is a great way of getting to personal truths. Being open to self-analysis, and reflecting honestly on life, are part and parcel of personal growth.

### **The final tool for better discipline is balancing.**

It means letting go and giving up the unhealthy habits and extreme behaviours that are throwing your life out of balance. These are things you may do because they add a thrill to your life, but which, in the end, tend not to turn out well.

The author likens it to an experience he had riding his bike at full speed down a hill. He felt an amazing rush and was reluctant to give up this ecstatic feeling, which is why he wound up crashing into a forest. As he learned, it can be painful to abandon the things that give you a rush but losing your balance can hurt even more.

### **Love is closely linked to our spiritual growth and self-discipline.**

Much has been written and said about the nature of love, but put simply, love is having the will to nurture your own spiritual growth, as well as that of someone else. In this way, you can look at love as an important part of your evolution, since spiritual growth is about reaching a larger state of being. It is also important to understand that before you can love someone else, you first need to love yourself. It is similar to a parent teaching a child how to behave in a disciplined manner. For this to happen, the parent must practice this discipline themselves.

To love someone means making an effort. It requires more than a mere desire to love. Most people desire, or want, to love, but few are in fact loving. Those with the will to grow spiritually have chosen to love and therefore they act lovingly. The difference between the desire to love and the will to love is the difference between saying, "I would like to cook a delicious meal for you" – and then maybe doing it, or maybe not – and saying, "I will cook you a delicious meal," and simply doing it.

Since it requires will and effort, love has what it takes to create discipline in your life. When you have love in your heart, it is like a storage tank full of energy. This supply can be self-nurturing as well since love allows you to grow and increase your capacity for love. But sustaining any kind of loving relationship requires discipline.

Once the author counselled a couple who believed that their constant quarrels were simply a natural part of their passionate love for one another, even though the fighting was obviously hurting them. And when they were told that the goal of the counselling would be to improve their self-discipline and balance their emotions so as to stop this, they quit. Without strengthening their discipline, they were doomed to continue hurting each other.

## **Love is not a feeling but an action that requires attention and comes with risks.**

More often than not, we think of love as a feeling rather than as an action, and this can lead to problems. The feeling of love is related to cathecting, which means investing emotional energy in something or someone. If you have a treasured piece of jewellery, for instance, you may cathect that ring or necklace. And when two people meet in a bar and hit it off, they may experience such intense cathecting that the rest of the world falls away. But this feeling is often fleeting and tied to the specific moment, whereas genuine love comes with a lasting commitment. Love can even exist without that feeling we always associate with it, since true love is bigger than cathecting.

In a well-functioning marriage, disagreements can happen, and tempers can flare, but the partners continue to work in tandem toward their goals. These are two people who made a commitment through their own volition, and that is more important than any fleeting emotions. However, for love to flourish it needs more than a commitment – it requires attention and the understanding that it can be lost.

Loving someone means giving them attention and supporting their growth. And this requires putting aside everything else to truly listen and concentrate on what your loved one is saying and experiencing. When you do this, you extend yourself and gain new knowledge about the person you love. But remember, you cannot love someone without the risk of losing them. There is always the risk that the relationship might fall apart, and you might be left feeling heartbroken and alone. That is part of the price of love, however. Life itself is a risk – and the more love you bring to it, the riskier it gets.

## **Religion is essentially a personal worldview that can grow and expand as we gain new perspectives.**

When you think of religion, what comes to mind? For many of us, it is a strict set of rules and ritualistic practices and being part of a group that believes in and worships God. But this definition is too narrow. Religion should be seen as a belief system that is determined by our culture. In this sense, everyone has a religion, and it may have nothing to do with God or gods. So, think of “religion” as just a different word for “worldview,” a worldview informed by your upbringing and family culture.

This perspective on religion helped a man named Stewart, a severely depressed patient who considered himself an atheist. But once the author helped him explore his worldview, Stewart began to identify his own religion and how it was affecting his mental health. When looking at how his family culture affected him, Stewart realised that his belief system painted the world as an evil place, controlled by vengeful forces eager to punish him if he stepped out of line. This came from being brought up by God-fearing and physically abusive parents. This example illustrates how our worldview is based less on the beliefs that our families conveyed directly and more on the actions and behaviours they engaged in.

Luckily, we all have the capacity for spiritual growth if we allow new experiences to inform our outlook on life. Think of yourself as a scientist, constantly questioning and exploring the world around you, and using this information to inform your opinions. This mentality will allow you to rebel against the religion of your parents. You need not adhere to their narrow worldview when you can take in all that life has to offer and form your own perspective. Do not let past experiences blind you to the beauty of the spiritual realm. Next, we will look at the phenomenon of grace.

## **Ordinary occurrences can illuminate the extraordinary phenomenon of grace.**

There's a good chance you know the hymn that starts, “Amazing grace! How sweet the sound...” Because of this popular tune, the word “grace” is most closely associated with “amazing.” But what is grace, exactly? And is it, in fact, all that amazing? Grace is actually a rather common phenomenon. It is the force that protects people's physical and mental health, even in the most trying of conditions. Interestingly enough, when you have a neurosis, a good psychiatrist can determine exactly why that

condition arose and why it persists. Yet it remains a mystery why some neuroses are not more severe, and why many people who have suffered tremendous traumas can still go on to live good lives.

One of the author's patients is an incredibly successful businessman who had only a mild neurosis. Yet his upbringing was filled with both psychological and physical trauma, including time spent in cold and unloving foster homes as well as a period, during his teens, locked up in jail. While it was possible to explain and treat his neurosis, it is impossible to explain how he coped with his upbringing and went on to become such a remarkably successful adult.

The author believes this can only be explained by positing an external force that protects people and their mental health, thereby enabling them to survive the most adverse conditions. So perhaps grace is more than just an amazing resilience, and rather a force beyond our consciousness that nurtures our growth as human beings. We can see grace as an evolutionary force from a god who wants to ensure we do not keep things as they are and instead feel the urge to grow. You might think that this idea is naive, but according to the author, there is no theoretical alternative that can better explain our survival instinct. If you still doubt it, let us take a look at some different "miracles" that better demonstrate grace at work.

### **Grace can also be found in our dreams and in instances of synchronicity and serendipity.**

We humans have a strong tendency to categorise phenomena. We know that a sandal is different from a canoe, and to better understand the two, we place them in their respective categories: shoes and boats. But the phenomenon of grace lies outside the scope of our traditional senses, much like the miracle of our unconscious and dream states. In his work with patients, the author has come to find evidence that our unconscious can skilfully assist the therapeutic process by providing insightful dreams.

Analysis has revealed certain dreams to be warnings of personal pitfalls. The author believes that dreaming is an example of how grace operates, since dreams seem to help promote our spiritual growth. According to the author, people have been known to have remarkably similar dreams, or even to psychically transmit images to one another. Psychic phenomena such as these are examples of synchronicity, which can be seen as another example of grace in action.

Synchronicity is the frequent occurrence of highly unlikely events, and, like grace, it is hard to find an explanation for it. There are documented occurrences of synchronicity but there is no logical way to explain why two people would share the same dreams or be able to transmit images. But when events like these happen, they are often beneficial to the people involved, making it an act of serendipity, which Webster's Dictionary defines as "the gift of finding valuable or agreeable things not sought for."

The author experienced this himself when writing a book. Away from home at the time, he was working in his friend's library and feeling a bit stuck with writer's block. And though his friend's wife was ordinarily cold and unkind to him, on this occasion she came into the room unprompted and handed him a book. Even though she had no way of knowing what he was working on, the book she presented him with was *How People Change*, by Allen Wheelis, and it was the perfect material to get him unstuck and continue working. We can all be touched by grace, even in the most mundane of situations.

### **Humanity's original sin is laziness, which prevents us from attaining spiritual growth.**

In the story of Adam and Eve in the Garden of Eden, we are presented with the tale of original sin. Eve is seduced by the serpent into eating the fruit of the tree of knowledge, an act forbidden by God. In this case, we could say that the real essence of this sin was that Adam and Eve did not discuss with each other or with God why the fruit was forbidden, and therefore didn't understand which law they were breaking.

In other words, original sin can be seen as laziness: not taking the time and energy to have a proper internal debate. If we are to have any hope of avoiding sinful decisions and making good ones, we need to be diligent about questioning ourselves and getting to the bottom of why we do what we do. Of course, this is not an easy internal discussion to conduct. Reconciling our inner God and our inner serpent is no simple task and interrogating them means opening ourselves to a deeply rooted struggle. So, it is completely natural for us to be inclined to avoid this conflict.

But along with being our original sin, laziness also is the biggest thing standing between us and spiritual growth. This kind of laziness is not related to your family or your responsibilities at work. You might put in 60-hour workweeks, tend to your kids and housework, and still be lazy when it comes to dealing with your spiritual growth.

For many, this lack of energy for growth can come down to a fear of change and not wanting to lose the little bit of comfort they have now. A lot of people find new perspectives threatening and they do not want to bother with the effort it takes to change their comfortable worldview. It is easier to ignore new perspectives than take them to heart, so through both fear and laziness, spiritual growth can remain stagnant. But it does not have to be this way. By acknowledging your resistance, you can start on your way to overcoming the prejudices and obstacles that stand in the way of spiritual growth.

### **What I took from it.**

Living a life of spiritual growth requires a loving nature and being open to new perspectives, including the helpful and mysterious force of grace. Taking the road less traveled is not easy – it takes effort, will and a strong sense of self-discipline. Fortunately, there are tools and changes that you can add to your life to bring balance and put yourself on the path to spiritual growth.

Balance your discipline. Too much of anything is bad, even discipline. So, do not be afraid to add a little flexibility to your life. If you are overly rigid about things like sleeping and eating habits, make sure you change things up from time to time. Instead of waking up at 5 a.m. every day, try to enjoy sleeping in every once in a while. As with everything else, healthy discipline requires a balance.

A very insightful book authored by a psychologist/psychiatrist who reveals the secrets to fulfilling, healthy, meaningful and lasting relationships. It really makes you see yourself and others in a different light, as well as words and concepts we think we understand. His hallmark argument is that we so often view love as a noun instead of a verb - as something that just happens to us or does not happen to us, instead of an ongoing task we must work at. That work, that action - is love. A good read.

# Classics

There is nothing either good or bad but thinking makes it so.”  
– Shakespeare

# Becoming

## Michelle Obama

Michelle Obama was not always a lawyer, a working mom or the First Lady of the United States. Back in the 1970's, she was Michelle Robinson, a student in the south side of Chicago who loved Stevie Wonder and jazz music, and who wanted to get good grades in school.

Becoming is the story of how Michelle Obama ended up excelling at school and meeting an up-and-coming lawyer named Barack Obama, who would become her partner in an incredible life. Realizing that she really wanted to help people more than be involved in the intricacies of contract law, Michelle left her job at a respected law firm to work in the world of non-profits, community outreach and mentoring.

This civic mindedness is what she brought with her into the White House, where she strove to make an impact on children's health, veterans affairs and education. Michelle Obama feels lucky to have had strong female role models in her life, and she has made it part of her life's work to help empower the next generation of civic leaders.

The three most powerful points I took from the book were;

1. It took two buses and 90 minutes for Michelle to get to school each day and even though Michelle started high school with some nagging self-doubts, she focused on the work and was soon getting good feedback and excellent grades. This did a lot to help her calm down and start telling herself, yes, she did belong, and she was good enough.
2. Michelle had seen her husband's gift for communication in a church basement as he spoke to a small audience of mostly women who were concerned about their community
3. Looking back, Michelle is proud of what she was able to accomplish. At the start, she still had that nagging voice that wondered if she was really good enough. But once again, she was able to gain the confidence to say, "Yes, I am."

### **Michelle Robinson had a loving family, with a great aunt who taught her how to play piano.**

In 1968, Chicago was home to the Democratic National Convention, which broke out in a violent clash between police and Vietnam War protesters. Michelle Robinson's family lived just 9 miles from the Convention Centre, in Chicago's South Shore neighbourhood. But since she was just four years old at the time, she was oblivious to the turbulent politics of the day and much more interested in playing with her dolls.

Michelle was part of a loving family, with a brother who was two years older, a father who worked at the water filtration plant, and a mom who was a wiz with a sewing needle and very active in community fundraising and organizations like her local parent-teacher association. Her father also loved jazz and art, and many of Michelle's earliest memories revolve around the music that was always in the air around her.

The four of them lived on the second floor of a two-story house, with her maternal great aunt and uncle on the first floor. Her great aunt, Robbie, was a piano teacher, so the sound of scales and songs being played by her students was another musical aspect of her childhood. It also led to Michelle starting lessons with Robbie when she was just four years old.

Robbie could be a tough and scary taskmaster, and the two clashed frequently during their lessons, with Michelle already quite strong-minded as a youngster. But Robbie saved the day when Michelle was set to start her song at her first big piano recital at the concert hall in Roosevelt University.

The problem was; Robbie's piano had a conveniently chipped middle C key. The middle C is used to help a player position their hands on the piano, so having this little-chipped corner on Robbie's piano made it easy for Michelle to spot it. On the stage at Roosevelt University, young Michelle knew her song backward and forward, but she was suddenly frozen, unable to spot the middle C. Fortunately, Robbie was sitting in the front row and knew what to do. She calmly walked up to the stage, reached over her shoulder like a guardian angel and pointed to the middle C. Michelle was now able to start her recital.

### **As Chicago's South Side was changing, Michelle strove to become a good student and feel that she was good enough.**

Over the years, Chicago's South Side has gone through a transformation. In 1950, the area was 96 percent white. By 1981, it was 96 percent black. Michelle was born right in the middle of this transition, so when she first started going to school, there was a mix of different families – some black, some white. But as she got older, more and more families, both black and white, were moving to the suburbs, if they had the means to – taking their money with them in the process. As a result, the businesses and schools in the neighbourhood began to suffer, until devious real estate developers eventually started labelling Chicago's South Side as a "ghetto."

For Michelle's family, the South Side was and will always be home, and for over 50 years her mother has been a consistent force in helping the community however she can. Michelle's mom also played a very important role in her education, one that put her on the path to excelling and being the best student, she could be.

It started in the second grade, when she listened to Michelle when she told her she absolutely hated her class, since it was full of chaotic kids throwing things and an ill-suited teacher with no ability to get it under control. Thanks to her mom, Michelle got tested and moved up to a third-grade class with other high-performing kids who liked to learn. From time to time, Michelle wonders just how important this move was in getting her on the right track to excel in school.

Indeed, Michelle was driven to do well, eventually ending up in the Whitney M. Young High School, in the heart of Chicago. Known as a magnet school, this was an equal opportunity school with progressive teachers that drew in high-performing kids from all over the city. Michelle had to take a test to get in, and even though she passed, she still had to overcome some early doubts about whether she was truly good enough.

It took two buses and 90 minutes for Michelle to get to school each day, while some of the other kids lived in nearby high-rise apartments. They talked about their summer internships and carried designer purses on their arms. Everything they did seemed effortless. But even though Michelle started high school with some nagging self-doubts, she focused on the work and was soon getting good feedback and excellent grades. This did a lot to help her calm down and start telling herself, yes, she did belong, and she was good enough.

### **At Princeton, Michelle entered a whole new world and found a great mentor in Czerny Brasuell.**

As a senior at Whitney M. Young High School, Michelle had a routine meeting with a college counsellor. At the time, she had been elected class treasurer, was in the National Honour Society and was on track to be in the top 10 percent of her class. Nevertheless, she was told, "I'm not sure you're Princeton material."

A year or so before, Michelle's brother Craig, a brilliant basketball player, had gotten into Princeton University, and she thought she might join him there. But here was a professional counsellor essentially telling her to lower her ambitions and think smaller. Fortunately, this meeting did not burst

Michelle's confidence and instead only served to irritate her, and she went ahead and applied to Princeton anyway.

Sure enough, Michelle was accepted and did reunite with her brother in the university's pristine New Jersey campus. And on her first day there, she could not help but notice how different the world of Princeton was. For starters, it was the first time Michelle felt what it is like to be one of the only non-white people. It was both jarring and uncomfortable. In Michelle's freshman class, less than 9 percent of the students were black.

Nevertheless, Michelle did find a welcoming community within the school – and not only that, she found a great mentor. While Princeton may have been predominantly white, it also had an organization known as the Third World Center (TWC), which has since been renamed the Carl A. Fields Center for Equality and Cultural Understanding. The TWC was there to support students of colour, and one of its leaders was Czerny Brasuell, an energetic, freewheeling New Yorker. Michelle immediately gravitated toward Brasuell, who was both a strong black woman and a working mom.

In her years at Princeton, Michelle became both Czerny's assistant and her protégé, gaining a whole range of new life experiences in the process. Czerny suggested new authors to read, had Michelle asking important questions and even got her to start running an afterschool program for the children of black faculty and staff members.

At Princeton, Michelle majored in sociology and began to consider Harvard Law School for her next step, but she also learned a great deal about life from Czerny. Michelle knew that one day she would want to be a working mom, and as a single working mom, Czerny could not have been a better example of how this could be done with grace and panache.

### **After law school, Michelle met Barack Obama, and a romance eventually blossomed.**

For much of her life, Michelle was on a very rigid track. It was all about excelling in her environment and doing what successful people are supposed to do. This led to Michelle taking her LSAT test and going straight from Princeton to Harvard Law School and never once taking a step off the track and pausing for a moment to really ask herself what she would like to be doing.

After Harvard, in 1988, Michelle moved back to Chicago, where she joined the respected firm of Sidley & Austin, which is where she met a hotshot young law student named Barack Obama. Unlike Michelle, Barack had taken a couple of years following his undergrad studies at Columbia to try his hand at different jobs before returning to school at Harvard Law. He exuded confidence and self-reliance – it was one of the reasons he made such an impression on everyone he met.

So, before she ever met Barack, Michelle had heard people talking about this striking young man. His professors at Harvard were calling him the most gifted student they ever worked with. Yet Michelle remained sceptical. In her experience, she had seen white professors “go bonkers” over any half-smart black man in a nice suit.

Part of Michelle's job at Sidley & Austin was to meet with promising law students, advise them and try to set them up to possibly join the firm when they graduated. But meeting Barack was indeed different than any other student she had met. Since he had taken those years off before Harvard Law, he was a few years older than her, and there did not seem to be much advice to give him. In fact, everyone in the firm was eager to get his opinion on whatever they were working on. However, they did have a lot in common. He was familiar with Chicago's South Side neighbourhoods, having worked as a community organizer there, and they were very like-minded, with an easy rapport quickly developing between the two. But even though he was a tall, attractive man with a nice smile and sexy voice, Michelle didn't immediately think they were a romantic match – after all, he was a smoker!

But after he proved to be too cerebral for her friends, she accepted his offer to overlook his smoking

and go out on a date. And after their first kiss, any doubts about her future husband seemed to vanish.

### **In the early 1990's, Michelle and Barack got married and found new, engaging work.**

It did not take long for the relationship between Michelle and Barack to get serious. And since she held her brother's opinion in high regard, she was happy to hear that Craig liked Barack and found him to be a pretty decent basketball player, which was a big plus in Craig's estimation. Unfortunately, they had to spend some time apart as Barack finished up at Harvard, where he became the first black editor for the Harvard Law Review, the school's prestigious journal.

In 1991, Barack could finally join Michelle in Chicago, and the two basked in the joy of being able to live together. Barack had many jobs offers coming in, but as with everything, he remained thoughtful and considerate, more interested in helping a friend set up a community workshop than taking a high-paying gig at a law firm.

Meanwhile, Michelle was considering a big change in her own career, which was painful because so much time and tuition had been devoted to getting her to Sidley & Austin. But what she really wanted to do was to help people face-to-face, not pour over contracts on behalf of corporations. Fortunately, 1991 was also the year Michelle met Valerie Jarrett, another influential person who helped her move to the next phase in her career and became a lifelong friend.

Like Michelle, Valerie had been an unsatisfied lawyer who left a high-paying job because she felt a calling to help people. Valerie's inspiration was Harold Washington, who was a hero to the black community. He had been Valerie's boss as the mayor of Chicago, until he tragically died of a heart attack while sitting at his desk. Valerie decided to continue working for the mayor's office and eventually helped Michelle get a job as assistant to the then-current mayor, Richard Daley, Jr.

In October of 1992, Michelle and Barack were married, but the honeymoon didn't last long, as Barack was enlisted to help the Project VOTE! initiative, designed to register more people from the black community to vote in that year's November elections. Barack worked tirelessly, getting 7,000 people registered in just one week.

Then, in 1993, Michelle was busy with another initiative, this one called Public Allies. After a couple of years working at City Hall, she accepted the job of Executive Director for an expanding non-profit organization that connected promising young people with mentors who worked in the public sector. The hope was that this would attract a generation of talented individuals to the public sector. With her own life being so influenced by civic-minded mentors, it was a job that really resonated with Michelle.

### **After writing his first book, Barack was presented with a political opportunity, which Michelle was not so keen on.**

Michelle had seen her husband's gift for communication in a church basement as he spoke to a small audience of mostly women who were concerned about their community. He implored them to use the power of political engagement; to vote and to reach out to the mayor's office or their local representative. By the end, the women were shouting, "Amen!" and Michelle was won over as well. It was obvious he had a gift of being able to reach people and inspire hope in them.

After the Project VOTE! campaign, Chicago magazine had also noticed Barack's effectiveness. In an article, they suggested that this young man should run for office. Barack shrugged it off at the time, as he had his own plan to write a book, entitled *Dreams From My Father*. This was important for Barack, as the book was a way for him to come to terms with his unusual life story. While his mom was a white woman, with a family from Kansas, his dad was a Kenyan who married his mother while already having another wife in Kenya. It was not long before his parent's marriage broke up. Eventually, his mom met another man, this one from Indonesia, and six-year-old Barack and his mom moved there to

live for a while.

Much of Barack's life was spent bouncing between Indonesia and Hawaii, where his mother's family had relocated to. He also remained close with relatives in Kenya as well, even after his father died in 1982. Before their marriage, Barack had taken Michelle to see his grandmother Sarah, who lived in a village outside Nairobi. *Dreams From My Father* was published in 1995, to decent reviews but little sales. By then, Barack was teaching a class on racism and law at the University of Chicago. And it was that same year when Barack was approached about entering politics.

In the Illinois State Senate, a seat was about to open up – one that represented the district of Hyde Park, where Barack and Michelle were living at the time. However, Michelle was not excited about Barack getting into politics. In her opinion, Barack was likely to have more impact as the head of a non-profit than in some stuffy office in the state Senate. But Barack believed there was a chance to do some real good, and Michelle was not about to get in the way of Barack's ambitions.

### **As their family grew, so did Barack's political career, which led to their first taste of how personal political attacks can get.**

While Michelle and Barack have similar sensibilities, they have their differences as well. For example, Barack's favourite movies are dark and serious, while Michelle prefers a good rom-com. And then there are the ways they handle the personal attacks that come with a career in politics. Barack has an amazing ability to roll with the punches, while Michelle, with her self-described need to be liked, is less able to brush off someone's hurtful comment.

One of the first political attacks to really affect Michelle came when Barack was in the middle of a primary campaign against fellow Democrats Bobby Rush and Donne Trotter, to be the party's candidate for a seat in the US Congress's House of Representatives. By this point, the family had grown to include their first daughter, Malia Ann Obama, who had been born on the fourth of July 1998. She was especially precious to them, since it had been such a difficulty for Michelle to get pregnant, with the couple having to use in vitro fertilization.

So, it was particularly scary when Malia got a serious ear infection while the family was in Hawaii, visiting relatives during the holiday break of 1999. But to make matters more difficult, the Illinois Senate announced an emergency vote on a big gun control bill that had been the centre of much debate. But Malia could not fly in her condition, so Barack did what he felt was right, which was putting family first, even when it came to a bill that he had fought hard to pass.

This seemed to open the door for an avalanche of attacks on Obama's character. An editorial in the local paper called anyone who missed the vote "gutless sheep." Bobby Rush questioned Barack's professionalism and called him an "educated fool." And Trotter accused him of "using his child as an excuse not to go to work," adding that he was "a white man in black face." It may have been unsurprising that the missed vote would be used as political ammo, but it deeply hurt Michelle that the attacks against his character were so venomous as well as untrue. Barack lost the primary but continued to serve in the state Senate. And then, in June of 2001, came the family's second girl, Natasha Marian Obama – more commonly known as Sasha.

### **Despite her scepticism about politics, Michelle's attitude changed during the presidential campaign.**

Michelle did not like the fact that Barack was missing a lot of family dinners thanks to his job as a state senator. So, she naturally was not too excited about the prospect of him running for the US Senate. One of the reasons she gave him the go-ahead was because she secretly doubted, he would win! After all, he had lost a congressional primary not long ago. And Michelle made him promise that if he did lose, he would give up politics and find another way to make a difference.

But in an ironic twist of fate, his Republican opponent dropped out of the race! And then, for the 2004 Democratic National Convention, presidential candidate John Kerry asked Barack to make a keynote speech, which was a surprisingly risky move given that he was virtually unknown to most Americans outside of Illinois and a novice when it came to using teleprompters or being on primetime television. So, to say that 2004 was a lucky year for Barack would be an understatement, but it did feel like some cosmic destiny was at hand that year.

The truth is that Barack had been preparing for the DNC speech for most of his life, and it's why that speech was so powerful. Yes, he did have it memorized, but he was also speaking from his heart. It was not such a surprising speech for Michelle to hear, since she already knew how amazing her husband was. But now the rest of the nation knew, and he became an overnight sensation.

As the prominent NBC commentator Chris Matthews said after he heard the speech, "I've just seen the first black President." Of course, Barack did end up running for President in the next election, and it would mark a change in heart for Michelle. When Barack announced his candidacy, Michelle was stunned to see 15,000 people show up to the announcement event on a bitterly cold day in Illinois – as if the Obamas were a rock band or something. Suddenly, she understood that they owed it to these people to do the best they could.

Now Michelle was committed, feeling a responsibility to show up for the Americans who were looking to her husband as a beacon of hope. Now she would need to play a big role in sharing his message and telling his story.

### **As First Lady, Michelle strove to give her children as normal a childhood as she could.**

During the campaign, Barack Obama received a Secret Service security detail earlier than any other candidate in history, due to serious threats that had been made against him. But life in the White House involved a whole other level of protection, and it was not always appreciated by Michelle, even though she understood that the protocols and measures were all meant to keep her family safe.

Once Barack won the election, it was as if the family was whisked away into an alternative universe where even the simplest things might require the efforts of dozens of people. It was one thing for Michelle and Barack to lose some privacy and autonomy, but Michelle was determined to make things as normal as possible for her kids. Of course, this was easier said than done.

They were able to find their children a nice school – a celebrated Quaker educational institution called Sidwell Friends School, which Chelsea Clinton had attended. In fact, Hillary Clinton had been kind enough to call Michelle shortly after the Obamas had moved in, to pass along some of the wisdom she had gained during her eight years as First Lady. This was, of course, very helpful, as there is no guidebook to being First Lady, and certainly not one on how to be a responsible mother to two young girls while living in the 132-room bubble that is the White House.

One of the first things Michelle did was to make sure that Sasha and Malia understood that, despite its unusual environment and regal trappings, the White House was their home. Therefore, it was okay for them to play in the hallways and rummage for snacks in the pantry. Michelle also made it a priority to figure out a reliable system for letting the girls have friends visit. One of the facts of life in the White House was that all visitors had to have their Social Security numbers run by the authorities before they could enter. Thus, if the Obamas' children had friends over, it was all but impossible for the girls to spontaneously pop out to a local ice cream shop.

All the rules and restrictions of the White House can make it awkward for children living there. But early on in their stay, Michelle was relieved to see that Sasha and Malia had borrowed a big tray from the kitchen and were using it to slide down a snow-covered slope on the South Lawn.

## **Michelle also strove to find her own voice through projects like the Let's Move! initiative.**

One of the nice things about life in the White House was that Barack no longer had to make a long daily commute. The Oval Office was literally downstairs from where they lived! Being President thus meant Barack would actually be present for more dinners than he was during his time as a state and US senator.

As for Michelle's role as First Lady, she was determined to use her position in a significant way and to do something that spoke to who she was and what she believed in. Hillary Clinton told her about the potential pitfalls of being too involved in the administration's agenda. She received a lot of criticism for wanting to use her experience as a lawyer to help set policies around health care and other issues. In her experience, the public believed the First Lady should not act as an elected official.

Therefore, Michelle was careful to start initiatives that could complement the administration's policies while being their own separate endeavours. One of Michelle's first efforts was to start a garden in the White House, which was another way to make the White House feel more like a home than a fortress. But it was also about healthy eating and avoiding processed foods in favour of fresh foods. This was at the heart of Michelle's Let's Move! initiative, which she created to address childhood obesity, a serious condition that has tripled over the past 30 years, leading to one in every three American kids being obese or overweight.

Michelle and her staff worked hard on the Let's Move! platform, which involved four major steps. The first was informing parents on healthier dietary options. The second was to make the food at schools healthier. The third was to find ways of bringing healthy foods to the many rural and urban areas that lacked fresh fruit and produce. The fourth was to get kids more active.

As with the garden, Let's Move! proved to be successful right from the start. After ten weeks, the garden's first harvest produced 90 pounds of produce that immediately made its way into the daily meals at the White House. And following the announcement of Let's Move! school lunch suppliers promised to cut down on salt and sugar, the American Beverage Association committed to creating clearer ingredient labels and major television stations agreed to air public service announcements in their children's programming.

## **There were difficulties along the way, but Michelle Obama feels proud of what they accomplished in the White House.**

By the time Barack's second term as President started, the family had better adjusted to the protocols of the White House. For example, Barack and Michelle learned during the first term that they could no longer have a date night, with dinner at a nice restaurant and a Broadway play. It created a lot of negative press, with the presidential motorcade grinding traffic to a halt and people at the restaurant and theatre needing to be checked by security after the couple had arrived – all of which Michelle felt bad about.

But if the press were angered with them for trying to have a night off, Michelle was angered by how the press ran stories that helped spread the ugly rumours about her husband lying about his birthplace and faking his birth certificate and associated Hawaiian newspaper clippings. These allegations were not only hurtful; they also stirred up a dangerous element in the population that made threats against Barack.

These rumours had been around since the first presidential campaign, but they resurfaced in the winter of 2011. A few weeks later, a gunman opened fire on the residential floor of the White House with a semiautomatic rifle. In the months before repairs could be made, there was a sizable dent in the bullet-proof window of the room where Michelle often sits to read. It served as a reminder of why all the protocols and security procedures existed.

Looking back, Michelle is proud of what she was able to accomplish. At the start, she still had that nagging voice that wondered if she was really good enough. But once again, she was able to gain the confidence to say, "Yes, I am." Along with the Let's Move! program, which brought healthier school lunches to 45 million kids and signed up 11 million kids to associated after school programs, there was also the Joining Forces initiative, which helped 1.5 million veterans and their spouses get jobs. Meanwhile, her Let Girls Learn initiative raised billions of dollars to help girls around the world gain access to schools, along with the empowerment that can come with an education.

But Michelle is really proud that she and her husband were able to raise two amazing daughters. Malia graduated from Sidwell Friends School during their last year in the White House, and the family stayed in Washington after Barack's presidency ended so that Sasha could also graduate alongside the friends, she made over the past eight years. By the way, Michelle still dislikes politics and has no urge to run for any office.

### **What I took from it.**

Michelle Obama's life has been one of striving – striving to excel as a student, a professional, a mom and a First Lady. Along the way, she learned to better understand who she was as an individual and what she wanted to do with her life, rather than striving to fulfil some predetermined expectation. Michelle became her own independent woman – a working mom who could help her kids as well as the people in her community. And just because she may have reached a certain point in her life, it does not mean she will ever stop striving to help others.

Becoming, is a refreshingly honest and fascinating insight into the major decisions, challenges and events in Michelle's life. This left me with even more respect and admiration for her and Barack. It provides wonderful coverage of her thinking and actions through life, from childhood to lawyer, to wife and mother, and to First Lady. One to recommend to my wife and daughter.

# Book of Proverbs

## Solomon

The book of Proverbs accomplishes something no other biblical book does - it simply compiles numerous short instructions for living an effective life on earth. While other books articulate profound theological truths, lengthy narratives of triumph and failure, or prophetic preaching to a disobedient people, Proverbs concerns itself completely with instructing people in the path of wisdom. The writers of the book recognized the varied circumstances of a person's life and provided principles to apply in a variety of situations rather than instructions to follow in only a few specific instances.

Its strong association with Solomon means most of its contents were completed prior to his death in 931 BC. Clearly the book stayed in the southern kingdom of Judah, as Hezekiah's men compiled more of Solomon's proverbs in Proverbs 25–29. This indicates that the book was likely in its final form sometime before the end of Hezekiah's reign in 686 BC.

The three most powerful points I took from the book were;

1. The fear of the Lord is the beginning of knowledge
2. Keep God's commands in your heart, for they will prolong your life many years and bring you peace and prosperity.
3. That wisdom is more precious than rubies, and nothing you desire can compare with her

### **Purpose of the Proverbs.**

1. The proverbs of Solomon son of David, king of Israel:
2. for attaining wisdom and discipline; for understanding words of insight;
3. for acquiring a disciplined and prudent life, doing what is right and just and fair;
4. for giving prudence to the simple, knowledge and discretion to the young -
5. let the wise listen and add to their learning, and let the discerning get guidance -
6. for understanding proverbs and parables, the sayings and riddles of the wise.
7. The fear of the LORD is the beginning of knowledge, but fools despise wisdom and discipline.

### **Author's Plea to Embrace Wisdom.**

1. Listen, my son, to your father's instruction and do not forsake your mother's teaching.
2. They will be a garland to grace your head and a chain to adorn your neck.

### **Avoid Sinners and Enticements.**

1. My son, if sinners entice you, do not give in to them.
2. If they say, "Come along with us; let us lie in wait for someone's blood, let's waylay some harmless soul;
3. let us swallow them alive, like the grave, and whole, like those who go down to the pit;
4. we will get all sorts of valuable things and fill our houses with plunder;
5. throw in your lot with us, and we will share a common purse"-
6. My son, do not go along with them, do not set foot on their paths;
7. for their feet rush into sin, they are swift to shed blood.
8. How useless to spread a net in full view of all the birds!
9. These men lie in wait for their own blood; they waylay only themselves!

10. Such is the end of all who go after ill-gotten gain; it takes away the lives of those who get it.

### **Exhortation to Wisdom.**

1. Wisdom calls aloud in the street, she raises her voice in the public squares;
2. at the head of the noisy streets she cries out, in the gateways of the city she makes her speech:
3. How long will you simple ones love your simple ways? How long will mockers delight in mockery and fools hate knowledge?
4. If you had responded to my rebuke, I would have poured out my heart to you and made my thoughts known to you.
5. But since you rejected me when I called and no one gave heed when I stretched out my hand,
6. since you ignored all my advice and would not accept my rebuke,
7. I in turn will laugh at your disaster; I will mock when calamity overtakes you-when calamity overtakes you like a storm, when disaster sweeps over you like a whirlwind, when distress and trouble overwhelm you.
8. Then they will call to me, but I will not answer; they will look for me but will not find me.
9. Since they hated knowledge and did not choose to fear the LORD,
10. since they would not accept my advice and spurned my rebuke,
11. they will eat the fruit of their ways and be filled with the fruit of their schemes.
12. For the waywardness of the simple will kill them, and the complacency of fools will destroy them;
13. but whoever listens to me will live in safety and be at ease, without fear of harm.”

### **Trust and Honour God.**

1. My son, do not forget my teaching, but keep my commands in your heart,
2. for they will prolong your life many years and bring you peace and prosperity.
3. Let love and faithfulness never leave you; bind them around your neck, write them on the tablet of your heart.
4. Then you will win favour and a good name in the sight of God and man.
5. Trust in the Lord with all your heart and lean not on your own understanding;
6. in all your ways submit to him, and he will make your paths straight.
7. Do not be wise in your own eyes; fear the Lord and shun evil.
8. This will bring health to your body and nourishment to your bones.
9. Honour the Lord with your wealth, with the first fruits of all your crops;
10. then your barns will be filled to overflowing, and your vats will brim over with new wine.
11. My son, do not despise the Lord's discipline, and do not resent his rebuke,
12. because the Lord disciplines those he loves, as a father the son he delights in.
13. Blessed are those who find wisdom, those who gain understanding,
14. for she is more profitable than silver and yields better returns than gold.
15. She is more precious than rubies; nothing you desire can compare with her.
16. Long life is in her right hand; in her left hand are riches and honour.
17. Her ways are pleasant ways, and all her paths are peace.
18. She is a tree of life to those who take hold of her; those who hold her fast will be blessed.
19. By wisdom, the Lord laid the earth's foundations, by understanding he set the heavens in place;
20. by his knowledge, the watery depths were divided, and the clouds let drop the dew.
21. My son, do not let wisdom and understanding out of your sight, preserve sound judgment and discretion;
22. they will be life for you, an ornament to grace your neck.
23. Then you will go on your way in safety, and your foot will not stumble.
24. When you lie down, you will not be afraid; when you lie down, your sleep will be sweet.
25. Have no fear of sudden disaster or of the ruin that overtakes the wicked,
26. for the Lord will be at your side and will keep your foot from being snared.
27. Do not withhold good from those to whom it is due, when it is in your power to act.
28. Do not say to your neighbour, "Come back tomorrow and I'll give it to you" - when you already have

it with you.

29. Do not plot harm against your neighbour, who lives trustfully near you.
30. Do not accuse anyone for no reason—when they have done you no harm.
31. Do not envy the violent or choose any of their ways.
32. For the Lord detests the perverse but takes the upright into his confidence.
33. The Lord's curse is on the house of the wicked, but he blesses the home of the righteous.
34. He mocks proud mockers but shows favour to the humble and oppressed.
35. The wise inherit honour, but fools get only shame.

### **The Discourse of Wisdom.**

1. Does not wisdom call out? Does not understanding raise her voice?
2. On the heights along the way, where the paths meet, she takes her stand;
3. beside the gates leading into the city, at the entrances, she cries aloud:
4. "To you, O men, I call out; I raise my voice to all mankind.
5. You who are simple, gain prudence; you who are foolish, gain understanding.
6. Listen, for I have worthy things to say; I open my lips to speak what is right.
7. My mouth speaks what is true, for my lips detest wickedness.
8. All the words of my mouth are just; none of them is crooked or perverse.
9. To the discerning all of them are right; they are faultless to those who have knowledge.
10. Choose my instruction instead of silver, knowledge rather than choice gold,
11. for wisdom is more precious than rubies, and nothing you desire can compare with her.
12. I, wisdom, dwell together with prudence; I possess knowledge and discretion.
13. To fear the LORD is to hate evil; I hate pride and arrogance, evil behaviour and perverse speech.
14. Counsel and sound judgment are mine; I have understanding and power.
15. By me kings reign and rulers make laws that are just;
16. by me princes govern, and all nobles who rule on earth.
17. I love those who love me, and those who seek me find me.
18. With me are riches and honour, enduring wealth and prosperity.
19. My fruit is better than fine gold; what I yield surpasses choice silver.
20. I walk in the way of righteousness, along the paths of justice,
21. bestowing wealth on those who love me and making their treasuries full.

### **The Eternity of Wisdom.**

1. The LORD brought me forth as the first of his works, before his deeds of old;
2. I was appointed from eternity, from the beginning, before the world began.
3. When there were no oceans, I was given birth, when there were no springs abounding with water;
4. before the mountains were settled in place, before the hills, I was given birth,
5. before he made the earth or its fields or any of the dust of the world.
6. I was there when he set the heavens in place, when he marked out the horizon on the face of the deep,
7. when he established the clouds above and fixed securely the fountains of the deep,
8. when he gave the sea its boundary so the waters would not overstep his command, and when he marked out the foundations of the earth.
9. Then I was the craftsman at his side. I was filled with delight day after day, rejoicing always in his presence, rejoicing in his whole world and delighting in mankind.

### **The Blessings of Wisdom.**

1. Now then, my sons, listen to me; blessed are those who keep my ways.
2. Listen to my instruction and be wise; do not ignore it.
3. Blessed is the man who listens to me, watching daily at my doors, waiting at my doorway.

4. For whoever finds me finds life and receives favour from the LORD.
5. But whoever fails to find me harms himself; all who hate me love death.

### **First Collection of the Proverbs of Solomon.**

1. A wise son brings joy to his father, but a foolish son brings grief to his mother.
2. Ill-gotten treasures have no lasting value, but righteousness delivers from death.
3. The Lord does not let the righteous go hungry, but he thwarts the craving of the wicked.
4. Lazy hands make for poverty, but diligent hands bring wealth. He who gathers crops in summer is a prudent son, but he who sleeps during harvest is a disgraceful son.
5. Blessings crown the head of the righteous, but violence overwhelms the mouth of the wicked.
6. The name of the righteous is used in blessings, but the name of the wicked will rot.
7. The wise in heart accept commands, but a chattering fool comes to ruin.
8. Whoever walks in integrity walks securely, but whoever takes crooked paths will be found out.
9. Whoever winks maliciously causes grief, and a chattering fool comes to ruin.
10. The mouth of the righteous is a fountain of life, but the mouth of the wicked conceals violence.
11. Hatred stirs up conflict, but love covers over all wrongs.
12. Wisdom is found on the lips of the discerning, but a rod is for the back of one who has no sense.
13. The wise store up knowledge, but the mouth of a fool invites ruin.
14. The wealth of the rich is their fortified city, but poverty is the ruin of the poor.
15. The wages of the righteous is life, but the earnings of the wicked are sin and death.
16. Whoever heeds discipline shows the way to life, but whoever ignores correction leads others astray.
17. Whoever conceals hatred with lying lips and spreads slander is a fool.
18. Sin is not ended by multiplying words, but the prudent hold their tongues.
19. The tongue of the righteous is choice silver, but the heart of the wicked is of little value.
20. The lips of the righteous nourish many, but fools die for lack of sense.
21. The blessing of the Lord brings wealth, without painful toil for it.
22. A fool finds pleasure in wicked schemes, but a person of understanding delights in wisdom.
23. What the wicked dread will overtake them; what the righteous desire will be granted.
24. When the storm has swept by, the wicked are gone, but the righteous stand firm forever.
25. As vinegar to the teeth and smoke to the eyes, so are sluggards to those who send them.
26. The fear of the Lord adds length to life, but the years of the wicked are cut short.
27. The prospect of the righteous is joy, but the hopes of the wicked come to nothing.
28. The way of the Lord is a refuge for the blameless, but it is the ruin of those who do evil.
29. The righteous will never be uprooted, but the wicked will not remain in the land.
30. From the mouth of the righteous comes the fruit of wisdom, but a perverse tongue will be silenced.
31. The lips of the righteous know what finds favour, but the mouth of the wicked only what is perverse.

### **Second Collection of the Proverbs of Solomon.**

1. These are more proverbs of Solomon, copied by the men of Hezekiah king of Judah:
2. It is the glory of God to conceal a matter; to search out a matter is the glory of kings.
3. As the heavens are high and the earth is deep, so the hearts of kings are unsearchable.
4. Remove the dross from the silver, and out comes material for the silversmith;
5. remove the wicked from the king's presence, and his throne will be established through righteousness.
6. Do not exalt yourself in the king's presence, and do not claim a place among great men; it is better for him to say to you, "Come up here," than for him to humiliate you before a nobleman.

## **What you have seen with your eyes.**

1. Do not bring hastily to court, for what will you do in the end if your neighbour puts you to shame?
2. If you argue your case with a neighbour, do not betray another man's confidence,
3. or he who hears it may shame you and you will never lose your bad reputation.
4. A word aptly spoken is like apples of gold in settings of silver.
5. Like an earring of gold or an ornament of fine gold is a wise man's rebuke to a listening ear.
6. Like the coolness of snow at harvest time is a trustworthy messenger to those who send him; he refreshes the spirit of his masters.
7. Like clouds and wind without rain is a man who boasts of gifts he does not give.
8. Through patience a ruler can be persuaded, and a gentle tongue can break a bone.
9. If you find honey, eat just enough - too much of it, and you will vomit.
10. Seldom set foot in your neighbour's house - too much of you, and he will hate you.
11. Like a club or a sword or a sharp arrow is the man who gives false testimony against his neighbour.
12. Like a bad tooth or a lame foot is reliance on the unfaithful in times of trouble.
13. Like one who takes away a garment on a cold day, or like vinegar poured on soda, is one who sings songs to a heavy heart.
14. If your enemy is hungry, give him food to eat; if he is thirsty, give him water to drink.
15. In doing this, you will heap burning coals on his head, and the LORD will reward you.
16. As a north wind brings rain, so a sly tongue brings angry looks.
17. Better to live on a corner of the roof than share a house with a quarrelsome wife.
18. Like cold water to a weary soul is good news from a distant land.
19. Like a muddied spring or a polluted well is a righteous man who gives way to the wicked.
20. It is not good to eat too much honey, nor is it honourable to seek one's own honour.
21. Like a city whose walls are broken down is a man who lacks self-control.

## **What I took from it.**

The Book of Proverbs can make an important contribution to Christians today. First, it places the pursuit of wisdom over the performance of individual wise acts. To seek wisdom above all things is a fundamental option and a way of life. Second, it portrays the quest as filled with obstacles. There are men and women who offer a substitute for the real thing; discernment is required. Third, the book teaches that acquiring wisdom is both a human task and a divine gift. One can make oneself ready to receive by discipline, but one cannot take so divine a gift. Fourth, wisdom is in the world, but it is not obvious to people entirely caught up with daily activities.

The instructions of the book can free the mind to see new things. Christians will see in personified Wisdom aspects of Jesus, who we believe is divine wisdom sent to give human beings a true and full life. Yet there is also a universal dimension to Proverbs, for in its attention to human experience it creates a link to all people of good will. The original self-help book. When it comes to gaining wisdom; no need to read anything else.

# Losing My Virginity

Richard Branson

I am a huge fan of Richard Branson and was excited to read his updated edition of *Losing My Virginity: The Autobiography*, first published in 1998, and updated in 2005. Almost everyone knows who he is. The entrepreneur famous for the 'Virgin' brand name, the adventurer who has crossed oceans in a hot air balloon, the philanthropist knighted by the Queen.

What most of us know about Branson comes from snippets on television and newspaper articles, but there is a reality behind the image that only a good autobiography reveals. There are hundreds of 'how I did it' stories by well-known businesspeople, but *Losing My Virginity* is one of the best. Born in 1950, Branson enjoyed a happy childhood, with parents who considered their children equals and who often set challenges to make them self-reliant. Though decidedly upper middle class, the family never had a great deal of money, and Branson's mother was always thinking up ways to earn extra income from cottage industries in the garage.

The three most powerful points I took from the book were;

1. Use your Gut Instinct: Branson generally makes his mind up about people and new business proposals "within about 30 seconds"
2. Think before you speak. Branson is not a fast talker or a great public speaker, and admits that it often takes him time to properly answer a question: "I hope that people will trust a slow, hesitant response more than a rapid, glib one"
3. Success is a team sport. He admits many of his successes were not his own ideas (he did not even come up with the name 'Virgin'). Despite the image of a lone entrepreneur, like any great company, Virgin was really built by a core of trusted managers and advisers

## **'You will either go to prison or become a millionaire'.**

At the private school he attended, Stowe, Branson was considered a bit slow and lazy. He was, in fact, dyslexic and admits that by age 8 he still could not read and was hopeless in maths and sciences. As British schools worship the sportsman, he channelled his energies into doing well on the field. On leaving school, his headmaster said to him, 'You will either go to prison or become a millionaire'.

Branson's first entrepreneurial success was a national magazine for students, which included interviews with Mick Jagger and John Lennon. He admits he did not go into it to make money, more as a fun enterprise. In fact, it did not make money, but was kept going with the help of his friends and a bit of advertising. Branson's clique were all obsessed with music, and he hit upon the idea of selling records cheaply through mail order, particularly ones that were not stocked in the high street stores. The business mushroomed, but a postal strike made him realize how vulnerable it all was. He began looking around for a retail space.

The first Virgin record store became a hangout for young people and was the first to cater for the youth market exclusively. Many more stores followed around Britain. The early days of Virgin were anything but 'regular'. The business was run not from office quarters but basements, church crypts and houseboats, with plenty of hangers-on helping out, only some of whom were earning the standard Virgin salary of £20 a week. Branson never obeyed the business rule to not work with your friends; most of the Virgin inner circle for the first fifteen years were people who had grown up with him. Though there were inevitably fallings out, this accidental management strategy was remarkably effective.

In an atmosphere of free love and plenty of drugs, someone had to be getting up early and worrying about paying the invoices and salaries, and Branson was unusual in and not indulging much, preferring instead "...to have a great time and keep my wits about me." Behind the barefooted, long-haired hippy was a businessman who wanted to make a difference.

Though his chain of record shops was growing, with all the overheads it was actually losing money. Branson accidentally fell upon a solution to the problems that would almost fulfil the bad part of his headmaster's prophecy. He began buying records wholesale, saying they were to be sold in Belgium, and thus escaping hefty UK domestic sales duties. After three trips taking the records across the English Channel to imaginary buyers, which he then sold at great profit back in the Virgin stores, his activities were discovered by the Customs and Excise men. To escape jail he had to pay back three times the amount not paid in duties (£60,000 in 1971 – a lot of money). Under tremendous pressure, he somehow met the payments from store earnings, but the experience burned him, and he resolved never to do anything approaching illegality again. Barely 21, he was growing up fast.

### **Entering the big time: music.**

Fond of the idea of having his own record label whose acts could be promoted through the Virgin stores, Branson scraped together money to buy an old manor house in Oxfordshire, which was slowly converted into a recording studio.

The first act Virgin signed was an unusual choice. A young musician called Mike Oldfield had spent months perfecting a recording that had no vocals and lots of bells and other unusual instruments. This was a bizarre first choice for what was intended as a rock music label, but it paid off. Oldfield's album Tubular Bells was one of the biggest selling of the 1970s, and bankrolled Virgin's early years in the business. It later attracted The Sex Pistols, Culture Club, Phil Collins, The Human League and other stars to its fold, and by the early 80s had become a label to contend with. Branson had achieved his wish for a 'vertically integrated' music company, in which the Virgin stores, including the famous Virgin Megastores, could promote the bands that Virgin Music had signed.

### **Entering the big time: airlines.**

With his focus on the music industry, Branson had never considered starting an airline. But when he received a proposal to establish a transatlantic service to compete with British Airways, he could not resist. Against the better judgement of his advisers, he called Boeing in Seattle and negotiated to lease a 747 for a year, 'just to see' if the whole idea would work.

Virgin Atlantic almost never got off the ground. On the inaugural flight, a flock of birds flew into one of the uninsured engines, ruining it at a cost of £600,000. This brought the company over its overdraft, and it came close to being bankrupted. Only an emergency recall of cash from Virgin's overseas operations got it through. Between 1984 and 1990 Virgin Atlantic remained tiny, however, with only a handful of planes.

The fuel price jump brought on by the first Gulf War was a major obstacle, as was the sudden loss of passengers after the events of September 11, 2001. Virgin also had to contend with a constant 'dirty tricks' assault from British Airways, which saw Virgin as a threat that had to be crushed, whatever the means. As Branson's airline soaked up more and more cash, its bankers were losing patience, and he was led to a painful realization: either sell Virgin Music, and keep Virgin Atlantic flying, or lose the airline and leave the Virgin brand name in tatters, not to mention losing thousands of people's livelihoods.

Again, in spite of the good advice of family and friends, Branson took the decision to sell Virgin Music, which he and his team had spent 20 years developing. It was a harrowing decision, particularly as he

had just signed The Rolling Stones to Virgin, marking the culmination of the label's rise. He had 'lost his virginity'. But the sale brought £560 million, or \$1 billion, and gave Branson the freedom to chart to course of the Virgin group of companies without bankers yapping at his heels. His share of the sale, he noted, gave him money 'beyond his wildest dreams'.

### **The Branson style.**

Branson notes that, no matter what people may tell you, there is no 'recipe' for business success that can be applied to any field. There is, however, a Branson style of doing business that might be instructive for the aspiring entrepreneur.

Throughout the book, Branson never comes across as an exceptionally brainy person. Rather, the secrets of his success could be boiled down to:

- Thinking big and taking calculated risks. He notes, "My interest in life comes from setting myself, huge, apparently unachievable, challenges and trying to rise above them."
- Being less stressed than others by uncertainty;
- Trying to prove people wrong;
- Having a simple belief that 'you can do it'.

Branson's main criterion for entering a new market or industry is that it be 'fun'. There has to be room to shake up markets and provide something new. Unfortunately, this often involves being the minnow trying to take on corporate whales.

During the war with BA, there were lots of rumours that Virgin Atlantic was about to go bankrupt. At one point it owed £55 million to banks, and Branson had to do a tremendous juggling act to keep things afloat. He notes at one point, "It sometimes seems to me that I have spent all my life trying to persuade bankers to extend their loans." Since the Virgin group has always reinvested profits back into the businesses, it has never had a cash cushion like established corporations, so there was always the danger of it running out. Every record deal he made seemed like putting the company on the line, and it was only in the mid-90s that the Virgin group could relax a little.

Branson's reflection on these difficult years provides good advice for anyone in business under financial pressure: "However tight things are, you still need to have the big picture at the forefront of your mind." Whenever he found himself in a tight spot and his advisers suggested shrinking back a little and playing it safe, this was the point where he would actually go out on a limb.

### **What I took from it.**

"Screw it, let's do it" is the mantra of Richard Branson. This simple but profound thought should be applied in our daily lives. What is amazing about Branson is the number of his achievements which have nothing to do with business. A large portion of the book and some readers will feel the most exciting bits, relates to his various efforts to break world hot air ballooning and ocean powerboat records. Why has he felt compelled to go off on such adventures (which have brought him close to death several times), when he is already someone – with his wealth, success and happy family – who 'have it all'? His answer is simply that it adds another dimension to his existence and makes him feel alive.

One of the interesting parts of the book is the soul-searching that came upon him on turning 40. Was he going to spend his life creating and building companies? Surely there was something more? For a time, he considered selling off his assets and going to university to study history. Today, however, he puts much of his non-work energies into philanthropy.

# Shoe Dog

Phil Knight

You certainly know the successful tagline of footwear giant Nike; Just Do It. It captures the daring spirit of Nike co-founder Phil Knight in the early years of his company.

In this book, *Shoe Dog*, published in 2017, you will discover how Knight fumbled his way to greatness, reaching out to businesspeople across the world to make his way in the running shoe business with no preparation whatsoever. You will learn how he led a team of creative misfits, stood his ground in two major lawsuits and handled a truly infamous scandal – all the while building one of the more powerful brands the world has ever seen.

The three most powerful points I took from the book were;

1. Many people have someone in their lives who inspires them, and whose respect they value. For Phil Knight, this person was his former running coach, Bill Bowerman. Bill's approval gave Phil the confidence he needed to carry on with his dreams
2. From the get-go, Blue Ribbon employees all believed in Phil and his vision
3. When it came to everyday work, Phil followed General Patton's words of wisdom: "Don't tell people how to do things. Tell them what to do and let them surprise you with their results."

## **Nike's path to success started with a "crazy idea" and a trip around the world.**

It was 1962 and Phil Knight was fresh out of business school. He was shy and a terrible salesperson. But that did not stop him from following a vision he had. Phil wanted to import Japanese running shoes to America and had his eye on the Tiger brand that was manufactured by the Japanese company Onitsuka. The idea had first occurred to him while he was at Stanford Business School. At the time, neither his professors, classmates nor even his father thought much of it.

But that did not stop Phil, who travelled across the Pacific to sell his bold proposition to a room full of Japanese businessmen. He did not expect the pitch to be a success, but when the Onitsuka CEO told him that his timing was perfect and asked him the name of the company with which he would be working, Phil was stunned. Completely unprepared, he blurted out the name, "Blue Ribbon." Onitsuka then agreed to send him 300 pairs of Tiger shoes to start him off. Over the next several months, Phil would sell the Japanese shoes out of the trunk of his car!

After securing the deal with Onitsuka, Phil travelled the world. During his travels, he found a lot of inspiration through the things he saw and experienced. Much of what he learned about the cultures he explored would influence him later in life. For instance, Phil was particularly inspired by the Greek Acropolis. He found himself standing in front of the Temple of Nike, the goddess of victory, for hours on end. Years later, Phil came across a play written by ancient Greek playwright Aristophanes called "The Knights." In it, a warrior gifts the king a new pair of shoes – in the Temple of Nike.

## **Phil Knight's former running coach modified the early Tiger shoes they received and put Blue Ribbon in play.**

Many people have someone in their lives who inspires them, and whose respect they value. For Phil Knight, this person was his former running coach, Bill Bowerman. Bill's approval gave Phil the confidence he needed to carry on with his dreams. Bill, in turn, was a genuine "shoe dog." A "shoe dog" is an industry term for someone who is shoe obsessed. Such a person understands the shoe's

role in allowing men and women to stride into the future with confidence. When Phil had run for Bill, he was his coach's unofficial shoe guinea pig. Bill was always experimenting to see how small changes in footwear would affect the performance of his athletes. To do so, he would tear apart shoes and put them back together using whatever materials he thought would make the shoes an asset and not a mere necessity.

His primary goal was to make shoes as light as possible – a feature which would later become a trademark of the Nike brand. Bill was so obsessed with this goal that he once used cod fish skin instead of leather to make a lighter pair of shoes! When Phil returned from Japan, he went to see Bill, asking him to partner with him at Blue Ribbon. Bill agreed, and Phil got a big confidence boost. He began to believe that his “crazy idea” might amount to something. Indeed, the cooperation was successful.

Timing again was key. When Blue Ribbon was in its infancy, Bill's coaching career was picking up steam. He was even training future Olympians. As he altered the imported Tiger shoes for his star runners, Bill helped to give the brand more exposure, helping Phil sell more pairs. Phil also sent Bill's first modified shoe prototype, the Cortez, to Onitsuka, suggesting that the company manufacture these new, performance-tested shoes. Onitsuka agreed, and Cortez was Blue Ribbon's first sales success. In this fashion, Bill helped the young company get off the ground. The continued success of Blue Ribbon, however, was in large part because of Phil's unconventional, yet brilliant, employees.

### **Talented eccentrics made up the early Blue-Ribbon team, and they all helped make key decisions.**

As Blue-Ribbon grew, Phil put together a team of trustworthy people who in turn trusted him. But Blue-Ribbon workers were not your run-of-the-mill corporate types. They were instead a bunch of brilliant misfits who formed a great team. They may have worked so well together precisely because they were misfits. This fact allowed each team member to see past a co-worker's quirks to the genius within. No one felt he had to hold back.

From the get-go, Blue Ribbon employees all believed in Phil and his vision. The company's first full-time employee, Jeff Johnson, worked tirelessly, designing innovative shoes alongside Bill. To keep the Blue-Ribbon team strong, a few times each year Phil would hold his version of a team-building weekend that he called “Buttfaces.”

At this event, everyone could yell at each other before getting drunk. It was a reminder that no one was too important to be mocked. Yet drunken shouting matches were not the only way Phil maintained morale. He also involved his team in many company decisions. When it came to everyday work, Phil followed General Patton's words of wisdom: “Don't tell people how to do things. Tell them what to do and let them surprise you with their results.”

Phil, for example, never once told Jeff Johnson how to do his job. He never even gave Jeff a hard time for sending him countless letters, with subjects ranging from advertising questions to poems and even jokes.

Phil included his team when bigger decisions needed to be made, too. In 1971, it was decided that the company would stop selling Onitsuka shoes and begin making its own. However, the Blue-Ribbon brand was not suitable for this move, and so a successor company needed to be developed. Rather than branding this new business himself, Phil asked his employees to suggest names for it. Surprisingly, the name Nike came to Jeff Johnson in a dream. Phil went with it, remembering the impression the Temple of Nike had made on him so many years ago in Athens.

## **Lawsuits brought by Onitsuka and the government threatened Nike, but the company persevered.**

Many successful entrepreneurs know that fame and fortune are always dogged by obstacles and pitfalls. Specifically, for Phil Knight, two significant lawsuits threatened to stop his career dead in its tracks. The first arrived in 1973 when Onitsuka attempted to sue Blue Ribbon in Japan for costs that had been incurred through a breach of contract – a breach that occurred when Blue Ribbon started producing and distributing Nike shoes.

To defend itself, Blue Ribbon sued Onitsuka in the United States for breach of contract as well as trademark infringement. Blue Ribbon had an exclusive contract to distribute Tiger's track-and-field line in America. Yet Phil had an informant at Onitsuka, who tipped him off that an Onitsuka executive was planning a trip to America in search of a replacement distributor.

Armed with this information, Phil shifted his focus to building his new company, Nike. Eventually, the lawsuit resulted in a favourable judgement for Blue Ribbon. The judge said his decision was based on which of the two companies was more honest – and that in this particular case, Blue Ribbon was the most honest partner. Onitsuka was ordered to pay damages. This was just the first major threat to Phil and his work. The second came in 1977, when Nike was told that it owed the government \$25 million.

The trouble started when Nike's competitors in America, Keds and Converse, worked together to uncover an obscure customs law called the American Selling Price law, whereby certain types of shoes would incur significantly higher customs duties. They accused Nike of violating it. But Phil was not going to give up without a fight. His belief that Nike was innocent helped Phil through the stressful situation.

So, while Phil wanted the government to drop its claim altogether, he eventually took the recommendation of a trusted advisor and as a diplomatic gesture settled the claim for \$9 million. Phil felt that if he fought the government's claim tooth and nail, he would never regain its goodwill, something his company might need at a later date.

## **Phil Knight feared an IPO would taint the unique culture at Nike, yet its spirit stayed strong.**

Clearly, Phil faced some obstacles on his rise to the top. It took a lot of hard work to keep going. So how did Nike grow to become the company it is today? Although he was not always sure what winning meant to him, Phil knew that he did not want to lose. This was partly due to a fear of disappointing his father and partly because he thought work should be both playful and meaningful. The combination convinced him that he had to avoid a passive life that just seemed to "slip" by. So, while Phil knew that taking Nike public could solve some financial problems, his desire to keep his business playful and fun made him hesitant to do so.

In short, Phil ran his business according to the motto, "grow or die." This meant that aside from the money he used to pay the modest salaries he and his employees received, all profits were invested in the business, helping it to grow. This financing strategy meant that Phil was reliant on banks, which often refused him the large loans he requested. In the banks' stead, Japanese trading company Nissho helped Nike with financing.

But eventually, the \$25 million lawsuit brought by the government pushed Phil into taking Nike public with an initial public offering. Yet he still worried that an IPO would cost him control of the company and its unique code of ethics, transforming Nike into yet another corporate machine. Thankfully, one of Phil's associates had an innovative idea of how to design the company's share structure to prevent this, ensuring Nike remained in charge. To this day, the company prides itself on its integrity, to which it also attributes much of its worldwide success.

## **Through improving factory working conditions and treating sponsored athletes well, Nike strives to stay true to its values.**

Since its origins, Nike as a company has approached setbacks with the same integrity and energy that Phil always demanded of each and every employee. It is this attitude that has kept customers loyal through thick and thin. Nike is now working hard to set better labour standards for its factory workers. In the nineties, the company found itself at the centre of a damaging report on the abysmal working conditions of Asian sweatshops.

Nike rented workspace in these factories just like many other corporations did. Yet the report's author knew that Nike's name recognition would draw media attention, and thus the footwear company became the centre of the story.

Nike had worked hard to increase the wages of its factory workers but was stopped in one country by a top government official who said that factory workers who earned more than doctors would be bad for the economy. But after the shameful exposure, Phil and his team knew they had to try harder.

One of the primary means by which the company improved factory conditions was the invention of a water-based bonding agent to attach shoe uppers to the soles of a shoe. This was a huge development. The so-called rubber room was previously the most carcinogenic area in a shoe factory. Nike's new bonding agent cut out 97 percent of the toxins found in the previous one. In fact, Nike even shared the new glue with its competitors, and they began using it in their factories.

And Nike's commitment to integrity does not stop at the factory door. Phil treats all Nike's sponsored athletes as real people and not just vehicles for selling products. Because of this respect, many Nike-sponsored athletes have become Phil's personal friends. When Phil's son died in a scuba diving accident, for example, every single Nike athlete wrote or called to offer condolences. In the years that followed, one athlete in particular became good friends with Phil: Tiger Woods. In conclusion, few global companies have as much heart as Nike.

### **What I took from it.**

The story of shoe giant Nike is one of humble beginnings and "crazy" ideas. The company's rise to world fame goes to show that if you believe in your ideas, think outside the box and stay true to your values, there is no limit to what you can accomplish.

Surround yourself with believers. Starting a successful business requires surrounding yourself with people who believe in you and your idea – people who are not in it just for the money. Employees with real passion will be the most involved team members you can find, and they will stick with you when the going gets tough.

JUST DO IT. Those words are the life story of Phil Knight. To every athlete, entrepreneur, mother, father, and dreamer - his greatest legacy will be a life well played. More valuable than his pledge of giving back to society \$100,000,000 a year, Phil 'Found His Greatness' in life by inspiring us all to play harder, dig deeper and never quit. Thank you, Phil.

# The House of Rothschilds

Niall Ferguson

What does the name Rothschild mean to you? While many people associate the name with a wealthy Jewish family or a thriving investment banking company, most probably do not know that Rothschild was in fact the biggest bank in the world during the nineteenth century!

In this book, you will learn how the Rothschild family's multinational partnership secured their immense financial success, and how their proximity to Europe's political elite and their Jewish lineage gave rise to a series of family myths. By peeling back the many layers of the Rothschild family's story, you will better understand the historical reality of its most mysterious figures, as well as one of the most successful businesses in the history of capitalism.

The three most powerful points I took from the book were;

1. In 1814, Nathan Rothschild was officially entrusted with financing Britain's war against France to defeat Napoleon's troops. But Britain wasn't the only country that benefited from the Rothschilds' financial backing. France, along with the "Holy Alliance" formed by Austria, Prussia and Russia, emerged from the Napoleonic Wars (1803-1815) in dire financial straits – and the Rothschilds were willing to help.
2. The Rothschilds were always trying to find ways of expediting their communications. The Rothschild courier service was better than any other existing form of communication.
3. The Rothschilds suffered heavy losses in 1848, teetering on the verge of bankruptcy. But because the revolution never reached Britain, the London house was able to bail out the other four, thus ensuring the survival of the Rothschild family legacy.

## **Mayer Amschel Rothschild established the Rothschild banking business in Frankfurt amid widespread anti-Jewish sentiment.**

The Rothschild family was among the richest and most influential families of the nineteenth century. But how did they come to enjoy such a coveted position? It all began with Mayer Amschel Rothschild (1744-1812), father of the famous Rothschild brothers. However, as a Jew in Frankfurt, Mayer Amschel did not have the easiest start to his career.

During the eighteenth century, Jews in Frankfurt faced persistent, systematic discrimination and intensely anti-Jewish attitudes. Virtually every aspect of the lives of Frankfurt Jews was affected by this anti-Semitism. Jews were confined to a ghetto, a single narrow street called the Judengasse (Jews' Lane), with gates erected at either end. They were forbidden to live outside the Judengasse, and likewise forbidden to stay overnight anywhere else.

Jews were barred from entering major public gathering places like parks, inns, coffee houses and the town's promenades. For Frankfurt Jews, a major portion of life was spent within the high walls and gates of the Judengasse. Yet, amid Frankfurt's anti-Jewish sentiment, Mayer Amschel Rothschild still managed to start a successful banking business.

Unlike most eighteenth-century German towns, Frankfurt was a center of commerce, which necessarily went hand in hand with banking. Mayer Amschel's journey into banking began after he had established himself as Frankfurt's leading antique dealer. With the capital he accumulated through buying and selling these goods, Mayer Amschel began extending credit to his growing network of suppliers and customers, thus firmly planting himself in the world of banking.

By 1800, he ranked among the richest Jews in Frankfurt, owing in no small part to his success in banking. In fact, his business was turning over so much cash that bags of money would often lie around the Rothschild office, filling the cupboards and piling up on the floor.

**Nathan Rothschild took the banking business to England; when his father died, the firm was passed on to the five Rothschild sons.**

Of Mayer Amschel Rothschild's many clients, the most important was William IX, Hereditary Prince, Landgrave and Elector (Kurfürst) of the former German state of Hesse-Kassel. According to the Rothschild myth, it was this relationship with William IX that formed the real foundation of the Rothschild fortune. When Napoleon declared his intention to end the reign of the House of Hesse-Kassel, William had little choice but to flee. According to legend, it was at this critical moment that William turned to Rothschild, hastily leaving his entire fortune in Rothschild's hands.

In truth, however, Rothschild provided only one service to William, which proved crucial to his family's success; the management of William's English investments. These investments were part of the reason why Nathan Rothschild, Mayer Amschel's third son, was able to establish a successful banking business abroad, in England.

Mayer Amschel sent Nathan to England around 1800. Like his father, Nathan was gradually transitioning from trading textiles to banking. Initially, Nathan took orders from Frankfurt, but gradually began making his own decisions and deals. It was the service of managing William's English investments that helped Nathan make the transition from a merchant to a London banker. By the time Nathan established himself in London, the family's Frankfurt bank had effectively passed from Mayer Amschel to his five sons following his death.

Mayer Amschel had become seriously ill on September 16, 1812 and died only three days later. In his testament, Mayer Amschel demanded strict unity among his sons in continuing the banking business. Seldom has a father's last testament been carried out more conscientiously – or profitably.

**The Rothschilds made profits by giving loans to governments and with the help of their “commanding general.”**

By the 1830s, the Rothschilds had amassed about £4 million in wealth – more than ten times that of their biggest competitor, Baring Brothers & Co. So, what led to the Rothschild brothers' immense success? In part, this success stemmed from the profits the Rothschilds made by giving loans to European governments.

In 1814, Nathan Rothschild was officially entrusted with financing Britain's war against France to defeat Napoleon's troops. But Britain wasn't the only country that benefited from the Rothschilds' financial backing. France, along with the “Holy Alliance” formed by Austria, Prussia and Russia, emerged from the Napoleonic Wars (1803-1815) in dire financial straits – and the Rothschilds were willing to help.

The diverse intergovernmental payments the Rothschilds made during this period all had one thing in common; they each produced profits in two distinct ways. The first way was in the form of commissions of up to eight percent. The second, less obvious, way involved exploiting the often rapid and significant fluctuations in exchange rates.

By this point, the Rothschild brothers had established permanent bases in Frankfurt, London, Paris, Vienna and Naples, making it possible for them to buy a currency at a discount in one market and sell it at a profit in another. Another critical ingredient to the Rothschilds' success was Nathan's emergence as the leader among the brothers. Technically, the five brothers had equal stake and power within the business, and profits were divided equally among them; but Nathan's English office generated by far the most capital.

This, combined with Nathan's aggressive temper and the increasingly Anglocentric nature of the Rothschild bank's operations, effectively reduced the other brothers to mere agents. Nathan, as his brother Salomon half-joked, was the "commanding general" of their operation. The others were merely his "marshals." Despite his dominance and success, Nathan's rule was never absolute, and the partnership did not degenerate into dictatorship.

### **The Rothschilds' close contact with political elites gave rise to myths that fostered hostility.**

At the turn of the nineteenth century, it was a matter of course that European politicians would accept favours from bankers. Investment tips and outright bribes would be rewarded with things like economically relevant inside information or favouritism when a loan was needed. The Rothschilds also engaged in this practice, and in doing so maintained close contact with the political elite of their time. Specifically, the Rothschilds extended credit to influential figures in order to foster "friendships." For example, the family made individual loans to French King Louis XVIII, Prussian diplomat Wilhelm von Humboldt, members of the English royal family and so on.

But the most prominent example of such "friendship" was the Rothschilds' relationship with Austrian statesman Klemens von Metternich. Not only did the Rothschilds advance money to Metternich privately, Salomon, the Vienna-based brother, also provided him with insider information that he would receive from his brothers in London, Paris, Frankfurt and Naples. Metternich rewarded these insider tips by informing Salomon about Austrian political machinations. Information about Austria's war preparations or the collection of taxes was of great value to the Rothschilds, as such information influenced their financial activities.

Sometimes, however, a more subtle approach was needed. In these cases, the Rothschilds would give presents, such as the jewelled caskets given to the Elector of Hesse-Kassel, to those with whom they wished to forge an alliance. While the Rothschilds' close contact with the political elite was immensely profitable, it also gave rise to myths that encouraged hostility against them. Their involvement in so many major financial transactions made the Rothschilds increasingly familiar to the public during the 1820s. But this newfound publicity was seldom positive. Rumour quickly spread that the Rothschilds wielded extensive, clandestine influence over European politics. However, much of the myth making and hostility that the Rothschilds endured was not based on actual facts, but rather on simple economic rivalry coupled with anti-Jewish sentiment.

### **The Rothschilds never forgot their "co-religionists" and advocated for Jewish emancipation.**

The Rothschilds' wealth and influence afforded them a privileged social status – this despite belonging to a class that had been historically disadvantaged, even in the Rothschilds' time. For example, the Rothschilds owned prestigious residences, where they would host dinners for the high society of the time. They even went on to acquire noble status in 1817, a formal confirmation of their privileged position in society.

The Rothschilds also used their social status as a force for good by advocating for Jewish emancipation. They never lost sight of the fact that Jews were still the targets of a wide range of discriminatory laws and regulations. Jews were entirely excluded from politics and were subject to a range of economic and legal restrictions, such as being barred from owning land. The Rothschild brothers urged their friends in politics to advocate for the Jewish cause. Salomon Rothschild petitioned Metternich as well as Prussian chancellor Hardenberg for assistance in obtaining equal civil rights for Jews. In one letter to his brothers, Carl Rothschild called upon them to do more to help elevate the status of Jews in Europe.

Though the Rothschilds did not reserve their political action for wealthy Jews alone, the relationship

between the Rothschilds and the larger, poorer Jewish community has long been the subject of myths and the butt of jokes. At least one cartoonist at the time suggested that, having made their fortune, the Rothschilds were indifferent to the plight of their “poorer co-religionists.” But the brothers were indeed involved in philanthropy. For example, in 1825 they donated money to build a new hospital. Nathan was especially interested in helping the disadvantaged and contributed to a number of charities for the poor and sick.

### **The Rothschilds’ success lay in their unique communications network and the cooperation between the five houses.**

For years, people have wanted to know the Rothschilds’ secret. While there is no single reason that can explain their financial success, there are at least two factors that we can identify as critical to their incredible prosperity. The first is the development of the brothers’ communications network.

The Rothschilds were always trying to find ways of expediting their communications. Nathan, for example, would pay premiums to the captains of postal ships for express delivery. However, mail was routinely opened by German post offices if it appeared to contain politically sensitive or useful information. When discretion was of the essence, the Rothschilds had no choice but to employ trusted private couriers.

Until the mid-1830s, when the railway and the telegraph ushered in a new era of communications, the Rothschild courier service was better than any other existing form of communication. Because it could deliver letters faster than the regular post, those who used it would get politically and financially relevant information, such as updates on the stock market before the rest of the public.

But the principal reason for the Rothschilds’ success lay in the cooperation between the five Rothschild houses. As mentioned earlier, the Rothschilds profited from the differences in exchange rates between various European markets. Their multinational partnership meant that they were uniquely positioned to conduct this kind of business effectively.

When taken as a whole, the five Rothschild houses in London, Frankfurt, Paris, Vienna and Naples comprised the largest bank in the world. This multinational partnership allowed the Rothschilds to disperse their financial influence throughout five of Europe’s major financial centres. To reinforce their sense of collective identity, the brothers agreed that each house would inform the others of the transactions it carried out on a weekly basis.

### **The death of Nathan Rothschild affected not only the Rothschild house, but the entire world.**

In June 1836, a dark shadow was cast over the Rothschild family: Nathan Rothschild was dying. By the end of July of the same year, he lapsed into a violent fever and died. Inevitably, Nathan Rothschild’s death shifted the constellation of power in the Rothschild family. Since the death of their father Mayer Amschel in 1812, Nathan had been the leader of the Rothschild brothers. Even to the outside world, Nathan was seen as the crucial pillar upon which the entire Rothschild house rested.

After his death, all Nathan’s rights transferred to his four sons. But who would become the new leader of the Rothschild family business? Usually, people assume that Nathan’s role was filled by the youngest of the five brothers, James. Indeed, he was quick to try to impose his authority on his nephews following Nathan’s death, and on one occasion exhorted his nephews to pay more attention to his letters.

But it’s far from clear that James ever wielded power equal to Nathan’s. In reality, the relatively equal distribution of power among the five houses meant that no single brother was really in a position to give marching orders to the others, as Nathan had once done.

Nathan Rothschild's death also had much broader consequences than those the Rothschild family had to wrestle with. Nathan was the richest man in Britain, and therefore, given Britain's economic dominance at this time, almost certainly the richest man on earth. His economic influence reached across all of Europe, and his death meant drastic, sudden changes to the European financial market.

### **Patronage of the arts was important to the Rothschild family.**

For the Rothschilds, an important source of enjoyment – and prestige – was patronage of the arts. Indeed, the family had amassed a great collection of prestigious works of art over the years. But it was the art created in seventeenth-century Holland that the family was most drawn to. In 1840, for example, James Rothschild purchased works by Rembrandt, Peter Paul Rubens and Anthony van Dyck.

Perhaps the best explanation for their fascination with Dutch artists was their tendency to favour secular subjects over religious themes; in contrast to other artists of the time, Dutch painters were mostly secular. Interestingly, however, the Rothschilds also acquired works displaying explicitly Christian iconography.

It seems that the Rothschilds were not too interested in the art of their contemporaries. With very few exceptions, the only contemporary paintings the family owned were the portraits of themselves that they'd commissioned. The Rothschilds likewise patronized some of the premier composers and performers of the nineteenth century. The most obvious reason for this is that good music was an absolute necessity for a successful evening ball.

Notable performers who played at Rothschild gatherings included Felix Mendelssohn, Franz Liszt, the pianist and conductor Charles Hallé and the famed violinist Joseph Joachim. Some also believe that the Polish pianist Frédéric Chopin's career in Paris was launched in James Rothschild's own home.

Important writers of the time also received the Rothschilds' favour. Two of the best-documented cases were Heinrich Heine and Honoré Balzac, both of whom were closely associated with James Rothschild in the 1830s and '40s. A number of anecdotes paint Heine as a kind of licensed jester for James Rothschild, poking fun at every opportunity. The surviving correspondence suggests that Heine became a relatively humble recipient of James's indulgent patronage. Balzac, in contrast, happily borrowed from James, and avoided repaying him for as long as possible.

### **The Rothschilds' investments in railways made them targets for the social revolutions of 1848.**

The mid-1830s marked a shift in the Rothschilds' financial focus toward industrial finance. In particular, the Rothschilds invested heavily in the emerging business of railway construction. The Rothschilds played a leading role in developing the French railway network due to the profits that railways promised at the time.

However, because the Rothschilds were such a dominant force in railway development, a growing number of journalists began expressing hostility toward what they regarded as a corrupt, private monopoly. This hostility became especially bitter in 1846, when a train on one of the Rothschild lines derailed, causing an accident in which at least 14 people died.

Soon, the public prominence that the Rothschilds had won with their railways made them targets for the social revolutions of 1848, which resulted in a series of political and social upheavals throughout Europe.

Not only were the revolutionaries concerned at the time with civil rights, such as free speech and freedom of the press, they were also concerned with combating the era's growing disparity of

wealth. The Rothschilds, a wealthy and influential family that gained public prominence through their endeavours in the railway system, came to personify this inequality.

As a result, the Rothschilds faced serious threats to their safety. For example, in Frankfurt, the Rothschild houses were singled out for attacks, and windows were smashed. Financially, the Rothschilds faced serious losses due to the wealth they held in the form of government securities. Government securities were falling dramatically in value as a result of many governments' efforts to counteract social revolution by increasing welfare spending, and thereby falling into debt.

The Rothschilds suffered heavy losses in 1848, teetering on the verge of bankruptcy. But because the revolution never reached Britain, the London house was able to bail out the other four, thus ensuring the survival of the Rothschild family legacy.

### **What I took from it.**

The Rothschild family ranked among the richest and most influential families in nineteenth-century Europe. Exceptional in their international scope and the way they conducted their financial business, the meteoric rise of the Rothschild family has long been the subject of various myths, all of which seldom reflect the truth.

This book has a lot of detail, which I enjoyed quite a bit. In addition to detail about the family it goes into depth about finance and economics, and the politics (and wars) going on in Europe during the first half of the 19th century.

# The Intelligent Investor

Benjamin Graham

When Benjamin Graham first started working on Wall Street in 1914, most investing took the form of railroad bonds. Stocks in companies as we know them today were aimed at insiders rather than the general public and were seen as highly risky investments compared to bonds. This impression was only boosted by the Great Crash of 1929 and the ensuing Depression.

However, Graham's focus on the value of companies, as opposed to the speculation on stocks (he has been variously called the 'Dean of Wall Street' and the 'Father of Value Investing') showed it was possible for regular people to invest wisely without getting swept up in market hysteria.

In the last 20 years, Graham's profile has been boosted by billionaire investor Warren Buffett, who was tutored by Graham at Columbia University and then worked at his Graham-Newman brokerage business. Buffett has described The Intelligent Investor as "By far the best book on investing ever written."

The three most powerful points I took from the book were;

1. Everything changes, including companies, regulations and the economy, but people do not, and people are what drive markets
2. The conventional wisdom is that if you are prepared to take higher risks you will get higher returns. Graham rejects this, saying that high returns are not necessarily related to risk, but to putting more time and effort into your investing
3. "Investment is most intelligent when it is most business-like". This, Warren Buffett thought, was the wisest sentence ever penned on investing

Writing against a background of various post-war political upheavals, Graham considered it vitally important to highlight investing principles that worked, irrespective of changes in society or government or great swings in the market. The book is essentially about the difference between investment and speculation, between quoted stock prices and the underlying or real value of the companies behind them. His investing approach requires a long-term horizon, the ability to tune out market 'noise' in the interim and having enough confidence in your investing choices that you won't be rattled by a catastrophe or correction.

## **An investor, not a speculator.**

Graham notes that the 'intelligence' the title of the book celebrates is not of the 'smart' or 'shrewd' type but relates more to the character of the investor; that is, not someone looking for a quick profit, but with a long-term view minded to conserve their capital, who can be firm about their investing principles in the face of an emotion-driven market.

He sticks with the distinction between investing and speculation given in his earlier book Security Analysis (itself a classic): "An investment operation is one in which, upon thorough analysis, promises safety of principal and a satisfactory return. Operations not meeting these requirements are speculative."

With speculation or 'trading', he notes, you are either right, or you are wrong, the latter often disastrously so. An investor, in contrast, considers themselves a part owner in a large enterprise, looking mainly to its results and the quality of its management.

Such a thing as intelligent speculation does exist, Graham says, but it is dangerous when people who think they are investing are actually speculating. Any stock purchase that you do quickly, when you don't want to 'lose out on a great opportunity' is probably speculation driven by the emotions of the market.

The intelligent investor should not get involved in trying to forecast the market's direction. This makes you a trader or speculator. The only time an investor takes account of the ups and downs in the market is when they choose to buy a stock, they had their eye on anyway, and can pick it up at a low price if market sentiment is bearish. If an investor starts 'swimming with the speculative tide' (particularly during a bull market when it seems easy to make money), they will lose sight of the companies they are investing in and focus only on the price of stocks.

### **How to find value.**

Graham reflected that the long-term prospects of a company can only ever be an educated guess. If those prospects are clear enough, then they will already be reflected in the company's stock price. This is why 'growth' stocks are often expensive, and why there is rarely good value to be found in the 'sexy' companies that everybody likes.

Better, Graham believed, to invest in companies without dramatic predictions attached to them, 'boring' companies that are overlooked and undervalued. He noted that when a company loses ground against the overall market, speculators will cast a pall of gloom over its stock and write it off as hopeless. The intelligent investor, however, will see that this is an overreaction. Surely the company is still selling things, has some market share, and may turnaround?

An example he gives of undervaluation is Great Atlantic & Pacific Tea Company (A&P). In 1938 its stock was selling at 36 cents, a price which meant that the whole enterprise was being appraised as worth less than its working capital (meaning its assets minus its liabilities). No consideration was given to all its warehouses and other assets, and the goodwill of being the biggest retailer of its time.

Graham observes that the real money to be made in the stock market is not in the buying or selling, but in having the discipline to hold and own, earning dividends and waiting for perceptions of the value of a company to align with reality. To do this obviously requires a degree of psychological strength, and indeed Graham observes that "Intelligent investment is more a matter of mental approach than it is of technique".

### **Margin of safety.**

The secret of investing success, Graham ventured, could be summed up in the motto, Margin of Safety. In technical terms, this means evidence of a company's earnings above what is required to service its interest on debt, particularly in the event of a significant sales or market decline. The intelligent investor always looks for this buffer because it means they do not need to have accurate estimates of a company's future. A speculator does not usually consider the margin of safety important, but for the investor it is their touchstone.

There are two ways to invest, Graham notes; the predictive approach, or how well you think a company will do within its market given its management, products etc; and the protective approach, which involves looking only at the statistics of a company, such as relationship between selling price and earnings, assets, dividend payments. Value investors favour the second because it is based "not on optimism but on arithmetic". The first approach, in contrast, would lead you to buy on 'hunches' rather than statistical data and reasoning.

Thanks to the way 'Mr Market' overreacts, it is possible to find a margin of safety in unexpected places.

He mentions real estate bonds, many of which after the crash of 1929 collapsed sometimes to near rubbish value, for example 10 cents when they had been valued at a dollar. However, at these prices speculative bonds suddenly became very good value, with a margin of safety well in excess of assets.

### **Two types of investor.**

Within the Graham framework of value and safety, there is room to be either a defensive or an aggressive investor. He gives the example of a widow left \$100,000 that she will need to support her kids, who obviously has to be defensive or conservative. However, a doctor in mid-career with several thousand to sock away every year, or a young person just starting out and wanting to invest, can both be more aggressive or enterprising.

### **Defensive: safety + freedom from bother.**

Graham's guiding rule for the conservative investor is to keep a split of roughly 50% of their funds in high-grade bonds (or savings accounts with an equivalent interest rate), and 50% in large, prominent, financially conservative companies which have a history of continuous dividend payments and whose price is not more than 25 times annual earnings (this generally excludes all growth stocks).

When the market looks dangerously high, you can reduce your exposure to common stocks to less than 50%, or go over 50% in a downmarket to pick up low priced but good stocks. The formula stops the investor from getting swayed by the hysteria of the market, but at the same time gives exposure to higher potential returns. When the market goes down, Graham notes, he will feel good compared to his bolder friends who have gone into stocks in a big way.

### **Aggressive or Enterprising: safety + more active involvement.**

The conventional wisdom is that if you are prepared to take higher risks you will get higher returns. Graham rejects this, saying that high returns are not necessarily related to risk, but to putting more time and effort into your investing.

For those who decide to make their own stock picks but still require the margin of safety, Graham's pointers include:

- Look for companies that have a regular dividend payment record going back 25 years or so;
- Do not invest in companies with price to earnings ratios of more than 10;
- When looking at company's annual report, separate out non-recurrent or 'one off' profits and losses from the normal operating results;
- Do not invest in an 'industry', invest in companies. For example, a lot of money went into air transport stocks in the post-War period and into the 1950s, but various factors meant that the industry as a whole had poor financial results.

If you do ask others to manage your funds, he counsels, either:

1. Limit the investing activity contracted out to very conservative investments; OR
2. Make sure you have "an unusually intimate and favourable knowledge of the person" who is going to direct your funds.

Never go with the advice of people who promise spectacular returns. Be careful also of getting advice from friends or relatives: "much bad advice is given for free".

## **What I took from it.**

On the penultimate page of the book Graham writes, “Investment is most intelligent when it is most business-like”. This, Warren Buffett thought, was the wisest sentence ever penned on investing. Graham meant that people in the financial world too easily forget the basic fact of investing; that it is about companies and buying a stock means part ownership of a ‘specific business enterprise’. Trying to make money beyond earnings related to a firm’s performance was fraught with danger.

Reflecting on whether there were any rules of investment that had stood the test of time, he noted that most of the rules relating to particular types of securities (e.g. “A bond is a safer investment than a stock”) were no longer valid, while the ones relating to human nature did not date, such as “Buy when most people (including experts) are pessimistic, and sell when they are actively optimistic.” Everything changes, including companies, regulations and the economy, but people do not, and people are what drive markets.

The Efficient Market Hypothesis says that stock prices are always an accurate reflection of the value of a company and its probably future earnings, therefore it is not possible for anyone to ‘beat the market’ in any sustained way by picking individual stocks. But could the phenomenal success of value investors like Warren Buffett, who base their judgements on a knowledge of human nature, really be just ‘chance’?

In the Introduction to the original 1949 edition, Graham candidly notes the risk that his book ‘may not stand the test of future developments’, any more than a finance book written in 1914 would be relevant to investors of the 1950s. In fact, *The Intelligent Investor* is considered by many – despite many references to companies that have now faded into history – to be quite timeless. His humility only makes you trust him more, and he has a calm style and does not talk down to the reader.

Coming up to its 65th anniversary, the book has rarely been more popular, and though the commentary and examples change slightly from edition to edition, the principles remain the same. It does not matter which one you read.

# The Prince

Niccolo Machiavelli

Have you ever wondered how some autocratic world leaders manage to stay in power despite human rights abuses and violations of international law? Machiavelli would say that the answer lies in their great skill at the political game of power. In his book, *The Prince*, published in 1532, Niccolo Machiavelli will present to you the key insights on how to gain power and keep it.

What is more, you'll come to understand that as a ruler, the ends always justify the means, and even cruelty, warfare and treachery are acceptable if they help you maintain power, according to Machiavelli. Politicians from Benjamin Franklin to Napoleon have been known to be influenced by Machiavelli's political thinking, and after reading this book, you may begin to notice contemporary politicians acting in Machiavellian ways, too. I know, I do.

The three most powerful points I took from the book were;

1. You must always take measures to protect yourself from potential rivals to your power
2. Wickedness is not the only way to gain power. You can also gain it by protecting your citizens, since that will encourage them to support your rule
3. No one man can be a master of all trades. Therefore, how a prince assembles his advisors and deals with them says a lot about his leadership skill

## **A prince must make his subjects feel valued while guarding against rivals.**

Imagine you are a renaissance prince who has just conquered a new territory. The population of this new principality probably does not want you as their ruler and sees you as an invader and outsider. So how would you keep them under control? The first rule for a prince is that you should always try to move to the principality yourself. The proximity to their new prince will make the locals feel appreciated, while simultaneously discouraging rivals from trying to reclaim the area.

If you cannot move yourself, the second-best option is to send a colony of your own subjects to live in the principality. This way your new subjects will become accustomed to the ways of your people and slowly adapt their society accordingly. A second rule is that you must always take measures to protect yourself from potential rivals to your power. To achieve this measure, adopt a policy of defending weak leaders around your new principality. If you protect them against more powerful enemies, they will gladly join your new state too and an alliance of such states can be powerful enough to challenge the more powerful leaders and states in the area who could otherwise threaten your power as well.

The third rule is that you must constantly be on guard for future threats: be vigilant and take pre-emptive action. Just like illnesses are easier to treat in the beginning, so is it easier to halt the advance of an overly zealous rival early in their attack, such as after the first step. The ancient Romans used this tactic when they occupied Greece.

They would allow no single local leader to grow more powerful than the others, no matter how loyal the leader was to the Romans. The importance of these rules can be seen in the plight of Louis XII of France who invaded Northern Italy. After successfully conquering the land, he then rapidly lost control of it because he violated all of the above rules. Do not repeat his mistake.

## **How to rule your principalities.**

When Alexander the Great died in 323 BC after conquering the Persian Kingdom, everyone thought that without Alexander's authority, the Macedonians would quickly lose control over the Persians. And yet, they managed to maintain their power for years to come. How? Before the question can be answered, it is important to understand that there are different kinds of principalities.

First, there are principalities with a ruler-baron system of governance. This system can be found, for example, in France: the French king rules the country, but he does so through many nobles called barons who each have their own agenda. This system is inherently unstable and leads to a splintered principality. Once in a while the barons may even challenge the authority of the king. The upshot is that France is fairly easy to conquer you merely need to get a few barons on your side and the King's regime will crumble quickly. However, you will have the same trouble holding onto it as your predecessor.

But there are also principalities that are governed through a ruler-servant relationship. To achieve this system, a prince will start his reign by ensuring that all those with political ambitions or power are crushed so that all nobles can only support the prince and his plans. This dynamic creates a very unified country that will put up stiff opposition if invaded.

When Alexander conquered Persia, it was such a principality. At the time, King Darius had abolished all institutions and gotten all the leaders in society to follow him loyally. This meant that Alexander had to fight fiercely to conquer the region, but it also meant that when Alexander died, there were no autonomous rulers or regions left to start a rebellion. Thus, the Macedonians could continue their rule for generations after Alexander's death. Which type of system you would instil in your principality is up to you. Both have their advantages, so the choice should be made according to the specific circumstances and your own capabilities.

## **Acquiring new principalities depends on both fortune and virtue.**

There are many ways a prince can gain control of a principality: military force is one common path and international treaties are another. Yet, whatever the method through which you wish to acquire your principality, you will need to combine great virtue and good fortune to be successful. After all, even the most virtuous ruler requires a bit of fortune to be able to put his virtue to good use. Seizing a city or kingdom with your own army shows you have great virtue in the form of courage, moral strength, character and leadership. And yet virtue can come to nothing unless you have fortune on your side as well.

Consider Romulus, the founder of the Roman Empire. Fortune forced him to leave the city of Alba when he still was a baby, consequently driving him to one day lay the foundations of Rome. Had he not been forced to leave Alba; he may well have ended up a farmer somewhere without ever having the chance to show his virtue.

Of course, the reverse is also true: if you are blessed by fortune, you will need to show virtue to capitalize on your good luck. For example, sometimes you may become a prince due to a stroke of good fortune rather than your own virtue. It could happen if you enjoy the favour of a powerful patron. In your new principality, your opponents will be much more powerful than your supporters, because the former will be determined to bring about your downfall, whereas your supporters will not know what to expect of you.

This situation means you will have to act quickly and virtuously to lay the foundations for a long reign. Control the nobles in your principality and build your own army. Without these precautions, your fortune will not last and you will be overwhelmed. It seems then that both fortune and virtue are needed to become a prince. Without virtue, no fortune can last; without fortune, your virtues may be useless.

## **Both wickedness and popular support are ways to become a prince.**

In 317 BC a man named Agathocles who had grown up a mere potter's boy assembled an army of mercenaries and took over the city of Syracuse, Sicily. Despite his oath that he would abide by the town's democratic constitution, he killed 10,000 of his rivals and became a tyrant. This story demonstrates that wickedness is one way to achieve power. Trickery and ruthlessness can help you gain control of a principality, even if treachery and violence toward your fellow citizens cannot be considered virtuous.

But cruelty only works if used the right way. If it is necessary for you to gain power, then your cruelty must be swift: deliver one cruel strike. Though the people will be outraged at first, you can gradually decrease the amount of violence and thereby appease the population. This is precisely what Agathocles did and he managed to maintain his power. A far less prudent tactic is to be too scrupulous in the beginning of one's rule and then increase cruelty gradually.

Despite the success of Agathocles, wickedness is not the only way to gain power. You can also gain it by protecting your citizens, since that will encourage them to support your rule. In this case, if you are a prince, you must ensure your citizens are well-off enough for them to want to support you. Exactly what "well-off enough" means depends on what they are used to. For example, if they have been slaves thus far, they may be happy if you just set them free.

The main goal is to make your citizens feel indebted to you. If they do, it will make it more likely that they will keep you in power even if they have to endure hardship. But if you rule through terror, they will not feel indebted. Cruelty may be an easier way to gain power than persuading the population to support you, but the latter is a more stable form of power.

## **Every prince must master the art of war.**

Although diplomacy is a useful tool, when push comes to shove an unarmed man will always have to obey the armed man. So, it follows that mastering the art of war is key to becoming and staying prince. Of course, it is crucial to gaining your dominion in the first place: most princes have won their principalities by conquering them through war. But even in peace, it is essential for you to keep up your skills in the art of war, because warfare is the most likely way you may lose your principality to rivals.

What is more, your armies also play a key role in the society you are building: good laws and institutions cannot exist without strong armies to uphold them. Because warfare plays such a key role in maintaining power, you should continuously prepare yourself and your army for war. Keep your army in good fighting condition, but also ensure you keep your own physical and mental faculties ready for war.

For example, whenever you are out on hunting trips, study the landscape of your dominion and think of ways the terrain could be used to mount a better defence in war. Another way to prepare for war is to learn from the great masters of warfare who came before you. All excellent commanders have studied their predecessors throughout history: Alexander the Great studied Achilles while Caesar in turn imitated Alexander.

While it is important to be a good civil leader in times of peace, you must never forget that fortunes change. War may soon be upon your principality, and the only way to maintain your power is if both you and your army are prepared.

## **You will need your own army, not mercenaries or auxiliary troops.**

What do the Romans, Spartans and Swiss all have in common? Historically, they had well-armed populations that enabled them to remain free independent states for centuries. Herein lies a key

lesson for a prince: only proper local armies can defend principalities effectively. Mercenaries, meaning independent troops who will fight for you only for money, are useless. They have no stake in the survival of your state, so they are not committed to it, and in battle they may well run away at the sight of the enemy because they feel your salary is not worth dying for.

So effectively they will plunder you during peace for their salaries, but at war will allow your enemy to do the same. And even if you are lucky enough to find a capable mercenary commander who fights for you in times of war, he will, sooner or later, realize that he can easily overthrow you with his troops.

Italy made the mistake of repeatedly relying on mercenaries during the 15th and 16th centuries, and as a result was conquered by the French kings Charles and later Louis, as well as invaded by Ferdinand of Aragon when the mercenaries ran amok. Another grievous error a prince may make is relying on auxiliary troops from allied princes to protect his dominion. Once another prince's forces have entered your state, you may never be rid of them.

An example of this could be seen when the Greeks allowed 10,000 Turkish soldiers on their land to protect them from their neighbours. When the war was over, the Turks refused to leave and ended up occupying Greece for centuries. So, as you see, you will always lose if you rely on auxiliary troops: if they are beaten in battle, your principality will be conquered, whereas if they win, they will stay and enslave you. The only way to truly protect your principality is to build an army of your own citizens loyal to you and your principality.

### **A prince must balance generosity with miserliness.**

Once you have become a prince, the world will no longer look at you the same way. Your subjects will expect different things from their ruler than they would from a fellow citizen. As a result, personal traits like politeness or generosity go from being mere private questions to matters of profound importance for the stability of your principality. As such, their desirability also changes, for traits that were clearly positive for a private citizen may no longer be so for a prince.

Consider generosity. A generous private individual is well-liked, but if you, as a ruler, wish to build a reputation for generosity, it is not enough to spend what you can afford, for people will quickly get used to it. Instead, you have to constantly overwhelm your citizens with generosity, except that doing so will quickly ruin your finances. The only solution will be to tax your citizens heavily, which will negate any benefits your generosity may have brought.

So, in order to be a successful prince, you need to balance generosity and miserliness. Use generosity to gain power, especially in a dominion where citizens have a say in who should be prince. This is how Caesar came to rule Rome: he spent a fortune on bread and circuses to boost his popularity. But this generosity cannot last once you have become prince. Once you are prince, you would be wise to come across as miserly, so that you can slowly increase your spending over time to bolster your popularity, without running into financial trouble.

This is the same pattern that Caesar followed. As soon as he had attained the position he wanted, he moderated his spending so as not to bankrupt his empire. What is more, in the long run your citizens will be most satisfied if you just let them toil in peace with relatively light taxation. So being miserly with the state's funds in order to lower taxes might be better than generosity after all.

### **A successful prince can use cruelty to his advantage but should avoid being hated.**

One of the greatest threats the Roman Empire ever faced was the war waged by Hannibal and his Carthaginian army. Hannibal's success in this regard is attributed to his vicious cruelty: for example, he crucified his scouts for giving him wrong directions. He instilled a fear in his army that kept it unified in trying times, like when he and his army famously crossed the Alps. For a prince, the lesson here is that

cruelty, used right, can serve you well.

Of course, every prince wants to be thought of as merciful and just, but in order to preserve his dominion and keep his citizenry united, he must also be willing to use fear. Being feared is a much safer option for a prince than being loved. As all adults know, promises based on love are broken all the time, so being seen as too merciful and loving can be exploited by those who would break the law for their own self-interest. The fear of a harsh punishment, however, will always work as a deterrent.

And in fact, aren't you being a merciful ruler by keeping your streets safe with the threat of a cruel punishment for lawbreakers? Using cruelty is especially effective to maintain control of your army: soldiers admire a degree of wickedness and cruelty and accept that you must use it to keep them disciplined as well. Hannibal's success is a testament to the use of cruelty.

While you can use cruelty to your advantage, you should avoid going too far so that you are not outright hated. Try to find the right balance. Do not for example punish innocent citizens or randomly seize their property and women, or they will turn against you. Doing so would cause them to plot against you, and you would be engendering instability rather than stability as you had planned. The best way to keep your people from uniting against you is to keep them content, but to an extent fearful.

### **A successful prince knows when to use deceit and how to cover it up.**

If one were to ask a prince what animal he identifies with most, the answer will often be the lion. Indeed, the lion's raw strength is an important quality, but no prince should underestimate how beneficial the cleverness of the slick fox can be. One way you can emulate the fox is in the promises you make: a prince need not keep his word all the time.

Of course, integrity is an important virtue for all leaders because laws and contracts are the basis for state institutions, but just like the sly fox, you should know when to occasionally forget principle in favour of your own self-interest. For example, if a rebel leader is giving you trouble, why not invite him for peace talks and then execute him swiftly? This would solve the problem very neatly.

And if your conscience bothers you, remind yourself that realistically, others will surely not keep their word to you either if it serves their interests not to. Just ensure that the outside world never sees this devious side of you. You can be treacherous and conniving, but you should always give the impression of acting in good faith and in line with religious and humanitarian values. There is one area, however, where you do absolutely need to be true to your word: alliances in foreign relations. If there are tensions between two other principalities, you must pick a side quickly and stick with it.

Delaying or appearing to be indecisive is the worst possible option, for the winner of the conflict will turn on you next because you did not clearly support them. Having clear allies and adversaries also brings clarity into your own situation and forces you to act decisively. A good prince is always a true friend or a true enemy to the other princes, nothing in between.

### **A prince must assemble good advisors and know how to seek their advice.**

Though history has known many great leaders, all of them have at one time or another needed advisors, for no one man can be a master of all trades. Therefore, how a prince assembles his advisors and deals with them says a lot about his leadership skills. The quality of your advisors depends only on you, the prince. You know best what areas you lack knowledge in, so you will have to use your own prudence to pick the most suitable advisors and ministers.

Once you have made your choices, you need to maintain a good relationship with your ministers to ensure they serve your interests. To maintain a good relationship, you must keep an eye on them. If you see that one of them is working for his own rather than your benefit, you must banish him. On the

other hand, those that serve you well should be honoured and rewarded with a salary that is generous enough to not provoke them into scheming behind your back.

It is also important that a prince knows how to solicit advice. Your advisors should know that you value their honest opinions and will not punish them for speaking the truth. If they think otherwise, all you will hear is deceptive flattery and a rosy version of the truth aimed at improving the standing of the advisor in question. If it seems like someone is unwilling to speak up, you should be very worried, as he is clearly trying to hide something. But openness to advice can go too far: if you allow everyone to simply walk up to you and speak freely, people will rapidly start questioning your decisions. Therefore, you should make it clear that you are the one who decides when to seek advice, and advisors should not offer it unsolicited.

### **Act – never leave your fate in the hands of fortune alone.**

By now you have read a lot of advice on how to succeed as a prince, and you may be thinking that it is all pointless because the destiny of any prince lies in the hands of fortune and God. But that assumption is not totally true. You can influence how the future turns out. Understand that God wants us to have free will. He would not have granted it to us unless there was some room for our own decisions to influence our fate. We must assume that half of the future is up to fate, but the other half can be shaped by our own actions.

And although fortune does play a major role in the success of a prince, you can protect yourself against its fickle nature. If you have been very successful thanks to good fortune, you must prepare yourself for when the tide turns. Imagine that your fortune is a river that, for years, has flowed calmly, making your fields fertile and lush. As a wise leader, you should build dikes against future floods. This way if your fortune should turn into a disastrous flood, you will only suffer, not perish. But of course, it is impossible to prepare for every twist of fortune; some are simply unforeseeable.

So, rather than trying to always foresee the future in order to prepare for it, you must boldly shape it. Time has shown that the best way to do so is by being impetuous, rather than cautious. For example, consider Pope Julius II, who wished to wage war against Bologna. Instead of waiting for his allies to agree to his plan, he marched on the city immediately. Venetia and France were surprised and could no longer object, and the campaign was a great success. Machiavelli states that you must think of fortune as a woman that must be forced into obedience, and prefers her master be a young tempestuous man, rather than a cautious over-thinker.

### **What I took from it.**

In this book, Machiavelli makes his purpose clear: how to get power and keep it. No happiness. No warm and fuzzy pats on the back. Definitely no hugs. No words of encouragement. Definitely nothing about being nice. Being nice, in politics, in war, in struggles for power, often ends with one person winning and the other person being in prison, disgraced, exiled, or dead.

That was the context in which Machiavelli wrote this book. Italy at the time was a collection of warring states, not united. One power would seize control, and then it would be lost when that ruler died, or, worse, made a horrible mistake. Machiavelli did the best thing he could - he took a step back, observed, took notes, and then presented his findings to the person he felt had the most promise at the time.

Not for the faint hearted.

# The Republic

Plato

What makes a person just? And how can we define a just city? Answers to these types of questions are what Socrates, the gadfly of Athens, seeks to ferret out over the course of the Republic. Though Plato wrote this dialogue more than 2,000 years ago, it is still the centrepiece of both philosophy and political theory. Indeed, Sir Alfred North Whitehead, the mathematician and metaphysician, once called all of philosophy “a footnote to Plato.” An indispensable part of the Western canon, the Republic puts you in the shoes of one of Socrates’s students, following him around as he questions various people on the roles played by justice, philosophy and art in the forming of the city and of the soul.

The three most powerful points I took from the book were;

1. A ruler that seeks to benefit himself, instead of his people, is not a just ruler. Like the doctor, the ruler should aim to do good for his “patient,” i.e., the city
2. Socrates then says that without a just city, just individuals cannot exist. So, individuals who live in cities whose laws benefit the few, not the many, live in unjust cities
3. It’s impossible to study someone without also examining their city, Socrates says. Not only does a city create its citizens, but the citizens also form and develop their city

## **Socrates questions and dismantles the definitions of justice that his dialogue partners propose.**

How do you define justice? No matter how well considered your response may be, Socrates would probably be able to dismantle your definition. Throughout the dialogue between him and his interlocutors, he examines and questions several definitions of justice. The first definition comes from Polemarchus, who claims that justice is to give each person what they are owed. In response, Socrates tries to undermine this definition by finding exceptions to it. What if weapons are owed? Although one should return what one owes, one should not offer weapons to someone who is insane and threatening to harm someone.

So, the definition of justice as “giving what is owed” does not always hold. Polemarchus then provides another answer: Being just means assisting friends and harming enemies. To this, Socrates queries whether there are circumstances under which it is moral to do harm. He finds that there are not. Animal trainers, he says, do not benefit animals they harm; likewise, people become less moral if harmed. Additionally, one can mistake friends for enemies, and enemies for friends, and therefore end up benefiting those one meant to harm.

So, since harming someone is not beneficial and our judgments cannot be absolutely accurate, this second definition also falls apart. The third definition, posited by Thrasymachus, is that justice is whatever is advantageous to the ruler. Socrates questions whether this definition also applies to those in other positions – such as, say, a doctor.

The health of the patient, rather than the doctor’s benefit, should be the doctor’s main concern. A ruler that seeks to benefit himself, instead of his people, is not a just ruler. Like the doctor, the ruler should aim to do good for his “patient,” i.e., the city. This third definition is also inadequate and so the first attempts to define justice come to an aporia, an impasse in the dialogue.

## **Justice cannot be examined independently of individual and city.**

After this impasse, Socrates proposes his own definition of justice: minding one's own business. This, he says, has both a private and a public aspect to it. To mind our own business is to responsibly play our appropriate role, and thereby benefit both ourselves and our city. The citizens of a city that functions in a just and well-organized fashion each have their role, perfectly suited to them. Because of this, no one person has to take care of everything themselves.

Socrates specifies that a city should include craft workers, doctors, merchants, rulers and soldiers and that each person should acknowledge their individual role and then ably fulfil it. Knowledge of one's role depends on the city's having just institutions that educate inhabitants on their appropriate duties. Once they know what their duties are, individuals mind their own business by carrying out their role in a just and appropriate manner. This, in turn, reverberates through the city, making it either just or unjust.

Socrates explains that not everyone is appropriate for every role, however. For instance, someone suitable for being a general will not necessarily make the best horse-trainer. Each person's job must benefit the community at large – that is its social role. Take the example of the ruler: a just ruler reigns for the city, whereas a tyrant rules for his own gain. So, a tyrant's actions reflect the corrupt society he controls, while a just ruler's actions reflect the just city he rules.

Justice for each person cannot therefore be viewed independently of justice for the city. Determining one's role is never an individual's decision but is shaped by the needs of the city and by the individual's skills. In an ideal and just city, the city's needs and the individual's needs work symbiotically, the city benefiting from its people and its people benefiting from it.

## **People and cities have to be just. To simply appear just is the worst type of injustice.**

There is a thread that runs through the dialogues on justice – the difference between essence and appearance. That is, how something appears as opposed to what it actually is. The greatest kind of injustice is for someone to seem just, when in actuality he is unjust. Plato's brother, Glaucon, now joins the dialogue. Both Glaucon and Socrates attempt to understand justice and present the idea that a just life is more desirable than an unjust life.

Glaucon, playing the devil's advocate, makes a claim that he wants Socrates to disprove. His claim is that the majority of the population considers the mere appearance of leading a just life to be better than actually being just. Socrates, however, not only refutes this but stresses that such a life is extremely unjust. It is comparable to someone who seems to be a skilled weapon-maker, when they are actually incompetent, he says. Such false claims would lead to robust-looking shields that disintegrate in battle. The point, here, is that one's true character has nothing to do with appearances. Put someone to the test and you will learn what kind of metal they are made of.

Finally, Socrates states that one can discern whether someone is just or unjust by studying their environment – the city – and the relations they have with others. Therefore, in order for an individual to be just, their city must be just, and not merely seemingly so. Socrates then says that without a just city, just individuals cannot exist.

So, individuals who live in cities whose laws benefit the few, not the many, live in unjust cities, even if they appear to be just. Such cities are often ruled by tyrants, whose unjust acts are used to build a reputation of justice. The laws of the tyrant always favour him and disfavour all who go against him. Rather than reaching for a common good, the tyrant seeks only to gratify his personal goals.

## **Education and a “noble lie” are necessary for justice.**

Socrates postulates that education should instruct individuals to be just. Therefore, a sound education is one that enables individuals to have a healthy mind and body that can shield and strengthen the city. For example, musical education paves the way to a healthy mind, and gymnastics leads to a healthy body.

Music helps educate the mind and soul through rhythm and harmony, both of which can bestow balanced mental order and lead to a just character. This balanced order is also needed for a variety of arts and crafts. Gymnastics, on the other hand, promotes physical strength and solidifies group cooperation. In particular, Olympic sports foster both individual strength and group mentality.

Individuals strengthen themselves by running or javelin throwing. Groups train by wrestling and engaging in combat exercises, activities that necessitate cooperation among individuals, and thus improve group mentality. The benefit of music and gymnastics is that they make citizens healthy in mind and body because they enable the progress and strengthening of a city’s culture and military. While a healthy mind and body are advantageous to the individual, something else is necessary in order to promote justice and make the individual feel involved in the future of her city: a noble lie that connects individuals to their city and their community.

The noble lie teaches citizens that the Earth is their mother and nurse, and that all citizens have risen from beneath the city. As the city’s foundation is the Earth, so the citizens also depend upon the Earth, which bore them. According to Socrates, individuals must be told this lie – or an equivalent myth – by their guardians. It’s what makes them feel connected to their city. The noble lie ensures that people will protect the city in times of conflict and reinforce it in times of peace.

## **Socrates compares the city to the individual by drawing an analogy between the just city and the soul of the just person.**

It is impossible to study someone without also examining their city, Socrates says. Not only does a city create its citizens, but the citizens also form and develop their city. The just person and the just city need each other. A city forms its citizens in accordance with its laws and institutions. Then, as citizens mature and take on different offices, they can alter laws and devise new ones, helping the city to progress along with them.

You cannot, therefore, have a just person in an unjust community, or an unjust person in a just community. To demonstrate his point, Socrates draws an analogy between the city and the human soul. When Glaucon requests that Socrates examine the soul of the just person, Socrates says the soul is like a speech, because it has reason and logic.

The soul of a person can be revealed through conversation with that person and through her explanations of her behaviour. The just city is like a just person, only on a larger scale. Therefore, the speeches, dialogues and laws on which the just city is founded must be examined by way of discussion.

Since one can understand how a person thinks by conversing with that person, one can understand a city by talking about it with others. If the city is just, it will give rise to just individuals who can offer an account of their actions and debate what constitutes their justness. Understanding a just person, then, is also a matter of analysing the just city via speeches and dialogues, such as those between Socrates and his interlocutors.

## **City and soul are divided into three parts, and each part of the city corresponds to each part of the individual's soul.**

How should the just city look and how should it be organized? Socrates uses the noble lie to demonstrate how the city is partitioned, and how the human soul is also divided into the same parts as the city. The first part of the soul and city is ruled according to reason. City rulers have, according to the noble lie, gold souls that belong to the guardians who create the laws and are equipped to rule. As rulers oversee the city, the rational part of the soul, informed by reason and logic, must oversee the other parts of the soul, maintaining order and, therefore, justice. This first part also plans out various tasks and ways of accomplishing them.

The second part of the city is the army, which corresponds to the more hot-blooded, "spirited" part of the soul. The army is made up of those who have silver souls, and it defends the city during battles and upholds the laws during peacetime. This "spirited" silver part acts as a mediator, whenever there is a conflict, between the soul's rational and desirous parts. It maintains order between reason and emotion, striking a balance between arduous calculation and hasty decisions.

The lowest portion of the city consists of farmers and craft workers and corresponds with the lowest part of the soul – the bronze part – which is the part governed by desire. Those with bronze souls are farmers, craftsmen, and those who produce goods. This part is controlled by natural desires and needs, such as sexual appetite, that cry for instant gratification. It also lets us know when we need to eat, sleep or procreate.

Although the rulers, soldiers, farmers and craft workers represent the gold, silver and bronze parts of the soul, respectively, their individual souls are also partitioned into gold, silver and bronze. Therefore, the farmers and craft workers, too, have a spirited and a rational part to their souls, just as the rulers have a desirous part to theirs.

## **In the perfectly just city, philosophers must be kings, or kings must be philosophers.**

If you had to choose, whom would you want to be ruled by? Socrates posits that philosophers must be made the rulers of the city. This, he says, is the only way that the city's laws will be just and its oversight rational. For the philosopher-king, philosophy and authority must go hand in hand. To have a philosopher be king, or king be a philosopher, their souls must be governed by reason and their city must be ruled in a rational way.

The philosopher-king desires wisdom; his soul is balanced and harmonious. This means that he must not be a slave to passion. When one's soul is balanced, one's life is also balanced. Philosopher-kings are healthy in body and mind, and epitomize the values imparted to them over the course of their education. The philosopher-king's thirst for knowledge will also be reflected in the community, influencing them to determine how the city should be run and its citizens educated. In addition, they should decide on the education of the people – which roles fit each individual best and what the people should learn.

Philosopher-kings should also determine the laws of the city, all of which must be written to mirror justice and the common good. Remember: Just laws are not created for the benefit of the rulers, but for the benefit of all. Lastly, only the philosopher-kings can determine the common good. That is, the shared good of individuals and the city. This ensures that the city does not thrive at the expense of its citizens and that the citizens do not thrive at the expense of the city.

## **Philosophers will encounter much difficulty in ruling and educating others.**

Just because something is rational does not mean it is popular. Sometimes it can be quite the opposite. Rational arguments often struggle against our well-ingrained habits and prejudices. For

example, it can be near-impossible trying to persuade someone exercise regularly. Likewise, the rational philosophers trying to organize a city will often be met with irrational resistance. Socrates demonstrates this point with the myth of the cave. The attempt of philosophers to educate those around them, he says, is like dragging people out of a cave.

Socrates tells Glaucon to picture a cave. Prisoners are chained to seats, their gaze forced toward the wall. They have lived this way their entire lives. The shadows of the movements of the people passing in front of this cave are cast onto the wall by the sunlight behind them. Because it is all they have ever known, the prisoners in the cave perceive the shadows and voices projected onto the wall as reality, rather than a mere shadow of it.

A philosopher is someone who enters the cave to liberate the prisoners and take them out into the light. Socrates claims that most people are like those in the cave, preferring to treat mere shadows as if they were reality. So, the philosopher strives to reveal the truth, or essence, behind these shadows, these appearances. In the cave analogy, the sunlight stands for the good – though one cannot look directly into the sun, it helps us see reality. Socrates calls attention to the fact that while everyone is born into this cave, it is the philosophers who are able to leave and then return to free the others.

### **There are five types of government, aristocracy being the optimal form.**

Most of us in the West will only have ever experienced one form of government: democracy. But what are the other forms of government? And which is best? Socrates now puts forth his own analysis. Socrates argues that the life of cities is circular, cycling from the best form of government to the worst, and then returning to the best.

The five governments are ordered thus, from best to worst: aristocracy, timocracy, oligarchy, democracy, and tyranny. Movement between these is unavoidable and is spurred by the ruled revolting against the rulers. The ideal form of government, says Socrates, is an aristocracy, which means ‘rule of the best.’ The best ruler is the philosopher-king. The next best government is a timocracy, which is run according to honour. This system is ruled by those who cannot reason well and are thus unable to run an aristocracy. They win support with rhetoric and impassioned speeches about honour, as opposed to the rational lectures given by philosophers, and when a timocratic ruler overthrows a philosopher-king, the aristocracy is overthrown, too.

Next is an oligarchy, where money rules the city. Those with silver and bronze souls are pitted against one another in a bid to rule the city and control money. In an oligarchy, whoever has more money can buy their way into office. The fourth best government is a democracy, where mixed freedom rules. This begins when the poorer citizens protest against the inequality of the oligarchy. They rule their cities by offering freedom, including free speech, to everyone. In a democracy, everyone may do as they wish, a state of affairs that Socrates compares to a multi-coloured cloak with no balance or order between its colours. The worst government is a tyranny. The permissive freedom of democracy affords the tyrant an opportunity to push forward and begin ruling for their own benefit, instead of for the benefit of all.

### **What I took from it**

In Plato’s dialogue, Socrates addresses the question of what it means to be just and what the best form of government is. He examines which institutions are necessary in order to guide individuals toward being the most just. He argues for a city that is just and benefits its citizens, as well as for citizens who are just and in turn benefit their city. His overall objective is to demonstrate that being just is preferable to being unjust.

Gain clarity by using the Socratic approach. If you want to uncover previously unexamined assumptions, question other people’s knowledge or simply clarify your own thoughts, take a Socratic approach by asking questions that uncover blind spots in other people’s, or your own, reasoning.

am surprised by all the criticisms that Plato receives. Some say that he raises weak arguments. That he manipulates discussions unfairly. That he does not offer realistic solutions. And so on.

But he is still, and for very good reason, the most influential philosopher in Western civilization. He makes people think. Most authors we read today are trying to persuade us to agree with their point of view. Plato, not so. He wants you to disagree with him. He wants you to argue with him. He wants you to identify the fallacies in his arguments (and some are deliberately fallacious). In short, he wants you to do the most difficult intellectual exercise there is. He wants you to think, and to think deeply. An interesting read.

# Thinking Fast and Slow

Daniel Kahneman

After just finishing the book: *The Power of Thinking Without Thinking* by Malcolm Gladwell; I was intrigued to see if Daniel Kahneman came to the same conclusions as Gladwell or has a different opinion on how we think. Kahneman starts by saying that there is a compelling drama going on in our minds, a film-like plot between two main characters with twists, dramas and tensions. These two characters are the impulsive, automatic, intuitive System 1, and the thoughtful, deliberate, calculating System 2. As they play off against each other, their interactions determine how we think, make judgements and decisions, and act.

System 1 is the part of our brain that operates intuitively and suddenly, often without our conscious control. You can experience this system at work when you hear a very loud and unexpected sound. What do you do? You probably immediately and automatically shift your attention toward the sound. That is System 1. This system is a legacy of our evolutionary past: there are inherent survival advantages in being able to make such rapid actions and judgements.

System 2 is what we think of when we visualise the part of the brain responsible for our individual decision-making, reasoning and beliefs. It deals with conscious activities of the mind such as self-control, choices and more deliberate focus of attention. For instance, imagine you are looking for a woman in a crowd. Your mind deliberately focuses on the task: it recalls characteristics of the person and anything that would help locate her. This focus helps eliminate potential distractions, and you barely notice other people in the crowd. If you maintain this focused attention, you might spot her within a matter of minutes, whereas if you are distracted and lose focus, you'll have trouble finding her. The relationship between these two systems determines how we behave.

The three most powerful points I took from the book were;

1. When we use our brain, we tend to use the minimum amount of energy possible for each task. This is known as the law of least effort.
2. Priming, just like other societal elements, can influence an individual's thoughts and therefore choices, judgement and behaviour
3. You can consciously influence the amount of energy the mind uses to get in the right frame of mind for certain tasks

## **The lazy mind.**

To see how the two systems, work, try solving this famous bat-and-ball problem, says Kahneman. A bat and ball cost \$1.10. The bat costs one dollar more than the ball. How much does the ball cost? The price that most likely came to your mind, \$0.10, is a result of the intuitive and automatic System 1, and it's wrong! Take a second and do the math now. Do you see your mistake? The correct answer is \$0.05.

What happened was that your impulsive System 1 took control and automatically answered by relying on intuition. But it answered too fast. Usually, when faced with a situation it cannot comprehend, System 1 calls on System 2 to work out the problem, but in the bat-and-ball problem, System 1 is tricked. It perceives the problem as simpler than it is, and incorrectly assumes it can handle it on its own. The issue the bat-and-ball problem exposes is our innate mental laziness. When we use our brain, we tend to use the minimum amount of energy possible for each task. This is known as the law of least effort. Because checking the answer with System 2 would use more energy, our mind will not do it when it thinks it can just get by with System 1.

This laziness is unfortunate, because using System 2 is an important aspect of our intelligence. Research shows that practising System-2 tasks, like focus and self-control, lead to higher intelligence scores. The bat-and-ball problem illustrates this, as our minds could have checked the answer by using System 2 and thereby avoided making this common error. By being lazy and avoiding using System 2, our mind is limiting the strength of our intelligence.

### **Your mind on Autopilot.**

What do you think when you see the word fragment “SO\_P”? Probably nothing. What if you first consider the word “EAT”? Now, when you look again at the word “SO\_P,” you would probably complete it as “SOUP.” This process is known as priming. We are primed when exposure to a word, concept or event causes us to summon related words and concepts. If you had seen the word “SHOWER” instead of “EAT” above, you probably would have completed the letters as “SOAP.”

Such priming not only affects the way we think but also the way we act. Just as the mind is affected by hearing certain words and concepts, the body can be affected as well. A great example of this can be found in a study in which participants primed with words associated with being elderly, such as “Florida” and “wrinkle,” responded by walking at a slower pace than usual. Incredibly, the priming of actions and thoughts is completely unconscious; we do it without realizing. What priming therefore shows is that despite what many argue, we are not always in conscious control of our actions, judgements and choices. We are instead being constantly primed by certain social and cultural conditions.

For example, research done by Kathleen Vohs proves that the concept of money primes individualistic actions. People primed with the idea of money - for example, through being exposed to images of money - act more independently and are less willing to be involved with, depend on or accept demands from others. One implication of Vohs’s research is that living in a society filled with triggers that prime money could nudge our behaviour away from altruism. Priming, just like other societal elements, can influence an individual’s thoughts and therefore choices, judgement and behaviour – and these reflect back into the culture and heavily affect the kind of society we all live in.

### **Snap judgements - Blink.**

Imagine you meet someone named Ben at a party, and you find him easy to talk to. Later, someone asks if you know anybody who might want to contribute to their charity. You think of Ben, even though the only thing you know about him is that he is easy to talk to. In other words, you liked one aspect of Ben’s character, and so you assumed you would like everything else about him. We often approve or disapprove of a person even when we know little about them. Our mind’s tendency to oversimplify things without sufficient information often leads to judgment errors.

This is called exaggerated emotional coherence, also known as the halo effect: positive feelings about Ben’s approachability cause you to place a halo on Ben, even though you know very little about him. But this is not the only way our minds take shortcuts when making judgments. There is also confirmation bias, which is the tendency for people to agree with information that supports their previously held beliefs, as well as to accept whatever information is suggested to them.

This can be shown if we ask the question, “Is James friendly?” Studies have shown that, faced with this question but no other information, we are very likely to consider James friendly – because the mind automatically confirms the suggested idea. The halo effect and confirmation bias both occur because our minds are eager to make quick judgements. But this often leads to mistakes, because we do not always have enough data to make an accurate call. Our minds rely on false suggestions and oversimplifications to fill in the gaps in the data, leading us to potentially wrong conclusions.

Like priming, these cognitive phenomena happen without our conscious awareness and affect our choices, judgments and actions.

### **Your mind uses shortcuts to make quick decisions.**

Often, we find ourselves in situations where we need to make a quick judgement. To help us do this, our minds have developed little shortcuts to help us immediately understand our surroundings. These are called heuristics. Most of the time, these processes are very helpful, but the trouble is that our minds tend to overuse them. Applying them in situations for which they are not suited can lead us to make mistakes. To get a better understanding of what heuristics are and what mistakes they can lead to, we can examine two of their many types: the substitution heuristic and the availability heuristic.

The substitution heuristic is where we answer an easier question than the one that was actually posed. Take this question, for example, says Kahneman; “That woman is a candidate for sheriff. How successful will she be in office?” We automatically substitute the question we are supposed to answer with an easier one, like, “Does this woman look like someone who will make a good sheriff?”

This heuristic means that instead of researching the candidate’s background and policies, we merely ask ourselves the far easier question of whether this woman matches our mental image of a good sheriff. Unfortunately, if the woman does not fit our image of a sheriff, we could reject her – even if she has years of crime-fighting experience that make her the ideal candidate.

Next, there is the availability heuristic, which is where you overestimate the probability of something you hear often or find easy to remember. For example, strokes cause many more deaths than accidents do, but one study found that 80 percent of respondents considered an accidental death a more likely fate. This is because we hear of accidental deaths more in the media, and because they make a stronger impression on us; we remember horrific accidental deaths more readily than deaths from strokes, and so we may react inappropriately to these dangers.

### **Struggle to understand statistics?**

How can you make predictions on whether certain things will happen? One effective way is to keep the base rate in mind. This refers to a statistical base, which other statistics rely on. For example, imagine a large taxi company has 20 percent yellow cabs and 80 percent red cabs. That means the base rate for yellow taxi cabs is 20 percent and the base rate for red cabs is 80 percent. If you order a cab and want to guess its colour, remember the base rates and you will make a fairly accurate prediction.

We should therefore always remember the base rate when predicting an event, but unfortunately, this does not happen. In fact, base-rate neglect is extremely common. One of the reasons we find ourselves ignoring the base rate is that we focus on what we expect rather than what is most likely. For example, imagine those cabs again: If you were to see five red cabs pass by, you would probably start to feel it’s quite likely that the next one will be yellow for a change. But no matter how many cabs of either colour go by, the probability that the next cab will be red will still be around 80 percent – and if we remember the base rate, we should realise this. But instead we tend to focus on what we expect to see, a yellow cab, and so we will likely be wrong.

Base-rate neglect is a common mistake connected with the wider problem of working with statistics. We also struggle to remember that everything regresses to the mean. This is the acknowledgement that all situations have their average status, and variations from that average will eventually tilt back toward the average. For example, if a football striker who averages five goals per month scores ten goals in September, her coach will be ecstatic; but if she then goes on to score around five goals per month for the rest of the year, her coach will probably criticize her for not continuing her “hot streak.” The striker would not deserve this criticism, though, because she is only regressing to the mean!

## **Hindsight over experience.**

Our minds do not remember experiences in a straightforward way. We have two different apparatuses, called memory selves, both of which remember situations differently. First, there is the experiencing self, which records how we feel in the present moment. It asks the question: “How does it feel now?”

Then there is the remembering self, which records how the entire event unfolded after the fact. It asks, “How was it on the whole?” The experiencing self-gives a more accurate account of what occurred because our feelings during an experience are always the most accurate. But the remembering self, which is less accurate because it registers memories after the situation is finished, dominates our memory.

There are two reasons why the remembering self-dominates the experiencing self. The first of these is called duration neglect, where we ignore the total duration of the event in favour of a particular memory from it. Second is the peak-end rule, where we overemphasize what occurs at the end of an event. or an example, of this dominance of the remembering self, take this experiment, which measured people’s memories of a painful colonoscopy. Before the colonoscopy, the people were put into two groups: the patients in one group were given long, rather drawn-out colonoscopies, while those in the other group were given much shorter procedures, but where the level of pain increased towards the end.

You would think the most unhappy patients would be those who endured the longer process, as their pain was endured for longer. This was certainly what they felt at the time. During the process, when each patient was asked about the pain, their experiencing self-gave an accurate answer: those who had the longer procedures felt worse. However, after the experience, when the remembering self-took over, those who went through the shorter process with the more painful ending felt the worst. This survey offers us a clear example of duration neglect, the peak-end rule, and our faulty memories.

## **Focus focus focus.**

Our minds use different amounts of energy depending on the task. When there is no need to mobilize attention and little energy is needed, we are in a state of cognitive ease. Yet, when our minds must mobilise attention, they use more energy and enter a state of cognitive strain. These changes in the brain’s energy levels have dramatic effects on how we behave. In a state of cognitive ease, the intuitive System 1 is in charge of our minds, and the logical and more energy-demanding System 2 is weakened. This means we are more intuitive, creative and happier, yet we are also more likely to make mistakes.

In a state of cognitive strain, our awareness is more heightened, and so System 2 is put in charge. System 2 is more ready to double-check our judgements than System 1, so although we are far less creative, we will make fewer mistakes. You can consciously influence the amount of energy the mind uses to get in the right frame of mind for certain tasks. If you want a message to be persuasive, for example, try promoting cognitive ease.

One way to do this is to expose ourselves to repetitive information. If information is repeated to us, or made more memorable, it becomes more persuasive. This is because our minds have evolved to react positively when repeatedly exposed to the same clear messages. When we see something familiar, we enter a state of cognitive ease.

Cognitive strain, on the other hand, helps us succeed at things like statistical problems. We can get into this state by exposing ourselves to information that is presented to us in a confusing way, for example, via hard-to-read type. Our minds perk up and increase their energy levels in an effort to comprehend the problem, and therefore we are less likely to simply give up.

## **Probabilities and how we judge risk.**

The way we judge ideas and approach problems is heavily determined by the way they are expressed to us. Slight changes to the details or focus of a statement or question can dramatically alter the way we address it. A great example of this can be found in how we assess risk. You may think that once we can determine the probability of a risk occurring, everyone will approach it in the same way. Yet, this is not the case. Even for carefully calculated probabilities, just changing the way the figure is expressed can change how we approach it.

For example, people will consider a rare event as more likely to occur if it is expressed in terms of relative frequency rather than as a statistical probability. In what is known as the Mr. Jones experiment, two groups of psychiatric professionals were asked if it was safe to discharge Mr. Jones from the psychiatric hospital. The first group were told that patients like Mr. Jones had a “10 percent probability of committing an act of violence,” and the second group were told that “of every 100 patients similar to Mr. Jones, 10 are estimated to commit an act of violence.” Of the two groups, almost twice as many respondents in the second group denied his discharge.

Another way our attention is distracted from what is statistically relevant is called denominator neglect. This occurs when we ignore plain statistics in favour of vivid mental images that influence our decisions. Take these two statements: “This drug protects children from disease X but has a 0.001 percent chance of permanent disfigurement” versus “One of 100,000 children who take this drug will be permanently disfigured.” Even though both statements are equal, the latter statement brings to mind a disfigured child and is much more influential, which is why it would make us less likely to administer the drug.

## **Why we do not make choices based purely on rational thinking.**

How do we as individuals make choices? For a long time, a powerful and influential group of economists suggested that we made decisions based purely on rational argument. They argued that we all make choices according to utility theory, which states that when individuals make decisions, they look only at the rational facts and choose the option with the best overall outcome for them, meaning the most utility. For example, utility theory would post this kind of statement: if you like oranges more than you like kiwis, then you’re also going to take a 10 percent chance of winning an orange over a 10 percent chance of winning a kiwi. Seems obvious, right?

The most influential group of economists in this field centred on the Chicago School of Economics and their most famous scholar Milton Friedman. Using utility theory, the Chicago School argued that individuals in the marketplace are ultra-rational decision-makers, whom economist Richard Thaler and lawyer Cass Sunstein later named Econs. As Econs, each individual act in the same way, valuing goods and services based on their rational needs. What is more, Econs also value their wealth rationally, weighing only how much utility it provides them.

So, imagine two people, John and Jenny, who both have fortunes of \$5 million. According to utility theory, they have the same wealth, meaning they should both be equally happy with their finances. But what if we complicate things a little? Let’s say that their \$5 million fortunes are the end-result of a day at the casino, and the two had vastly different starting points: John walked in with a mere \$1 million and quintupled his money, whereas Jenny came in with \$9 million that dwindled down to \$5 million. Do you still think John and Jenny are equally happy with their \$5 million? Unlikely. Clearly then, there is something more to the way we value things than pure utility.

## **Trust your gut.**

If utility theory does not work, then what does, asks Kahneman. One alternative is prospect theory, developed by Kahneman himself. Kahneman’s prospect theory challenges utility theory by showing

that when we make choices, we do not always act in the most rational way. Imagine these two scenarios for example: In the first scenario, you are given \$1,000 and then must choose between receiving a definite \$500 or taking a 50 percent chance to win another \$1,000. In the second scenario, you are given \$2,000 and must then choose between a sure loss of \$500 or taking a 50 percent chance on losing \$1,000.

If we made purely rational choices, then we would make the same choice in both cases. But this is not the case. In the first instance, most people choose to take the sure bet, while in the second case, most people take a gamble. Prospect theory helps to explain why this is the case. It highlights at least two reasons why we do not always act rationally. Both of them feature our loss aversion — the fact that we fear losses more than we value gains.

The first reason is that we value things based on reference points. Starting with \$1,000 or \$2,000 in the two scenarios changes whether we are willing to gamble, because the starting point affects how we value our position. The reference point in the first scenario is \$1,000 and \$2,000 in the second, which means ending up at \$1,500 feels like a win in the first, but a distasteful loss in the second. Even though our reasoning here is clearly irrational, we understand value as much by our starting point as by the actual objective value at the time.

Second, we are influenced by the diminishing sensitivity principle: the value we perceive may be different from its actual worth. For instance, going from \$1,000 to \$900 does not feel as bad as going from \$200 to \$100, despite the monetary value of both losses being equal. Similarly, in our example, the perceived value lost when going from \$1,500 to \$1,000 is greater than when going from \$2,000 to \$1,500.

### **Our perception of the world leads to overconfidence and errors in judgement.**

In order to understand situations, our minds naturally use cognitive coherence; we construct complete mental pictures to explain ideas and concepts. For example, we have many images in our brain for the weather. We have an image for, say, summer weather, which might be a picture of a bright, hot sunbathing us in heat.

As well as helping us to understand things, we also rely on these images when deciding. When we make decisions, we refer to these pictures and build our assumptions and conclusions based on them. For example, if we want to know what clothes to wear in summer, we base our decisions on our image of that season's weather.

The problem is that we place too much confidence in these images. Even when available statistics and data disagree with our mental pictures, we still let the images guide us. In summer, the weather forecaster might predict relatively cool weather, yet you might still go out in shorts and a T-shirt, as that is what your mental image of summer tells you to wear. You may then end up shivering outside! We are, in short, massively overconfident of our often-faulty mental images. But there are ways to overcome this overconfidence and start making better predictions.

One way to avoid mistakes is to utilise reference class forecasting. Instead of making judgements based on your rather general mental images, use specific historical examples to make a more accurate forecast. For example, think of the previous occasion you went out when it was a cold summer day. What did you wear then?

In addition, you can devise a long-term risk policy that plans specific measures in the case of both success and failure in forecasting. Through preparation and protection, you can rely on evidence instead of general mental pictures and make more accurate forecasts. In the case of our weather example, this could mean bringing along a sweater just to be safe.

## **What I took from it.**

Thinking, Fast and Slow shows us that our minds contain two systems. The first acts instinctively and requires little effort; the second is more deliberate and requires much more of our attention. Our thoughts and actions vary depending on which of the two systems is in control of our brain at the time.

Repeat the message - Messages are more persuasive when we are repeatedly exposed to them. This is probably because we evolved in a way that made repeated exposure to things that had no bad consequences are deemed inherently good.

Do not be influenced by rare statistical events that are over-reported in newspapers. Disasters and other events are an important part of our history, but we often overestimate their statistical probability because of the vivid images we associate with them from the media.

You are more creative and intuitive when you are in a better mood. When you are in a better mood, the part of the mind that is alert and analytical tends to relax. That cedes control of your mind to the more intuitive and quicker thinking system, which also makes you more creative.

Interesting book about how the mind works, errors in judgement and memory and what to do to not fall prey to our minds' shortcuts. My take home message from the book is: Quick thinking and multitasking increases error rate. For the mind to comprehend something; it must be relative. Focusing on what we want is very important. What we assume as making a logical decision may just be misjudgement under influence.

Very entertaining book and teaches one a lot about oneself's own mind.

# Titan

## Ron Chernow

Few people encapsulate the American dream as perfectly as John D. Rockefeller, whose life trajectory was the classic rags-to-riches story. He was self-made, determined and upwardly mobile throughout his long career. He created the template of what it meant to be rich and understood that his wealth was not his to hoard but was to be distributed to charitable causes.

He was a canny businessman whose dealings meant that his company, Standard Oil, acquired near-monopoly status at home, while maintaining a huge influence in foreign markets. However, when his empire was dismantled, it did not lead to a breakdown or to a wringing of hands. In fact, it made Rockefeller, who had invested wisely, richer than ever before. This inspired a period of charitable giving and philanthropic activity, a legacy, arguably, far more important than Rockefeller's actual business activities.

The three most powerful points I took from the book were;

1. At the age of 35, he had control of all the major American refineries, and Standard Oil was operating a monopoly in the industry
2. At age 38, Rockefeller controlled 90 percent of the oil industry.
3. He played golf every day and held great stead in supping a daily spoonful of olive oil. He wanted to make it to 100 and was going strong. However, just six weeks shy of his 98th birthday, the body gave out. On May 22, 1937, he lapsed into a coma, after suffering a major heart attack. He never woke.

### **Relocating to the United States.**

Around the year 1723, a German miller called Johann Peter Rockefeller, together with his wife and children, collected their belongings and headed for the United States. After initially arriving in Philadelphia, they settled on a farm in Amwell, New Jersey, acquiring a few properties over time. It was a modest start for a family that would, just over a century later, count one of the richest men in American history, John D. Rockefeller, among their number.

The man later known as "the oil titan" was born John Davison Rockefeller in 1839 in Richford, New York. He was the second child and first son of William "Bill" Avery Rockefeller and Eliza Davison Rockefeller. Those first few years were spent in Richford. It was a small town with a schoolhouse church, but its sawmills, gristmills and whiskey distillery signalled its position as a growing industrial centre.

In the early 1840s, Rockefeller's father decided to relocate his family to the more dignified town of Moravia, some 30 miles north of Richford. The rest of the hard-drinking, hillbilly Rockefeller clan was left behind. Bucolic Moravia marked a halcyon period for young John, as he watched his father's logging business boom.

The family was religious. Rockefeller was brought up a Baptist, and the Church was an institution that would impact Rockefeller's life significantly. Not only was Rockefeller to become the Protestant work ethic incarnate, Baptist religious dogma also taught him the value of continuous self-improvement and honour.

However, in the spring of 1850, the family moved once more – this time to Owego on the Pennsylvania border – after Bill was accused of raping the young house help. Bill himself was generally a shadowy

figure during Rockefeller's childhood. He was a distant traveling salesman who was often absent for months at a time. In his absence, Eliza gave Rockefeller tasks around the house, and he matured rapidly. In fact, he was more of a father than a brother to his siblings.

### **Rockefeller enthusiastically entered the world of business at age 16.**

In 1853, Bill Rockefeller forced his family to relocate once more. From Owego, they moved to Strongsville, a prairie town near Cleveland, Ohio. Like each of their earlier changes of address to larger and more prosperous towns, this one signified a little more social upward mobility. Rockefeller also arrived in Strongsville as a well-educated young man; his time at Owego Academy, one of the finest schools in the area, had seen to that.

Just two years later, in 1855, he began hunting for his first job. The market was tough, but Rockefeller was determined. In the end, it was commission merchant Hewitt and Tuttle who gave him a chance. Aged just 16, he was employed to write letters, keep the books and collect debts. The boy had found his stride. He felt liberated and was now no longer financially dependent on his father. In many ways, Hewitt and Tuttle was the perfect training ground for the young businessman.

So, when a friendship with 28-year-old Englishmen, Maurice B. Clark, led to a business opportunity, Rockefeller grabbed it with both hands. In 1858, they founded the partnership, Clark and Rockefeller. Their venture was initially based on buying and selling and provided them with a good income. By 1863, they had made the first steps into the oil refining industry, thanks to chemist Samuel Andrews, a friend of Clark's. He had discovered the science behind "cleansing" oil, what we call refining nowadays.

However, by 1865, the relationship between Clark and Rockefeller had soured. In a daring move, Rockefeller bought out the joint business at auction. He was free to find the new oil refining partnership, Rockefeller & Andrews. But life was not all business. Within the Baptist Mission Church, he found a kindred religious soul. He and Laura "Cetti" Spelman, were married in 1864.

### **In the late 1860s, Rockefeller consolidated his oil interests in the Standard Oil Company.**

The petroleum deal that marked Rockefeller's first step to riches and fame was the one he struck with Lake Shore Railroad. It guaranteed him large rebates on transportation costs for shifting his oil. Oil itself was at the time a relatively cheap and abundant commodity, which meant that petroleum businesses that kept their margins down could remain competitive.

Rockefeller was alert to this fact. However, he had the business acumen to know that he could also give the railroad companies what they really needed; a constant supply of oil. In the spring of 1868, the deal was sealed. The Lake Shore Railroad would transport Rockefeller's refined oil from Cleveland to New York, and Rockefeller would pay only \$1.65 per barrel, a steal on the \$2.40 listed rate. For his part, Rockefeller would supply Lake Shore with a jaw-dropping 60 carloads of refined oil each day.

For this monumental order, Rockefeller had to coordinate shipments from other local refiners. But the rebates more than made up for the effort. For the first time, he now had a tangible edge over his competitors. Meanwhile, the Rockefeller family had moved to Cleveland's Euclid Avenue, a street favoured by the town's wealthy. The Rockefellers were, therefore, climbing the social ladder once again when their first child Elizabeth was born in 1866.

But Rockefeller's business affairs were hardly over. The first stage was to dissolve the partnership Rockefeller had made with Andrews and another businessman, named Henry Flagler. On January 10, 1870, it was duly replaced by the joint-stock corporation Standard Oil Company, which had Rockefeller as its president.

In 1871, Rockefeller began a series of large-scale takeovers. The idea was to incorporate these

petroleum businesses and refiners into Standard Oil. The company started by controlling 10 percent of the American refining industry, but the process would end in Standard Oil possessing a monopoly.

### **Early successes.**

The wheels were in motion; Rockefeller's Standard Oil empire kept on absorbing its competitors and grew larger and larger. What had really made the difference was Standard Oil's taking over more than 50 percent of refining capacity in Pittsburgh, in 1874. It had also taken over the largest refinery in Philadelphia.

It was all part of a strategy; Rockefeller was buying refineries in Pittsburgh, Philadelphia and New York that were located near to railroad and shipping hubs. That way, he could negotiate even better terms for transporting his product. There was no way the hard-pressed independent refineries could compete.

By May 1875, it looked like Rockefeller had the American refining industry in the palm of his hand. At the age of 35, he had control of all the major American refineries, and Standard Oil was operating a monopoly in the industry. However, despite now being as rich as Croesus, Rockefeller still led a modest lifestyle. He worked in his sparsely furnished office to a metronomic routine, studying ledgers and composing letters.

What is more, his employees regarded him highly. He was fair and benevolent and free from the dictatorial airs associated with fat cats. His wages and pensions were generous, and his employees were even invited to submit complaints or suggestions to him personally. As far as private purchases were concerned, here, too, Rockefeller was unpretentious; he much preferred buying unfussy land over ostentatious mansions.

In 1873, he bought 79 acres of beautiful scenic countryside at Forest Hill, a few miles east of his Cleveland home. It was there that his growing family spent their summers. After Elizabeth came four more children who survived to adulthood; Alta in 1871, Edith in 1872 and John Jr. in 1874.

### **Taking on the world.**

By 1877, Standard Oil was operating a near monopoly in the American oil market. Only once was its status contested. The Empire Transportation Company started offering bargain rates to woo refiners into using their own railroad tank cars instead of Standard's. But Standard crushed the little troublemaker by underselling them.

By the time the showdown was over, 38-year-old Rockefeller controlled 90 percent of the industry. The remaining 10 percent was no more than a minor irritation. However, in the early 1880s, Standard Oil faced legal and fiscal challenges. These were mainly based on the fact that, although Standard Oil was centrally controlled, it operated across state lines. This left it at risk when the various state legislatures brought in antitrust laws.

As a solution, Standard's lawyers advocated creating a union of stockholders. That way, separate Standard Oil companies could be formed in each state but still be organized by a central executive committee. Consequently, the Standard Oil Trust was created in 1882.

This recognition also provided the impetus for Rockefeller to move his office and family to New York in 1883. Rockefeller could now be counted as among the 20 richest men in the United States. But even in cosmopolitan New York, his Cleveland habits held out. He had little patience for costly dinners, balls or the theatre.

Concurrently with this American success, Rockefeller was also making inroads abroad. By the mid-

1880s, some 70 percent of American oil was being exported to markets in Europe, Asia and the Middle East. But Standard Oil did not have it all its own way.

The Swedish Nobel family used Russian refineries they had bought to saturate European markets with cheap kerosene, a refined oil used for lighting lamps. Elsewhere, the Rothschilds invested their banking profits into their newly founded Caspian and Black Sea Oil Company. Despite these challenges, however, Rockefeller was still sitting pretty, sovereign of all he surveyed in the domestic and global oil markets.

### **Expanding the empire.**

Standard Oil's strategy for dealing with the competition it faced in foreign markets was broadly similar to its strategy in the United States; it drastically reduced its prices and also instigated a whispering campaign smearing Russian kerosene.

By the late 1880s, Standard Oil had crushed its competitors and presided over nearly 80 percent of the global market share. It was from this lofty aerie that Standard Oil made its next attack. To that point, it had confined itself merely to refining oil and selling petroleum. But when the presence of substantial oil deposits outside Pennsylvania was established, it made a bid for control of oil fields too. In the early 1890s, Standard Oil gobbled up independent firms and soon had a stake in a quarter of American oil production.

It was thanks to this behaviour that the company was portrayed as a giant octopus, stretching out its tentacles in all directions. Despite this image, Rockefeller kept on donating to his charitable and philanthropic causes. He'd always taken great pride in this and was inundated daily with requests for assistance.

This is how, during the 1890s, Rockefeller assisted in the foundation of the University of Chicago. He began by donating \$600,000 (about \$9.5 million in today's money) to the American Baptist Education Society (ABES), which was leading the project. Then, in 1892, Rockefeller donated an eye-watering \$1.35 million (\$22 million today). But even that was not the end – he remained committed to the university for years after.

Rockefeller's generosity was not entirely selfless, of course; it also greased his publicity machine. He was now routinely spoken of in the newspapers as America's richest man, and his philanthropy assisted in supporting his self-image as an ethical businessman.

### **Rockefeller retired in 1897.**

Rockefeller was hardly short of critics, and the loudest by far was Henry Demarest Lloyd. In 1894, Lloyd published *Wealth Against Commonwealth*, a searing indictment of the predatory capitalism that Rockefeller embodied. However, even though the book found a wide audience, this was not what Rockefeller had cause to worry about – his health was declining.

Generally, Rockefeller had been robust and healthy. But during the early 1890s, he developed digestive problems, possibly caused by stress-related ulcers. He was pale and wan and could only stomach milk and crackers for lunch. Then, in September 1897, problems with his circulatory system brought Rockefeller's formal career to an end. Quietly, without ever publicly announcing it, Rockefeller walked away from an oil empire that had been his life for over 30 years.

Rockefeller was succeeded in day-to-day affairs by his trusted deputy, John D. Archbold. However, he remained titular president of Standard Oil New Jersey. Critically, Rockefeller still retained 30 percent of Standard Oil stock. It was a sensible decision, for it was just at this time that the American automobile industry was born. More oil than ever before was soon to be guzzled.

Soon after Rockefeller retired, his 23-year-old son, John Davison Jr., joined the firm straight out of Brown University. He began working at the Standard Oil offices on 26 Broadway in New York City on October 1, 1897. Initially, even though he had been ordained as his father's successor, Rockefeller Jr. actually began by attending to his father's outside investments and philanthropic projects instead of conducting the company's management. And it was a wise choice. After all, just like his parents, Rockefeller Jr. was thrifty, conscientious and bright.

### **Rockefeller continued his philanthropic activities.**

When Rockefeller retired, the average American earned just over \$500 a year. Rockefeller, in contrast, was raking in nearly \$10 million – and this was before income taxes were introduced in the United States! It is no surprise, then, that Rockefeller was held up as the epitome of wealth itself.

However, Rockefeller refused to spend his retirement in quietude with his fortune. Instead, he continued with his philanthropic mission. For this, he relied heavily on Frederick T. Gates, a former Baptist preacher and president of the American Baptist Education Society, to which Rockefeller had donated when it established the University of Chicago.

Thanks to the preacher on his payroll, Rockefeller's charitable empire expanded. He disliked requests from individuals, preferring to give to organizations and causes that enjoyed unquestioned public support. A good example is health care. The Rockefeller Institute for Medical Research was founded in June 1901 in New York. There was even a small hospital on site that offered treatment free of charge. The institute – or rather Rockefeller University, as it was later renamed – gathered a crack team of researchers. By the 1970s it had been awarded 16 Nobel prizes, in no small measure thanks to the \$61 million Rockefeller had donated in total.

Despite these philanthropic efforts, the press crusade against Standard Oil and Rockefeller continued apace. They were, without question, the very image of the new, rich and avaricious industrial classes. The most sustained attack was launched by Ida Tarbell. For three years she used her articles in McClure's Magazine to rail against Rockefeller for his ruthless capitalistic tendencies and to dissect the shadowy inner workings of Standard Oil. Tarbell's criticism hurt Rockefeller, but he was too proud to respond publicly.

### **Troubles with the press.**

Ida Tarbell's efforts to get the dirt on Rockefeller were unwavering. In fact, her work is where the muckraking school of investigative journalism got its name. Her biggest success was finding out that Rockefeller's mysterious father, Bill, was still alive. The press had been attempting to track him down without success, but this only fired up the public interest to fever pitch. Tarbell and her assistant found the scent that led the rest of the media to pounce.

It turned out that "Big" Bill Rockefeller had long been leading a double life, which his son had sought to repress. During Rockefeller's childhood, Bill had moved around the country calling himself Doctor Levingston – not that he had a medical license of course. He also claimed his elixirs could cure every kind of ailment.

On top of that, he was also a bigamist. He had abandoned Rockefeller's mother Eliza and married a second wife, Margaret Allen, without seeking a divorce. Neither knew of the other's existence. However, although Tarbell and the press had discovered the activities of Bill Rockefeller, they could not interview him. He died in 1906, just before he was uncovered.

Even so, the younger Rockefeller had his mind elsewhere, and he was now pushing his philanthropy into new areas. In 1902, Rockefeller founded the General Education Board (GEB), whose mission was to establish high schools, particularly for Southern blacks. At the time, around 50 percent of them were illiterate, and few in the South, including whites, had access to the sort of four-year high school

education that is commonplace nowadays. By 1910, 800 Southern high schools had been built, mostly thanks to Rockefeller's donations to GEB, which came to about \$500 million in today's money.

### **The end of an era.**

Rockefeller's philanthropy had cost him millions and millions of dollars. Even though there was an element of Christian charity to his largesse, there is no doubt it was also a concerted effort to ameliorate the press's caricature of him. However, while Rockefeller sought to rehabilitate himself, his company was in its death throes. The initial blow to Standard Oil's empire had been struck on November 18, 1906. President Theodore Roosevelt's federal government attempted to break up Standard Oil under the Sherman Antitrust Act.

Standard Oil was charged with having monopolized the oil industry and of eliminating competition through the use of illegal railroad rebates, their pipeline monopoly and their undisclosed ownership of their supposed competitors. On August 3, 1907, Judge Kenesaw Mountain Landis leveled a \$29.4 million fine on the company — around \$457 million in 1996 dollars. However, the fine was revoked on appeal, in July 1908, in the federal court; Standard Oil was also found not guilty in a subsequent retrial.

This was not the end of the story, however. After William Howard Taft became president in 1909, the legal fight against Standard Oil was taken up once more. On May 15, 1911, the Supreme Court declared Standard Oil's monopoly illegal. It was ordered to divest itself of its subsidiaries and also forbidden to reestablish its monopoly. After 41 years of operation, the company was no more.

However, all those who thought the demise of Standard Oil would be a punishment for Rockefeller were in for a nasty surprise. He held so many of the subsidiaries' shares, that when the companies began to be traded as independent entities in December 1911, his fortune went from mere millions to nigh on a billion dollars.

### **The shooting of striking miners rocked Rockefeller's legacy.**

To most people, the dismembering of your life's work might well break you. But not so for Rockefeller. The dissolution of Standard Oil left him with more money than he knew what to do with — and it just kept on growing.

Already by the early 1900s, Rockefeller had flirted with the idea of establishing a charitable trust of the like no one had seen before. The end of Standard Oil offered the means and opportunity to do just that. In 1913, Rockefeller founded the Rockefeller Foundation. He gave it \$100 million in its first year and a further \$2 billion in today's money during its first decade. Its mission was a focus on public health and medical education in the United States and abroad.

Rockefeller Jr. was elected president of the foundation. By the 1920s, the Rockefeller Foundation became one of the world's major sponsors of medical science and education, as well as public health. It was an enterprise that made Rockefeller America's greatest philanthropist.

The irony that the foundation effectively put an end to the snake oil salesmen of the nineteenth century — of which Rockefeller's own father was one — was lost on no one. But in 1914, Rockefeller's charitable efforts were overshadowed by what became known as the Ludlow Massacre. In 1902, Rockefeller had invested in the Colorado Fuel and Iron Company that owned several coalfields in southern Colorado.

In about 1910, its workers began unionizing, and company management, urged by Rockefeller Jr., resisted them heavily. By the fall of 1913, thousands of workers took industrial action and went on strike, and April 20, 1914, was the day tensions reached a breaking point. A shot was fired from an unknown barrel, which prompted the National Guard militiamen — many of whom were assisted by the company gunmen — to fire at the union members. Several strikers were killed. The trail could be traced

right back to Rockefeller, and his reputation as a cruel capitalist was revitalized.

### **The 1910s saw increased philanthropic activity from father and son.**

Even deep into his retirement, Rockefeller remained in robust health. However, the love of his life, his wife Cettie Spelman Rockefeller, had been declining for many years. Since 1909, she had been confined to a wheelchair. She had numerous illnesses, leaving her largely bedridden and requiring nursing at all hours.

Cettie died on March 12, 1915, aged 75. Rockefeller was shaken; for the first time his family saw him weep openly. However, her death spurred Rockefeller to even greater philanthropic efforts. In 1918, he endowed \$74 million to the Laura Spelman Memorial. This foundation promoted causes that were particularly close to Cettie, including Baptist missions, churches and homes for the elderly. In later years, the foundation branched out beyond Christian interests and began investing millions into social science research.

Cettie's death also motivated Rockefeller to think about his immediate legacy, and he began transferring his fortune to his son, Rockefeller Jr. There was never any doubt that Rockefeller Jr. would one day be tasked with administering the Rockefeller fortune. But what was surprising was that Rockefeller took so long to put the arrangements in place.

From March 1917 on, Rockefeller began transferring his Standard Oil stock, and that of other former subsidiaries, over to his son. However, where son differed from father was his interest in Standard Oil. Several years prior to this transfer, in 1910, Rockefeller Jr. had cut ties, even though he'd risen from director to vice president, in 1909. He found Standard Oil's practices a complete anathema to his own Christian values. He was particularly shocked by reports of Standard Oil's president Archbold bribing politicians. Once free from Standard Oil, Rockefeller Jr. decided instead to devote himself to philanthropic work alone.

### **Rockefeller lived to a ripe old age of 97.**

Rockefeller's regime was a sound one. He played golf every day and held great stead in supping a daily spoonful of olive oil. He wanted to make it to 100 and was going strong. By 1922, not only had he outlived most of his former business partners, but also his wife, and his younger brothers Frank and William as well. They had died in 1917 and 1922, respectively.

In fact, the older he got, the more boyish he seemed to become. At his new Florida home at Ormond Beach, and free from his deceased wife, he positively revelled in the company of younger women, one of whom even claimed he was "very easy to look at." Gone were the black business suits and in came bright foppish get-ups that he wore when accompanying his dates to concerts and dances.

He even began to warm to strangers a little. No longer buttoned up and stern, he instigated an annual Christmas party at Ormond Beach. This gentler, almost kindly older man also started to get a more positive reception in the press. He cut a more sympathetic figure. It seemed as though his philanthropy stemmed from a kinder soul, rather than from a man whose true passion was Standard Oil and commerce.

However, just six weeks shy of his 98th birthday, the body of the still lucid Rockefeller gave out. On May 22, 1937, he lapsed into a coma, after suffering a major heart attack. He never woke; in the early morning of May 23, Rockefeller died in his sleep.

As the news of Rockefeller's death spread, people gathered at his home. A private funeral for family and friends was held at Ormond Beach, before he was taken to be buried at Lake View Cemetery in Cleveland. For a man who had been one of America's most controversial figures, his send-off

confirmed that his reputation as America's greatest capitalist and philanthropist would be sure to live on.

### **What I took from it.**

John D. Rockefeller was one of the wealthiest men in American history and one of its greatest philanthropists. Rockefeller worked his way up from humble beginnings and established the American oil giant, Standard Oil, in the process becoming a true "oil titan." Though his business methods were often controversial, and his empire eventually dissolved, Rockefeller built a philanthropic legacy that lives on to this day.

Titan is a titanic book about a man perfectly suited for the time at which he came to young adulthood. The discovery of oil in western Pennsylvania would have led to riches if John D. Rockefeller had not been born, but his combination of personal frugality, keen competitiveness, self-control and business acumen created a monopoly and personal wealth not matched until Bill Gates used some of the same techniques with the advent of personal computers.

Rockefeller is an interesting character and his personal development over almost a century is enough to keep the pages turning. Very much enjoyed learning more about this Titan.

# The End

“There is no end to education. It is not that you read a book, pass an examination, and finish with education. The whole of life, from the moment you are born to the moment you die, is a process of learning.” — Jiddu Krishnamurti

**OUR DEEPEST FEAR IS NOT THAT WE ARE INADEQUATE. OUR DEEPEST FEAR IS THAT WE ARE POWERFUL BEYOND MEASURE. IT IS OUR LIGHT, <sup>NOT OUR DARKNESS</sup> THAT MOST FRIGHTENS US. WE ASK OURSELVES, WHO AM I TO BE BRILLIANT, GORGEOUS, TALENTED, FABULOUS? | ACTUALLY, WHO ARE YOU NOT TO BE? YOU ARE A CHILD OF GOD. YOUR PLAYING SMALL DOES NOT SERVE THE WORLD.**

**THERE IS NOTHING ENLIGHTENED ABOUT SHRINKING SO THAT OTHER PEOPLE WON'T FEEL INSECURE AROUND YOU. WE ARE ALL MEANT TO SHINE, AS CHILDREN DO. WE WERE BORN TO MAKE MANIFEST THE GLORY OF GOD THAT IS WITHIN US. IT'S NOT JUST IN SOME OF US; IT'S IN EVERYONE. AND AS WE LET OUR OWN LIGHT SHINE, WE UNCONSCIOUSLY GIVE OTHER PEOPLE PERMISSION TO DO THE SAME.**

**AS WE ARE <sup>LIBERATED FROM OUR OWN FEAR, OUR PRESENCE AUTOMATICALLY</sup> LIBERATES OTHERS.**

———— MARIANNE WILLIAMSON ————