**The Importance of the Golden Circle in Business and Leadership**

Want to be a great leader? Then understanding just one single principle can make all the difference and elevate you to the status of one of the greats.

What is that principle? It’s called the ‘Golden Circle’ and it’s an idea that applies to many different aspects of business in fact – *especially* leadership. The idea was first postulated by Simon Spinek, who set out to codify what it was that made great leaders stand out and inspire action. Famously, he went to outline his findings expertly in his TED talk.

Why is it that some companies like Apple (back in the day) are industry leaders? Why do some keep innovating while others just seem stuck in the past?

What Simon found as he examined this question, was that some organizations approached their businesses in the *opposite* way to their contemporaries. Specifically, they asked the question ‘why’ first, as opposed to asking it *last* like so many others.

Because according to the golden circle, there are three tiers of motivation that can describe a business:

* What
* How
* Why

The ‘what’ is what your business does. Your business, for example, might make dumbbells. The *how* is of course how it does this. Maybe that means using outsourced manufacturing.

But the *why* is what motivates that business. Other than money. Why did those involved choose the fitness industry? What was it they were hoping to accomplish? What do they believe?

The answer might be that the company was hoping to change the way people felt by themselves. Maybe it was that they wanted to create a healthier society. Maybe they just wanted to make people happier.

But regardless of the scenario, THIS is what matters as a leader. Because once you know your ‘why’, you can then inspire people with it. Once you find the passion and the drive behind your business plans, it will become evident and contagious and other people will become as passionate as you are. That means both your customers *and* your employees.

Finding a ‘why’ also makes it that much easier for you to navigate and find your course of action. Once you know what your long term goals are, you can make better decisions to head there – rather than just trying to stay afloat the entire time.

So find your why and the rest will follow from there!