

# **Leaders Eat Last Study Guide**

**Leaders Eat Last by Simon Sinek**

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## Summary

“Leaders Eat Last” by Simon Sinek explains why most people hate their jobs and why some people simply love their jobs. Job satisfaction is rooted in the environment that the leader establishes. The leader can be the CEO, an executive, manager or team leader. What’s important is that a good leader isn’t concerned with his title and importance, he is focused on making a workplace environment in which the employee feels safe and feels he or she belongs. It’s a Circle of Safety in which employees grow, learn and become real assets to the corporation.

Employees feel secure in this circle and protected by their leader. They learn to trust and cooperate and to speak up without fear of repercussions. The building of trust within the group is essential. The employees learn to trust the leader because he is consistent, tells the truth, does not have his own secret agenda and is always there to support and counsel his employees. Employees learn to trust each other and work together as team. They emulate the qualities of the leader. They want to do their best for the team, the leader and for themselves. If a member of the group, leader or peer, is caught in a lie or is exposed for self-centered actions, the trust begins to die on the vine.

Author Sinek takes the reader literally from the Paleolithic Age all the way to modern times with stops in various eras including the 1920s, the Great Depression, World War II, and each decade from the 1960s on. In each of these eras, Sinek illustrates how trust and teamwork were a part of man’s survival. Cavemen used the survival system to look for food and shelter while modern day traders use the same system to hunt for the best deal of the day.

Survival is not just an intellectual matter. There is a direct and dynamic physiological impact on matters of survival and success. There are four bodily chemicals that are all designed to assist in the survival of the species. Sinek explains how and when the “selfish” chemicals of endorphins and dopamine are released and the impact they have. These chemicals are associated with short-term happiness and joy while the “selfless” chemicals of serotonin and oxytocin operate on a more serious level and promote confidence and self-worth and team work. The release of these chemicals is involuntary and can be brought on by internal as well as external stimulants. Therefore, a leader with integrity and focus on the employee can cause the release of these chemicals. The employee can cause the release of his own chemicals when he achieves a goal or solves a problem.

Selfless leaders with integrity unfortunately do not abound. There are leaders who are focused on making money and his or her advancement. Such leaders can be the downfall of a team or a corporation because the trust that is essential for success evaporates. Sinek discusses trust on a broader level including the loss by the public in its non-functioning Congress and in the news media that is no longer driven by the news of the day but by whatever will drive profits. Sinek provides a pathway for everyone to one day say, “I love my job.”

# Part I: Our Need to Feel Safe

## Summary

Given the right conditions, everyone would be willing to share their glory and help others succeed. When such a bond is formed it is the most important element of success – beyond money, fame or reward. When leaders hold the welfare of the people in an organization as their top priority, those people will give their all to achieve success.

In the early days of factory workers, there were no strong relationships between management and worker. A bell told them to go to work and another bell told them to take a break. Bob Chapman CEO of Berry-Wehmler had been buying up companies over the years many of which were in financial decline and had weak cultures. With each company he bought, he sat down and asked the employees their thoughts on the company and on their work. He learned that factory workers often felt like the step-children of a company. Chapman personally observed that happy and smiling employees in the break room often appeared sullen and unhappy on the factory floor.

Chapman established new policies in his companies that treated all the employees the same. The employers were more content and the companies enjoyed increased revenues after these policy changes. He learned that when focus is on internal issues and conflicts, an organization faces unnecessary barriers in achieving success. Internal rivalries can destroy a company.

The vast majority of people are unhappy with their jobs which negatively impacts production. A leader who views his or her employees as priorities over money will create a culture that will benefit everyone as well as the company coffers. There are only positive results when people treat each others as allies instead of adversaries.

New recruits in the Marines are immediately informed from the shouting voice of their drill instructor that there are to be no more references to “me” and “I.” They are to think in terms of “us” and “together.” Recruits emerge from their thirteen weeks of training with shared values and trust of their fellow Marines and are better able to confront external perils because of this mindset. Their success, including in the case of life and death, relies on teamwork.

Danger has always surrounded man – from the beasts of the forest who threatened early man to today’s day trader who fears a big loss on the market. Competition, meeting expectations and satisfying investors are among the “dangers” that face modern corporations. Employees compete with each other for positions and promotions. Giving employees a sense of belonging goes a long way to ease worries and stress. This can be accomplished by creating a Circle of Safety around employees which is developed through trust. By protecting employees, the leader will reduce the fears that people feel inside the company and feel protected against the risks that exist without. It is the leader who establishes the rules and standards of his Circle of Safety. The



stronger a leader the more employees he can include in his circle. A Circle of Safety creates an environment in which people feel safe to speak their minds.

Ken is a mid-level executive at a large bank. He really doesn't like his job but he has a wife and children and a mortgage and he sees no out. Most people are like Ken – stuck in a job that they don't love. A company in which everyone loves their jobs and looks out for their fellow employees is ideal but sounds far-fetched. Running a company with those characteristics is a dream to many executives with pressure from boards, stockholders and competition always a factor.

The prospect of putting the people who work for a company first seems improbable. Employees see no reason to change jobs since all companies face the same pressures. It may seem that it's safer to stay in a bad job than risk the unknown. However, that's a misconception. There is wide use of layoffs and downsizing in modern corporations in the management of operations. Working hard and being dedicated doesn't keep someone employed these days. Keeping a bad job is bad for one's health.

Employees can take steps to improve things at the workplace. They can start by caring about their fellow employees and the problems they experience. Management can help their employees do a better job and want to stay by providing a safe environment. Loving one's job is good for the family. Research shows that kids feel more stress from unhappy parents who don't like their jobs than from happy parents who work long hours in a job they love.

## Analysis

The author includes this information as a launching pad for the rest of the book and the subsequent case that he makes for leadership, trust and coordination. It is important to understand why most people hate their jobs and only a very few can honestly say that they love their jobs. The author is telegraphing to the reader that he has the pathway for everyone to be happy in their jobs, feel protected and supported by their leaders and possess a sense of belonging. All readers, especially the vast majority who hate their jobs, will become engaged in this material. It promises to be a pathway to job happiness and security which every working person aspires to.

The author warns the reader of the dangers of today's world and how to cope the competition and negotiating success in the fast-paced corporate climate. He stresses the importance of a strong leader who can create a Circle of Safety in which employees can better cope with the demands and challenges of a career.

The author speaks both to the employee and the leader. He provides the elements that make for a good leader and the characteristics of a good leader that employees should look for. The author is providing great advice for both the leader and his employees.

## Vocabulary

treacherous, avionics, linear, hierarchies, cumbersome, coercion, camaraderie, tenacity, adversary, paranoia, ubiquitous, meritocracy, seminal, preponderance



## Part 2: Powerful Forces

### Summary

When Homo sapiens evolved fifty thousand years ago, they literally had nothing. The focus of each day was finding food and shelter and staying alive. Man was designed to get through tough times and survive. One of the main reasons that the Homo sapiens species survived was its ability to cooperate with one another. Man was good at working together and solving problems even in those early days. The men hunted and the entire community took care of the children and cared for the sick. They had conflicts but they overcame them for the greater good.

Some leaders of companies think the best way to get the most out of their employees is to create a sense of urgency. Nothing could be further from the truth. The way to foster productive employees is for leaders to give them a sense of belonging, of safety. Without the sense of belonging employees invest time and effort into protecting themselves.

Man has always been a social animal. Being allowed to socialize in the office or factory is important because it satisfies a basic human need. This social aspect of humankind is why people work well together.

After centuries of evolution, man has come to be dependent on four primary body chemicals: endorphins, dopamine, serotonin and oxytocin. They contribute to feelings of happiness and well-being and they all work toward survival. For a group to be successful, the individual must care about group needs as well as his tend to his own individual needs.

Endorphins and dopamine are the “selfish chemicals” which are needed to preserve the individual like hunting and finding shelter. Serotonin and oxytocin are the selfless chemicals that help strengthen social behavior and leads to cooperation and team work.

In a positive workplace environment where there are no restrictions in speaking up and employees feel the support of leadership, the release of cortisol is minimal. Oxytocin and serotonin are allowed to flow and trust and cooperation flourish. If there is trust in the workplace and if we feel we belong and are safe, everyone is the winner.

Charlie Kim owner and founder of Next Jump observed that at the end of every fiscal year, there were fears that the company wouldn't make its goal and that there would be personnel cuts. He made a bold decision to put an end to that cortisol party. He issued a Lifetime Employment policy. Part of the policy included being coached rather than terminated for poor job performance.

Serotonin builds self-confidence and inspires; Oxytocin relieves stress and enhances our cognitive abilities. A safe and inspirational environment can work in companies and



organizations of all sizes. Company leaders just have to decide to create an environment in which employees feel safe and feel they belong.

Like a tribe, modern corporations have cultures – traditions, symbols and languages and leaders. Leaders can be strong or weak. Everyone in a corporation is not equal; there is a hierarchal structure in which leaders emerge. Alpha members of tribes were offered the chance to eat first after a kill was brought back to the village. In modern times, people recognize and are comfortable with the alphas that emerge in society. We accept that celebrities get the best tables in restaurants and that the President of the United States doesn't carrying his own luggage.

The alphas in society spur on others to achieve greater heights and rise in the pecking order. There are symbols of status everywhere – Double Cs on Chanel bags, the Mercedes emblem gleaming on black sedans, “Prada” written down the side of sunglasses. They are all symbols of status but are bereft of substance.

Just as individuals strive to succeed, corporations do as well. They want to be number one in their field. It's all part of the pecking order and the drive to rise within it that's been around since the Paleolithic era. Good leaders are willing to sacrifice themselves for the benefit of others and are more interested in helping their workers rather than taking the spotlight.

During the 2008 economic downturn Chapman was faced with the need to lay off employees. There wasn't enough work to justify keeping the entire workforce. Most company heads wouldn't blink as they pink slips are sent out. But to Chapman his workers were his family and he was their protector. Instead of layoffs, Chapman implemented a mandatory furlough program. All employees including Chapman and the other executives had to take four weeks off without pay. The bond between the employees of the company strengthened during the collapsing economy.

In the right environment, individuals will benefit from a balanced system in which the four chemicals – endorphins, dopamine, serotonin and oxycotin – are released in the right quantities and for the right reasons.

## **Analysis**

The author makes the connection between today's man and his cave dwelling ancestors. He provides this information to foster an understanding that much of what employees feel on the job is the result of basic survival instincts that are controlled by the release of biological chemicals. The author explains the impact of these survival chemicals so that readers will know what they are experiencing on a physiological level when they encounter fear, stress and uncertainty in the workplace. The readers will enjoy learning that the emotional responses they have aren't a sign of weakness or their imagination. It is body chemicals at work and it's a natural response.

Being in touch with one's physiological responses – in this case chemicals ones – and use them as a warning system to pay close attention to what exactly is causing them.





The author provides the example of the oft used tactic that some employees practice of creating a sense of urgency within their employees to get the most out of them. It's an unfair practice, something that a good leader would never use.

Some employees might think it's all for naught to recognize such unethical practices in their leaders – they're in charge. What the author is trying to convey is that no one has to put up with scare tactics or other unfair and despicable behavior. The author tells the employees to look for a better leader. It'll be worth the trouble.

## Vocabulary

forage, apocalyptic, austere, physiology, paradox, inherent, euphoria, camaraderie, tantamount, reconfigures, ambivalent, cognitive, eschew, mandatory

## Part 3: Reality

### Summary

People are trusted to obey the rules but to disobey them when there is just cause. Despite the extensive training that corporations provide, their management teams are expected to know when to break the rules. People can't trust technology or rules in the same way they can trust a human who can break rules in an emergency to rescue a program or help his workers. Mutual trust is essential for a relationship to develop. After a leader trains his team, there comes a point at which he must step back and trust that they will follow the rules but will be open to abandon them when an emergency arises. With the trust of their leader, people will generally do the right thing.

Man not only deals with basic survival as all species do; man creates, builds and achieves. Man's ability to advance is due to the neocortex – the part of the brain that separates man from all other animals. This part of the brain enables rational and critical thinking. It also gives man the capability of speaking and communicating in a sophisticated way that sets him apart. Through history chronicles, man is able to provide vital information to future generations so that advancements are not impeded by the repetition of the same mistakes.

The limbic brain controls feelings and man's ability to trust, cooperate and build relationships. The limbic provides "gut" reactions that sparks actions and behaviors. Intelligence is important for ideas and progress; however, man's ability to cooperate with one another is the driver that puts ideas into action.

Modern man's search for happiness has resulted in Internet dating sites, self-help books, therapy and anti-depressants. The pursuit of happiness down these pathways often has disappointing results. In personal and professional lives, it is often the environment that impedes success and happiness rather than the individual. Trust and dedication are emotions that are fostered by chemical releases. There are preliminary steps a leader must take before he can expect to build solid relationships.

### Analysis

Up to this point the author has described the characteristics and actions of a good leader much of which is following the rules. In this section, he goes into those times when a leader must depart from the script and take a matter into his own hands. This section provides more dimension to what it means to be a leader. It's not all cut and dried. The author wants the readers to understand that leadership by the book is not always the best way to proceed. It takes a good leader to know when to depart and when to stay on script. The reader is being provided with a full and complete picture of a leader which he or she can compare to his own leaders at the workplace.

## Vocabulary

archaic, proximity, bureaucrat, reciprocal, algorithm, egomaniac

## Part 4: How We Got Here

### Summary

Good times and economic growth were seen in the 1920s. Americans were relatively wealthy in the period following World War I. There were electric refrigerators, telephones and radios in many homes. It all came to an end on October 29, 1929, when the stock market crashed. The imbalance in the market had been so extreme that a normal correction was impossible. It was the start of the Great Depression. Out of necessity, people learned to make do with what they had and not waste anything. And they learned to work together and help one another.

An estimated 16 million men, 12 percent of the population at the time, served in the military during World War II. Today with more than 315 million people, only one percent of the population enter into military service. There is a disconnect between those who serve and defend the country and those who do not. Unlike during World War II, most people don't know anyone in the military. The entire country was engaged in World War II – those who served abroad and those who helped the effort at home.

Due to the lack of men to fill jobs state side, many women and minorities were given the chance to work. Those who could afford it, bought war bonds to support the military. A poll at the time found the 90 percent of the people supported America's participation in the war. When the war ended, returning soldiers were greeted as heroes and honored in parades. The economy was booming and men returning from their tours of duty were ready to work. It was common for employees to remain at the same company during their entire work life.

Something unprecedented happened at the end of World War II. The population boomed like never before. The United States experienced the Baby Boom. The Boomers add 76 million people to the population. These children growing up in relative prosperity were more privileged than their parents had been. The country transformed from one that would fight defend its way of life to one that would "protect the way we prefer to live." (88)

Boomers forced civil rights on their parents and advocated better pay for women. The idealistic Boomers changed into self-centered people as they aged and focused on protecting their world of affluence. A distrust of government perhaps sparked by Watergate began to permeate into the minds of the Boomers. The '70s came to be known as the "Me" decade. Service to others was a dying concept. The economy was working for everyone. The spoiled Baby Boomers advanced into leadership roles and management in companies.

Instead of trying to figure out how to win a war, Boomers were focused on how to capitalize on the boom years. Like the radio in the 1920s, the status symbol of the



1980s was the personal computer which gave the people individual power. It was a period of excess and throw-away items including people.

When President Reagan fired 11,000 air traffic controllers in one day in 1981, a new tone was set as far as what was acceptable behavior for a leader. He also thanked corporate leaders across the country for using layoffs to help avoid a financial downturn. Corporate leaders took his lead and began putting money before people. It was the beginning of decades of balancing corporate budgets by downsizing its workforce. It was a new economic perspective.

Trust and cooperation were victims of this new leadership style which led to a decline in innovations and reduced quality and services. The loss of focus on employees proved to them that they were no longer a company's most valuable asset. The majority of advances made by corporation come from the innovation and dedication of its employees. Once the trust between management and employee is broken, the will to perform is diminished if not extinguished.

Too many modern organizations restrict an individual's natural tendency to trust and cooperate. An unnatural, manufactured system of values and norms has been established in corporate America. In the end, this new corporate culture serves no one. It alienates employees which ultimately results in instability within the organization. Enron, Tyco and Lehman Brothers are just a few examples.

The Boomer generation has unintentionally created a monster. When something is out of balance, there is always a correction. There is a lack of strong leaders in today's corporate world. They lack empathy and a sense of humanity that will catch up with them. The abundance and scale with which today's corporations operate in create an ever-growing distance between top management and employee and top management and consumer or end user. It is a strange new world in which there is an absence of human contact.

## **Analysis**

The author provides the background of modern man, how we arrived at this point in time. He describes the Greatest Generation that was faced with hard times during the Depression years and World War II. Those people learned to make do with what they had and the often didn't have much. He compares them with the Baby Boomers, the children of the Greatest Generation. The boomers were spoiled by their Greatest Generation parents to make up in a visceral manner for the things that they did without. The characteristics of the Baby Boomers are important in this account because many of them became leaders and they are often very different than the leaders who emerged from the Great Generation. The reader is given a big picture view of the making of a leader – good and bad.

The author makes his point by citing the example of Ronald Reagan who congratulated the corporate world for laying people off to help their bottom lines. The tough-guy



approach that Reagan took became the panacea for a leader. It was also the turning point when corporations were encouraged by no less than the President of the United States to put money before people. Statistics will bear out that the earnings of the average worker began to decline under Reagan and has never recovered. Reagan was a powerful leader and a hero to many but his approach has proven to be one that a good leader doesn't advocate. Conventional wisdom teaches that it takes at least thirty years to accurately assess the performance of a president. The author has given Reagan the thumbs down.

## **Vocabulary**

proverbial, embroiled, ostensibly, diabolical, tacit, commoditization, Bedouin, nomadic



# Part 5: The Abstract Challenge

## Summary

Nazi lieutenant colonel Adolph Eichmann was behind much of the planning and oversight of the Holocaust. After the war using false documents he escaped to Argentina where he lived for fifteen years until Israeli agents tracked him down and arrested him. That the Holocaust happened baffled many. It required the cooperation of literally millions of people. There had to be buy-in from top to bottom. After their defeat, many Germans posited the claim that they had no choice but to follow leadership.

In an extensive experiment by Yale professor Stanley Milgram it was the conclusion that people tended to blame others for their own actions. The Peanut Company of America knowingly sent out peanuts tainted with salmonella causing death and illness. Emails show that the president of the company was annoyed by salmonella testing that was causing delays in their invoicing. He put pressure on employees to expedite shipments. Leaders who look at metrics and statistics over lives are generally physically separated from them. During the bank crisis of 2008, some big time bankers blamed homeowners for their own lending crimes.

Sparked by comments by economist Milton Friedman, the standard in American capitalism has become to adhere to the letter of the law while profiting as much as possible without any moral responsibility to the people along that chain of events. Apple avoided paying taxes on \$74 billion between 2009 and 2012 yet they technically broke no laws. The Oceanic Steam Navigation Company owned the Titanic. When it was launched in 1912, it carried the precise number of lifeboats required under regulations set up before the turn of the century. Obviously, that number was not sufficient since the ship sunk and more than 1,500 people died.

The company followed the regulations but those regulations were outdated and didn't require enough lifeboats for the size and number of passengers that the Titanic accommodated. The company knew that they were not supplying enough lifeboats but lifeboats were expensive and they decided to cut corners. Besides, they were in compliance with regulations. Apple and the Titanic are two examples of why people have lost trust in companies. They both made decisions without consideration of the impact they would have on people. If leaders demonstrate acts of charity and kindness, employees will be inspired to follow suit.

When numbers are used to represent people, they soon become just numbers and the people they represent fade away. A spreadsheet used to calculate how many people should be terminated becomes just a report that has to be completed. Once an actual person emerges from the spreadsheet and the connection is made between leader and employee that is when innovation and problem solving is at its best. Relationships formed on line "feel" real. But in reality the physical distance involved does not allow for a genuine relationship. Case in point – teen bullying on the Internet has resulted in



suicides. The bullies are separated from their targets and that distance allows them to be crueler and uglier than they would be if they had real physical contact with the person. The Internet dehumanizes interaction. Even positive “relationships” on the Internet do not replace real human contact. Live interaction is necessary for building trust, mutual empathy and understanding.

It is imperative for an individual to see the impact of the time and effort. It inspires a person to work harder. When a home owner came to the bank where she received her home loan and told the staff how much she loved her house and how it had changed her life, it had a dramatic impact on the motivation of bank personnel to help others secure a loan. Such experiences give workers a real sense of purpose. Modern man feels more gratitude toward someone who has spent hours working hard for him than the person who writes him a check. A mother attending her child’s soccer game who is constantly texting and reading messages on her phone is not giving her child time or attention. What captures an employee’s loyalty is not bonuses and raises; it’s his willingness to expend time and energy when the employee needs help. Business is a human venture. It takes time and patience for trust between two people to build.

It was only about 10,000 years ago that hunter/gatherers became farmers. Man moved from subsistence to surplus. It was the first time in the history of mankind that people grew more than they needed. Populations could grow beyond 150 and crops could be traded for other resources. Destructive abundance is defined as the result of selfish pursuits create an imbalance with selfless pursuits. This circumstance occurs when temptation trumps challenge.

## Analysis

In this section the author points out the damage and dysfunction that the distance between employees or employee and leader can cause. If a leader has little physical contact with an employee, that person becomes just an abstraction to the leader, not a real person. It is easy to suspend, demote or fire this person who doesn’t feel like a person and who is not much more than the printer or a desk. This section will give understanding to the importance of real interaction between leader and employee and between the individual employees.

The author is telegraphing the danger of a leader falling into the bad habit of treating his people in the abstract, viewing them as an object rather than as a person. The author emphasizes the need for genuine and close-up relationships that will enable both the leader and the employee to achieve success. The leader needs to recognize that any real success will not be attained and maintained if his team is dysfunctional and his employees don’t feel like they are important to him.

The author provides dramatic examples of what results when leaders or authority figures look at their underlings in the abstract. It is probably not unreasonable to say that Hitler never met one man, woman or child that he had gassed. The Jews were things, animals to him that needed to be annihilated. Stalin said it all when he stated



that the death of one man is a tragedy but the death of a million is a statistic. Not that corporate leaders should be compared to cruel dictators, but the author makes the point that distance between leader and employee does make for a good working relationship.

## **Vocabulary**

genocide, mantra, lemming, endemic, salmonella, abhorrent, mitigated

## Part 6: Destructive Abundance

### Summary

A company with a culture of strong character will treat all people the same. By demonstrating that every employee is important, the level of self-confidence of each employee is elevated and their dedication to their jobs is enhanced. The employees will feel protected and supported. In a weak culture, employees feel they are on their own and have to look out for their interests as best they can.

A new employee at Citigroup felt uneasy almost immediately after starting. People were all in their own towers and were not willing to share information with each other so as not to give anyone the edge. The company laid off 52,000 in one day during the financial turndown. In 2011, nothing much had changed. The employee was introduced to her new boss who said he was interested in three things: revenue, net income and expenses. He told the woman not to expect him to mentor her.

A tyrannical leader focuses only on preserving his own wealth and power. Unfortunately, many companies are run by leaders who are selfish and often make decisions counter to the benefit of the employees and company. When things go wrong they blame others. A good leader feels responsible for providing the direction and protection that his staff needs in order to be successful and trains them to think not comply. They share what they know and encourage their team members to do the same. Mistakes will be made by leader and employee alike. Inside a healthy well-functioning Circle of Safety, mistakes are not verboten.

When a Marine fell asleep on duty he was in more trouble for first denying it than the act itself. Marines must have complete trust in one another. It's often a matter of life and death. A leader in an organization who is suspected of lying loses the trust of his employees. Acting with integrity is a higher standard than working within the law. A person with integrity follows the rules and is above corruption. Trust and integrity go hand in hand. Once a person demonstrates that his proclaimed integrity is to be doubted, subordinates will intellectually desert him. Integrity can be defined as words and deeds that match. People do not like to be told what their leader thinks they want to hear. That is why politicians are generally not trusted. It is most important for a leader to possess integrity. His workers want to feel comfortable with the direction in which he is leading his staff. Leaders who are liars and hypocrites will ultimately reside over a work force filled with liars and hypocrites. Making a mistake and being honest about it builds trust; lying about it destroys trust.

The ongoing bickering and lack of cooperation in the U.S. Congress began when Representative Newt Gingrich decided he wanted the Republicans to have the majority so he could be Speaker of the House. Prior to that the two sides had gotten along and worked together to pass major legislation. Gingrich's power move that was obviously based on a personal agenda drove a wedge between the two parties that has never



been removed. Seeing how ineffective the U.S. Congress is year after year, the people lost complete trust in the body. Congress's dysfunction is due to the vast amount of time they spend apart, private agendas and an atmosphere of distrust that is not conducive to team work. Since Gingrich's power grab, Congressmen have had the onus of fundraising on their backs. They are also pressured by lobbyists and special interest groups who dog them to pass legislation to help them or to repeal legislation that they feel is unfair or damages their interests.

Cooperating doesn't always mean agreeing. Working together can advance an issue for the greater good of the country or organization. On a larger scale, there can be no peace between Israel and Palestine or India and Pakistan until talks are held and all sides are willing to listen to the other. The irony cannot go unnoticed that the U.S. government preaches to these countries to work together when its own Congress hasn't been for years.

In the 1940s, managerialism which was a system that assigned profound social purpose to corporations was on the rise. For the rest of the century, corporations were seen as stewards of the economy that provided jobs for the people. Things changed in 1973 when President Nixon decided to abandon the gold standard and the price of oil quadrupled. Watergate and the Vietnam war also played a part in a nation in chaos.

## Analysis

In this section, the author explains the importance of the leader in small and big companies. The leaders of a company set the tone for the company in its dealing with employees and customers. A bad leader will leave both cold and lead to the downgrade or collapse of the company. Leaders must be impeccable in their honesty and integrity. When there is a chink in the armor and an employee catches a leader in lies or inconsistencies, that employee retreats to protect himself. It is a matter of basic survival. This information will help the reader in his or her interactions with leaders and fellow employees. It tells the readers what to look for in a good leader and a bad leader.

The author provides historic evidence how a leader's ego and personal agenda can be his ruin and can have lasting ramifications for a very long time. Newt Gingrich was a US Representative but that wasn't enough for him. Nothing wrong with ambition as long as it doesn't harm others. Gingrich decided that he wanted to be a leader, in fact, the Leader of the United States House of Representatives and wanted to have a permanent Republican majority. He attained his goal but in doing so he tore up the system and made wild claims of corruption about the opposition much of which was either not true or hyperbolic. The two sides used to work together. But after Gingrich became Leader, the House has never been the same. Resentment has lingered over Gingrich's behavior and the relationship between the two parties has remained contentious and untrusting for years. Gingrich was finally made to step down because of his own unethical behavior.

## Vocabulary

paranoia, helmsman, irrefutable, accountability, hypocrisy, bedrock, aggregate, solidarity, chastise, demagoguery, nostalgia, mantra, empirically

# Part 7: A Society of Addicts

## Summary

Alcohol can have an overwhelming grip on one's life. Many alcoholics begin drinking in their teens. A young person's desire to fit in and the social pressures that teenagers experience are part of maturing. Sexuality, changing bodies and self-doubt are overwhelming. Without the support of parents and teachers, teenagers can be swept away by the magic of alcohol. It blurs the lines and provides a sense of freedom, although a very temporary and false one. Other traps such as overeating, cigarettes and drugs can also calm the chaos that a teenager feels. The pleasure of these addictions comes from the desire to experience the effects of dopamine. Dopamine-induced reward systems have become a common element in the corporate world. It has made the workforce addicted to performance.

In today's corporation, employees receive a blast of dopamine with every goal they attain. Rewards for work well done are structured on a short-term basis and pits one employee against another. What is lacking in these modern reward systems is recognition for sharing information or being a team player. Platitudes for performance perpetuate selfishness and lack of empathy for others. It goes against the grain of the Circle of Safety.

The Radio Act of 1927 was followed by the Communications Act of 1934 which created the Federal Communications Commission. The purpose of the commission was to oversee the growth of the broadcast industry which watching out for the public's access for information. In the 1960s anchorman Walter Cronkite was the "most trusted man in America." Ted Koppel established Nightline during the Iranian Hostage Crisis which became another source of trusted news. But TV executives wanted more profits and over time, broadcast and cable networks have abandoned their dedication to just telling the news by focusing on entertainment and celebrities and stories with slanted political views. The Fairness Doctrine that disallowed partisan reporting was abandoned in the 1980s. Once again the drive for profits compromised a once pristine industry which fostered distrust among the viewing audience.

The Glass-Steagall Act of 1933 prohibited banks from taking excessive risks and dealing in speculations. The Act separated commercial banking from investment banking. The Act was enacted so that the country would never be faced with an economic calamity like the Great Depression. But time heals old wounds. Bank lobbyists convinced Congress to repeal the act in 1999. Those who warned that its repeal would cause a serious recession were proven correct. The economic collapse of 2008 was in large part attributed to the repeal of the act. Banks were allowed to take risks, approve exotic loans and deal in speculation or hedge fund activities. The general public had come to trust banks but it woke up to the corruption that existed in the system and realized that the industry was only after its own profits and did not provide a Circle of Safety for its customers.



The era of Destructive Abundance was caused in part by well-meaning parents. Baby boomers were spoiled by their parents, children of the Greatest Generation who faced hard times and learned to do without. The parents wanted their kids to have everything and every opportunity for a better life than they had. Boomers raised their children to be skeptical of authority and to follow their dreams to the detriment of everyone else if necessary. Generations X and Y were taught to believe in themselves and that they could attain all their dreams. Gen Xers grew up before the Internet and wound up being hard workers and didn't have anything major to rebel against. Generation Yers are impatient for success and instant gratification. They are the children of the Internet. Gen Yers have experienced their entire life in a world where "huge" is normal.

Gen Yers are plagued by distractions like no generation before them. Since "distraction" is all they know, they think they can handle it because they are experts at multitasking. However attention deficit disorder (ADHD) has increased by sixty-six percent during the years 2000 and 2010. Much of this increase is due to the distractions of electronic devices, PCs, iPads, email, HULU, YouTube, Pandora, iTunes, SmartPhones... the list goes on. The craving is insatiable. Once the phone tones, the user can't help himself – he must look at the text or the email or who's calling. And there's no escape. The phone goes everywhere with the individual as does his email and all his contacts. Ironically, the flurry of messages and texts underscore how isolated a person is and how alone he is. The instant gratification that Gen Yers had their entire life makes them impatient and lack commitment.

## Analysis

In the section, the author discusses addictions – the usual suspects like alcoholism and eating disorders. But he also depicts the need to "perform" on the job as an addiction. Other addictions have emerged in the electronic age. Everyone walks around with their heads down as they poise themselves to look at their phones for the latest text or email message. The author warns that these modern devices lead to isolation and work against real, personal relationships. This eventuality connects with the author's warnings about the dangers of the abstract. Many readers will recognize themselves in these pages and will relate.

The author points out good reward systems and bad ones. Bad reward systems create unnecessary tension between employees. The naming of The Employee of the Month can only be dreaded by someone who has never been selected for that honor within his or her group. It's only natural for resentment to build when employees detect that a leader shows favoritism to a fellow employee.

The author laments the loss of reporters and news anchors who were trusted – many time trusted more than political leaders. But corporate greed has turned away from truth in reporting and focused on ratings because ratings mean profits. If money isn't the root of all evil it certainly makes for some bad reporting according to the author.

## Vocabulary

partisan, polarizing, quasi-religious, millennium, tsunami, abyss



## Part 8: Becoming a Leader

### Summary

The rate of suicide among baby boomers has steadily risen over the years. The future leaders of our government and society have grown up making posts on Facebook and use prescription drugs and online support groups to cope with their problems. When they get to the same stage of life as the baby boomers what will the suicide rate be then? Violence and deaths by guns is on the increase. Virtual relationships aren't real and can't solve any problems. What will society be in twenty or thirty years and who will the Gen Yers turn to?

Man has become selfish and cynical and paranoid. He is vulnerable to addiction and his health is at risk. There are addictions at the workplace with the quest for the top performance and the best numbers. The most important step in Alcoholics Anonymous' Twelve Step Program is Step Twelve which is to help others beat their addiction. The purpose of AA is to make people feel safe. There are no shortcuts or emails or instant messaging. Members of AA meet face-to-face so they can establish real relationships.

It is difficult to deal with today's pressures and threats alone. Just like in caveman days, it took a tribe. Alcoholics don't get clean just for themselves. They want to be part of a family or circle of friends and they don't want to be the group's addict. When the system is flushed with oxytocin the feeling of love and warmth and belonging is hard to beat and they help in the recovery of serious addictions of all varieties. When an environment is rife with love and trust, there is no need for the quick fix of dopamine. When there are close relationships based on trust, people can make it through the difficult times.

The developed world has the sin of waste on its back. The developing world wastes crops that rot and spoil due to improper storage and farming techniques. In the corporate world, those in charge often waste the talents and abilities of people in favor of chasing the elusive profit that will finally sate them. There is electronic waste. Technology moves so rapidly that today's computer is passé by the next day. People line up like sheep and even camp out overnight in front of Apple Stores when a new phone is being issued – even though it's not much different than the previous version – maybe a little thinner or a little wider. Abundance destroys value.

When recalling one's best day at work the recollection will not be when a project came in under budget. Rather, it will be when something went wrong and through team effort was corrected. The funny remarks about a mistake or the pizza that was ordered to take a break from a project are more memorable than saving the company thousands of dollars. The company can give out awards for that. The people's fond memories of their experiences are more important. Members of the military will have good memories as well even though they were in life and death situations. In fact there is less bickering among soldiers on the battlefield than soldiers in the Pentagon. The active duty soldiers need each other.





Small companies often out-innovate large companies. A team that is striving to advance and struggles for resources is more determined than a team that has all the resources they need and no real impetus to innovate. Man does not do well with abundance by design. Microsoft never lived up to Bill Gates' promise to put a PC on everyone's desk. Unfortunately, the leader who followed Gates concentrated on profit and loss and sacrificed people and the company lost its original focus.

Good leaders give their employees something to believe in. Humans have survived and thrived for fifty thousand years. Our success is inspired by the desire to serve others. The world is in need for more good leaders. A good leader recognizes that as he advances in his position, he has more responsibility to those he leads. Just as Bob Chapman recognized, being a good leader is like being a parent. The well-being of those in his team is his priority and it is he who must be the first to make sacrifices and put their personal aspirations on the back burner. True leadership is the responsibility of everyone on the team. The leader has authority but team members have the responsibility to make sure that the Circle of Safety stays strong and effective. The best type of leader for one to aspire to is the leader you would like to have.

## Analysis

The author provides the guidelines for becoming a good leader and the need for members of a family or workplace team to help each other attain their goals at the office and at home. He explains how it's difficult for anyone to go it alone when facing a large problem in any area of one's life. The author proclaims that the nation and the world is lacking leaders, good leaders that are sorely needed to advance mankind.

The author stresses how the human being works best in a team – in caveman days they called it a tribe. It is essential for a leader to recognize the talents and abilities of each individual in his team. Everyone has strengths even if they aren't readily apparent which is why it's crucial for a leader to know his team members. A good leader will recognize the abilities and talents of his team members. Once he does, he will nurture those talents and encourage that individual to express and utilize his gifts. It will not only be self-satisfying, it will help the team to achieve its goals and take on challenges.

By recognizing each of his team members as individuals who can contribute to the goals and activities of the team. This recognition will go a long way in building trust and loyalty and in getting the best effort out of his employees.

## Vocabulary

anthropologist, prodigal, wantonly, commodization, deployed, austere, succumbing, inclination, bastion



# Important People

## Johnny Bravo

The A-10 pilot referred to as Johnny Bravo hovered above thick cloud cover over Afghanistan on a dark night in August 2002. His fellow soldiers were targeting a high value target and Johnny Bravo didn't just want to hang back; he wanted to help. To assess how his fellow soldiers were faring he took the unprecedented maneuver of dropping down below the thick clouds to see how he could help.

As soon as he broke through he heard the transmission over the radio, "Troops in contact," meaning that the soldiers on the ground were engaged in a conflict with target forces. He locked his guns on a point from which enemy fire was emanating. He held the trigger down on his Gatling gun and fired. After a breathless few minutes of radio silence, he heard excited voices saying, "Good hits! Good hits!"

That night there were no American casualties.

Johnny Bravo received no reward for his bravery and didn't want any. The thanks from the troops that he helped were enough for him. Unlike many in corporate settings who want recognition from above, Johnny wasn't motivated for praise from his superiors. He did what he did for one reason... those soldiers on the ground would have done it for him.

## Stanley Milgram

Stanley Milgram, a Yale psychologist, wanted to learn more about how the Holocaust was allowed to develop and for a while even thrive. He wanted to learn the dynamics behind being ordered to do something untoward and either following orders or rebelling against it. He conducted experiments with groups of two subjects. The two subjects were separated into two rooms. In one room there was a panel of switches that would emit electric shocks of varying voltages. The second subject was enclosed in another room.

Members of the first group were told that they were to administer shocks to the subjects in the other room, starting with light shocks and progressing to the higher voltages. The graduated voltages were written above the panel. As the group was instructed to keep increasing the volts, many of the "shock administrators" refused and quit the experiment. Others felt they had a duty to continue because they had agreed to participate in the experiment. They kept on until the highest voltage was delivered despite the screams they heard from the other room. The conclusion found that those who inflicted pain on others were most concerned about their own culpability. Like Nazis after the war, they were only following orders. Those who stayed with the experiment and delivered the shock with the highest voltage did not feel remorse. They felt they had been responsible to their task and that others were to blame.



Milgram concluded that the experiment proved that physical distance between people creates an impersonal environment in which another's pain is irrelevant. Those who were being jolted with electric shocks in the other room were not actually shocked although they moaned and screamed loud enough for the other group to hear them. They were just acting. Milgram conducted this experiment in several variations with 160 volunteers with the same results.

## **Newt Gingrich**

In the early 1990s Democrats and Republican accomplished things in Congress. There were disagreements but there was a collegial feeling which allowed the two parties to work together. They trusted and respected each other. Republican Newt Gingrich dramatically changed things. He was tired of being in the minority in the house and wanted the majority, control and wanted to be Speaker of the House. To make his case, he tore the system apart claiming that it was corrupt and needed a complete overhaul. In 1994, the Republican Party took control of the House and Gingrich was made Speaker.

The days of cooperation were over. He instituted many changes in how the House did its business. One big change was his insistence that representatives spend more time in their hometown. It made for a shorter workweek and put distance between the people who were elected to do the work of the people together. The real reason Gingrich wanted people to return to their districts was to collect campaign funds. Representatives retreated into their own corners and broke ties with the opposing side. Gingrich's ascension to Speaker was the first of many events that created a chasm between the two political parties which still exists in 2015 and only grows wider.

## **Ronald Reagan**

On August 5, 1981, the country officially embraced layoffs. It was the day that Ronald Reagan fired 11,000 air traffic controllers. These federal employees were demanding more pay and better working conditions. When negotiations broke down, the controllers went on strike. It was a violation of the Taft-Hartley Act of 1947 which disallowed any strike that would negatively impact the populous. Reagan ordered the employees back to work. When they refused to return, he fired 11,359 air traffic controllers. He also banned them from working for the FAA ever again. These individuals had no transferrable skills and wound up in financial ruin. Many of these employees were war veterans.

## **Bill Gore**

In 1958, Bill Gore founded W. L. Gore & Associates to develop a new material commonly known as Teflon. When business boomed, Gore expanded his operation and hired more workers. He was bothered that he didn't know most of the people working for him. He felt it essential to staff his factories with no more than 150 people and built new



factories accordingly. Business continued to boom and relationships with the workers strengthened. Early groups of Homo sapiens in hunter/gatherer tribes ironically had only between 100 to 150 people in their tribes. The size of a typical Marines unit is 150. Groups above that number are more impersonal and tend not to work as hard or be as cooperative as those in smaller groups. Gore proved that when the leader knows his workers on a personal basis trust and loyalty and revenues are enhanced.

## **Stanley O'Neal**

Stanley O'Neal worked his way up in Merrill Lynch to become one of the biggest junk bond operators on Wall Street and eventually was made the firm's CFO and then rose to its President. He wanted to change the employee-focused culture which he saw as a barrier to higher profits and performance. O'Neal thought of himself first setting the tone under his new leadership. He eventually was made chairman and CEO of the company. O'Neal was defeated from within. Another executive began to work behind his back to undermine him. The company collapsed under his leadership losing billions. He left in disgrace. O'Neal had isolated himself and when times got tough he had no one on his side, no one to tell him how badly things were going and what a bad leader he was.

## **Professor Robin Dunbar**

Professor Robin Dunbar was a British anthropologist and a professor of psychology at Oxford University. He determined that people cannot maintain successful relationships with more than 150 people. Sometimes things don't change much. Early Homo sapiens had tribes consisting of 100 to 150 members.

## **Bob Chapman**

Bob Chapman took over a number of manufacturing companies under the umbrella of Barry-Wehmiller. He was in the habit of sitting down with factory workers and learning what they thought about the company and their jobs. He noticed that factory workers who seemed happy otherwise, were morose when they returned to the factory floor. He recognized that factory workers were often treated like the company's step-children. Chapman implemented new policies that ensured that all employees were treated alike.

## **Adam Grant**

Adam Grant was a management professor at the Wharton School of Business and the author of "Give and Take: A Revolutionary Approach to Success." Grant conducted a study to learn the effectiveness of the college's fund-raising department. Students were used to contact possible donors and found the work mundane and unrewarding. Grant came up with a quick solution. He had the students tell those they contacted how the scholarships they received completely changed their lives and gave them a bright

future. The students told the prospective donors how grateful they were to donors. That tactic changed everything. The personal touch works every time.

## **Captain Marquet**

Captain Marquet was a naval officer who was assigned to command a nuclear-powered submarine. He was fully trained in its operation. At the last minute plans changed and he was given a different submarine to command. He kept quiet that there were elements of this submarine that he didn't know well. During a scheduled drill, he gave one of his officers orders that they couldn't comply with because what he ordered wasn't possible on the new submarine. His ignorance was exposed. He admitted to his staff that he didn't know everything about the ship. He allowed them to take the lead. He lead from behind. His crew respected his honesty and willingness to let them take the lead. He vowed to never again withhold information because revealing it would hurt his ego.



# Objects/Places

## Circle of Safety

The Circle of Safety is the protective perimeter that a leader creates around his employees. The employees feel safe and feel they belong in this circle. They feel the protection of their leader and feel free to speak up – even admit mistakes. The Circle of Safety can only exist through mutual trust, the sharing of information and a willingness to coordinate their efforts with other team members. If a leader is caught lying or being duplicitous, the Circle of Safety will burst and become dysfunctional.

## State of the American Workplace

A Gallup poll take in 2013 called, “State of the American Workplace,” found that when leaders ignore employees, 40 percent of the workers disengage from their work. If bosses continually criticize a worker, that worker will disengage from his duties by 22 percent. This demonstrates that being ignored is more harmful to the relationship between a leader and employee than being criticized by the boss. The study also showed that if leaders recognize employees for just one of their strengths, one percent will disengage.

## The Black Death of Childbed

At the height of the puerperal fever epidemic in the late eighteenth and early nineteenth centuries, the plague had killed 70 to 80 percent of women who gave birth in hospitals across Europe and America. It was referred to as the Black Death of Childbed. This epidemic occurred during the Age of Reason and enlightened physicians attempted to explain the disease and the toll it was taking. It was later determined that it was these doctors who were spreading the disease. Their routine was to conduct autopsies in the morning and tend to patients in the afternoon. Surprisingly, there were no hand-washing standards or a sterilization process to ward off the bacteria. It was not until twelve years later that the doctors’ roles in the epidemic were recognized and new sterilization standards were put into effect. Doctors were slow to address the issue but finally admitted their blame which ultimately resulted in the eradication of the disease. Leaders will readily admit their mistakes. By not being open about their lack of hygiene, how many more women died?

## Goldman Sachs

Gustave Levy used the term “long-term greedy” to describe the way his company, Goldman-Sachs, operated. It was 1970 and the thinking was that taking a short-term risk was acceptable if a profit would be realized in the long term. Goldman was



considered the gold standard of Wall Street. They put the needs of their clients above their own. As a result, they had a herd of loyal clients.

In the 1990s everything changed. Goldman's culture transformed into a risk-taking one in which regulations were abandoned or ignored and making a big profit was the primary goal. In this new mindset, Goldman began to bring on aggressive traders. Long-time employees didn't take to the new breed of brokers who at the expense of the firm or clients were driven to maximize their profit and status.

The company split into old Goldman and new Goldman. Even though it was near collapse in 2010 in the midst of the economic downturn, it gave out bonuses to executives and managers after receiving a government bailout sponsored by the nation's taxpayers. Needless to say it had lost public trust and was considered corrupt and even criminal. The leaders had not protected the company that had originally been developed with such care and allowed a toxic culture to develop.

## Next Jump

A small company called Next Jump only wanted to hire people who were the "right" people for the environment. It relied on an unusual screening process which placed the majority of its focus on the character of an employee rather than his or her experience and education. Charlie Kim, the founder of the company, was committed to helping employees grow and advance. At the end of every fiscal year, especially when goals were not met, employees grew fearful that they'd lose their jobs. To ease their minds, Kim took the bold move of establishing a Lifetime Employment policy. People had their jobs for life. If there was a problem with performance, company leaders coached and counseled them rather than fire them. Since the new policy was implemented, the company has realized an annual 60 percent increase in revenues.

## Post-It Notes

Employees at 3M felt comfortable sharing knowledge with each other. One of their scientists was trying to develop a strong adhesive; instead, he made one that was extremely weak. He shared his misstep with his team. A few years later, a few light bulbs went off and another scientist remembering his colleague's weak adhesive used it to develop the very successful product known as Post-It Notes. This is evidence that sharing knowledge benefits all and having an open, non-judgmental atmosphere that allows mistakes can have good and unexpected results.

## Bank America's Misstep

Bank of America made a lot of enemies out of its clients by announcing that it would charge a fee for debit cards. The outrage that followed forced B of A to cancel those plans. They were seen as greedy bankers who wanted to make money off the backs of ordinary people who were suffering from the financial collapse that the big banks had



caused. It wasn't a stellar moment for the bank. The reversal of their policy wasn't seen as a sudden rush of goodwill toward their customers; it was due to the loud voices who were chastising them for trying to bilk their customers.

## **Neocortex**

The neocortex of the brain is what puts man at the advantage over other animals. The neocortex is the complex, problem-solving portion of the brain that gives the ability to speak and communicate. The neocortex gives man the capability of syntax and grammar.

## **Homo Sapiens**

Homo sapiens, modern man, emerged some 50,000 years ago. These ancestors literally had nothing other than the resources of the earth. They had to make their own opportunities. Homo sapiens were faced with little resources and great challenges just to survive. Today's man is the inheritor of the experiences of these men from long ago. It is one of the reasons that people of today do not do well with abundance and are able to respond to challenge, even danger.

## **Destructive Abundance**

Destructive Abundance is the result of an imbalance between the resources a company or entity has and their pursuits. It is the imbalance between selfish pursuits and selfless pursuits. A company rich in assets can use its wealth to "buy" through lobbyists the regulations that can help them to the detriment of others in their field, their clients and even their own employees.





# Themes

## Leadership

The most dominant theme in “Leaders Eat Last,” is leadership. The focus of the book is what strong leadership can mean to an employee, a team, a company and even a country. The roots of leadership are traced back to the Paleolithic Age when modern man first emerged. Yes, there were alpha men even among cave dwellers. This book explores the types of leadership from which the most benefit is derived. Honest, integrity and consistency are words associated with a good leader. A good leader evokes trust from those on his team. Coordination and working together is borne of this trust. Without trust, the team will collapse, the company or country will suffer and the individual will withdraw.

Bad leaders will inevitably emerge in the scheme of things. A bad leader is one who lies to his employees, shows favoritism and either subtly or overtly has his own agenda which is generally his personal path to success and advancement. Once those traits register with an individual, that bad leader has lost the person forever.

Leaders are powerful entities within any organization or corporation. In fact, they define the company and are seen throughout the company hierarchy and up and down the corporate ladder. One woman was put off by her new leader who immediately informed her that he wasn't there to be her mentor. It told her that he had no intention of supporting her and that he was basically telling her not to bother him. He followed up his harsh words with the three things he was interested in and they all involved him and money.

As can be imagined a “leader” like the one described above has a negative impact on his employees and ultimately the company. An organization's success is completely dependent upon the success or failure of its leaders.

The word leadership is closely associated with the military. It goes without saying that the military is dependent on its leaders in order to carry out its missions. The Marines take a slightly different and surprising approach to leadership. When gathered together, the leaders have their most junior members eat first. “Leaders eating last” symbolizes what a true leader is – one who is willing to sacrifice and think of his men first.

## Employment and Stress

The relationship between one's health and one's job is referenced throughout, “Leaders Eat Last.” Studies show that having a bad job is a genuine drag on one's health. Some believe the higher a person climbs in a corporation the more stress he will experience and the less safe he'll feel and the more vulnerable he'll be to health concerns. The overworked executive dying of a heart attack before he's fifty is a well-known



stereotype. However, studies show that less stress is felt by higher-ranking employees because they feel more freedom and have a sense of control over their destiny.

Scientists in Britain several decades ago decided to study the connection between an employee's relative position within a corporation and stress. The research was known as the Whitehall Studies and produced conclusions that were surprising and profound. One unexpected conclusion was that stress was not caused by added responsibility and the commiserate pressure associated with his position rank. It was the lack of control that an employee felt that created and perpetuated workplace stress.

The research also revealed that the lack of recognition for accomplishments was another trigger for workplace stress. A perceived imbalance between the amount and time and effort involved in a project versus the reward or recognition that the employee felt he received, foments stress. The lower an employee is in an organization the more likely he is to suffer from stress. Employees who feel a sense of independence in their performance and feel comfortable speaking out have less stress than those who feel controlled.

## Survival Chemicals

There are four dominating chemicals that help man in his basic drive to survive. These chemicals and how they are released into the system and the impacts they have are referred to throughout the book.

After a long exhausting run, an individual's body is stressed and aching. Endorphins are automatically released to alleviate the pain. In the Paleolithic era, endorphins allowed hunters to run for hours after prey without feeling too much pain. Laughing actually releases endorphins. When President Ronald Reagan was being rolled into the operating room after being shot, he looked at the doctors and said, "I hope you're all Republicans." That comment probably brought on his endorphins as well as those of the doctors. Endorphins mask pain. They are released in response to pain or stress and flood and flood the body with the "runner's high."

Dopamine provides the good feeling when an individual attains a goal. It compels individuals to make goals and aspire for higher position. Dopamine is habit-forming. Abusing drugs and alcohol and gambling release dopamine even though they are ultimately addictions that hurt the individual. Participating in social media and electronic messaging also stirs dopamine which is why so many people walk around looking at their phone.

The proper flow of endorphins and dopamine together ensure man's survival. These selfish chemicals separate us from cold-blooded animals that are loners and rely on instinct.

Serotonin and oxytocin are selfless chemicals that help us have trust in others and form friendships. Cultures are developed because due to the presence of these chemicals.



When these natural tendencies are restricted, a person withdraws into himself and becomes more aggressive and the desire to help others decreases.

Serotonin is the leadership chemical which evokes pride and confidence in oneself as well as in others. The college graduate feels pride in getting her degree; the graduate's parents feel pride in seeing their daughter receive her degree. Serotonin is responsible for the feeling of accountability and sharing. Serotonin instills the sense of responsibility that a manager has for his employees and that the loyalty that employees have for their leader.

Oxytocin is responsible for an individual's deepest feelings; the glow one gets when in the company of loved ones or dear friends. In addition to good feelings, oxytocin is necessary for basic survival. Without this chemical there would be a lack of empathy and generous spirit which is essential in developing trust and forming close relationships. Just as in other species, humans can accomplish more and realize more advancement as a group rather than as an individual. While dopamine provides bursts of instant gratification, the impact of oxytocin is long-lasting.

Oxytocin is released when an individual performs an act of kindness. The recipient of this gesture also is flooded with oxytocin as is an uninvolved bystander who observes the act. Close contact like a hug also is a trigger for the release of the chemical. The high-five and the fist-bump are stimulated by oxytocin and underscore the bond between athletes. Physical contact is a sign of trust. Oxytocin is good for an individual's health; it boosts immune systems and provides resistance to addictions.

## Cortisol

Cortisol is the hormone that the system releases during stressful times. It is not connected with survival. Cortisol floods the body when there is apprehension about some undefined fear. Cortisol is behind the stress and uncertainty that people experience on the workplace. Unlike a gazelle that will dart off when flooded with cortisol when sensing an unknown danger, man has the ability to use the cortisol as an alert so that he can try to seek the root cause of his fear. The paranoia that cortisol causes urges a person to pursue the underlying reason for the stress and fear if there is one. Cortisol is produced in the team environment when a member has suspicion about the integrity of another member of the team.

Cortisol can have an overwhelming grasp on a dysfunctional team. It can restrict the release of oxytocin, the chemical that engenders confidence and warm feelings, and make individuals feel less responsible for one another which can signal the collapse of a team. Too much cortisol released in the system can cause health concerns. It compromises the immune system and causes undue stress.

The sense of an undefined threat or risk is a natural warning system that is inherent in man and all social animals. The cortisol hormone is responsible for that unsettling feeling and for that knot in the stomach at things that go bump in the night. It alerts an



individual of danger and triggers a response plan. When a rumor spreads in a company that there might be layoffs, cortisol is behind the stress that runs rampant. When there is an actual emergency – not just a perceived one – adrenaline is pumped into our bloodstream providing the energy needed for fight or flight. Cortisol's purpose is to turn an unconfirmed fear into chaotic thinking. Cortisol should be avoided at all times.

## Shareholder Value v. Employee Value

Economist Milton Friedman advocated a theory known as shareholder value. Corporations in the '80s and '90s aggressively sought to maximize shareholder value. This system led to skyrocketing earnings for CEOs and shareholders. Jack Welch head of GE in the 1980s developed a system of “rank and yank” which gave bonuses to top managers and fired the managers at the bottom each year. A good leader leaves a positive legacy behind – a functioning system that will continue to advance the company forward.

Studies show that teams led by a directive leader initially fares better than a team led by an empowering leader. However, that changes in the long-term. Welch was one of the first corporate leaders to embrace the shareholder value model and as a result began to view people as expendable. Careers were ended in order to balance the books. To Welch and those of his ilk it was just business as usual.

With the transformation to shareholder value complete in the 1990s there was an overall manipulation, pay inequality and accounting fraud. Empathy no longer existed with all the focus on self-interests. Shareholder value was a failed system and was very bad for business. Average returns for shareholders have been decreasing since 1976.

James Sinegal CEO of Costco ran his company exactly opposite of how Jack Welch ran GE. He rejected shareholder value in favor of “employee value.” He believed in a balanced culture with people and their concerns his top priority. He believed that if he treated his employees like family, they would be loyal and more valuable. Sinegal has been criticized by other corporate heads as being too benevolent when it came to his employees. Comparing the two companies, Costco proved to be a better investment than did GE that touted shareholder value.

When Sinegal retired, he left behind a solid company that continued to grow after his departure. Unlike Wal-Mart, Costco has been a champion of the minimum wage. They found the investment in people and in keeping them more cost effective than refusing to raise pay standards. When the financial crisis hit, Costco stood alone in trying to figure out how it could help their employees who were suffering under the economical collapse. While GE made layoffs an annual sport, Costco only laid people off as a last resort.

# Styles

## Structure

“Leaders Eat Last” by Simon Sinek is presented in three main sections, The Force, The Path We Chose , Challenges and Temptation and The Abyss. Within these major sections are eight subsections. Under “The Force” are Part 1: Our Need to Feel Safe; Part 2: Powerful Forces; and, Part 3: Reality. Under The Path We chose are Part 4: How We Got Here and Part 5: The Abstract Challenge; Under Challenges and Temptations is Part 6: Destructive Abundance; Under The Abyss are: Part 7: A Society of Addicts and Part 8: Becoming a Leader.

Before the beginning of the book us a Foreword by Lieutenant General George J. Flynn, US Marines (Ret.) Following the last chapter are “Acknowledgements,” “Notes,” “Bibliography” and an Index.

The author builds his assertion for the need for more good leaders by beginning with an account of the survival instincts of early man and how they had to work together under an alpha male that always emerged as a leader. Nothing much has changed except now alpha females also emerge as leaders. The message that the author leaves the reader with is the urgent need for good leadership in all organizations and on a global basis.

## Perspective

“Leaders Eat Last” by Simon Sinek is a non-fiction work and is told from the perspective of the author. The “Notes” and “Bibliography” sections of the book illustrates the many resources and people he was in contact with to complete the book. Sinek has a proven interest on the subject of leadership. He is also the author of “Start with Why: How Great Leaders Inspire Everyone to Take Action.” The book is dedicated to the men and women of the United States Air Force from whom he learned about leadership.

In “Acknowledgements” Sinek writes of the great sense of accomplishment that he felt upon completing, “Leaders Eat Last.” He writes of his dedication and determination in gathering the crucial information and material for this work. He expresses his gratitude for those who helped him in this endeavor.

In the “Foreword,” by George J. Flynn, Lieutenant General, U.S. Marine Corps (Ret.) discusses the lack of focus on developing great leaders. Flynn comments on “Leaders Eat Last,” and how it is Sinek’s goal to help make the world a better place to live through its leaders. Flynn points out the connection that Sinek makes between leadership and the military especially the Marines. The US Marines, he writes, focuses on its people and creates the trust that is essential in a military operation. Flynn ends his remarks with his hope that after reading the book everyone will want to always eat last.

## Tone

The overall tone of, “Leaders Eat Last,” is positive and informational. Simon Sinek, the author, softens some of the academic material he discusses with personal and anecdotal events that help him make his points. By describing historical events of the past, Sinek provides the background for the current state of leadership in this country and in the world.

Sinek makes a connection between the first Homo sapiens to emerge some 50,000 years ago and today’s man. He demonstrates that the emotional responses that people have are not a sign of weakness; rather, they are natural responses that are brought on by body chemicals that are designed to ensure the survival of man. These chemicals are the same chemicals that cavemen relied on for their survival. Their goals and dangers were different 50,000 years ago but the chemicals were the same.

Some of the anecdotal information that he provides is interesting and probably news to a lot of people. Post-its were discovered through a mistake that a scientist made at 3M. A naval officer not wanting to his crew to know he wasn’t trained on the nuclear submarine that he was commanding, gave orders that were impossible to implement on the ship. He learned his lesson, admitted his lack of knowledge and let his crew take charge.

Throughout the entire work, Sinek builds his case for the need for good leaders, something that is sorely lacking in today’s world. He gently warns that no good can come to mankind without the good leaders to move it forward.



## Quotes

There are fates worse than death. One fate worse than death is accidentally killing your own men. Another fate worse than death is going home alive when twenty-two others don't.

-- Johnny Bravo (Chapter 1 paragraph Page 9)

**Importance:** The pilot of an A10 Plane breaks through the cloud cover so he can visually understand how the men on the ground on that dark night Afghanistan were faring. He felt a responsibility to be part of the dangerous raid that was targeting a high value target in 2002.

So what is the price we pay for not demanding that our leaders concern themselves with our well-being? We are not, as we think, putting up with miserable so that we may provide for our children. By putting up with miserable we may be doing them harm.

-- Author (Chapter 4 paragraph Page 34)

**Importance:** It's a misperception that an individual who hates his job is doing so for the sake of his family. Studies show that children suffer more severely from unhappy parents who hate their jobs than from happy parents who love their jobs but work long hours.

You can't laugh and be afraid at the same time.

-- Stephen Colbert (Chapter 5 paragraph Page 42)

**Importance:** The comedian captured the power of endorphins a body chemical that is released to lessen pain and stress. Laughter actually causes endorphins to be released.

My favorite definition of love is giving someone the power to destroy us and trusting they won't use it.

-- Author (Chapter 6 paragraph Page 52)

**Importance:** The author explains the impact of the chemical oxytocin which is what allows human beings to form deep relationships based on trust and longevity.

It is better that we all suffer a little,' he told his people, 'so that none of us has to suffer a lot.

-- Bob Chapman (Chapter 9 paragraph Page 73)

**Importance:** Bob Chapman, CEO of Barry-Wehmiller, implemented a mandatory furlough policy during the economic downturn in 2008. Instead of laying off bottom-rung people, his policy required every employee including Chapman himself and the other executives to take of four-week furloughs without pay. He didn't want to lay off anyone. To him he was his employees' protector, their father. He commented that you don't get rid of your children when times are rough.





It's rare that we can point to an exact date when a business theory or idea becomes an accepted practice. But in the case of mass layoffs, we can. August 5, 1981, was the day President Ronald Reagan fired more than 11,000 air traffic controllers.

-- Author (Chapter 12 paragraph Page 92)

**Importance:** The author places the blame for the disconnection and harsher treatment by employers for employees at President Reagan's feet. Prior to his firing of 11,000 air traffic controllers, employers had a more benevolent attitude towards their employees. The Reagan model put the priority for corporate leaders on revenue instead of on employees.

The death of one man is a tragedy. The death of a million is a statistic.

-- Joseph Stalin (Chapter 15 paragraph Page 110)

**Importance:** This quote brings home the point that the author makes about distance between people. A leader who remains remote from his employees finds it easy to send out pink slips. However, a leader who has close relationships with his employees will do everything he can to save jobs.

Money is an abstraction of tangible resources or human effort. It is a promissory note for future goods or services. Unlike the time and effort that people spend on something, it is what money represents that gives it its value. And as an abstraction, it has no 'real' value to our primitive brains, which judge the real value of food and shelter or the behavior of others against the level of protection or safety they can offer us.

-- Author (Chapter 15 paragraph Page 122)

**Importance:** The author makes the point that money does awaken the positive chemicals in our system because it is a proxy for something else. It represents value but has no value of its own. If a caveman saw a pile of money he would pass it up for an apple he saw hanging from a tree.

You can easily judge the character of a man by how he treats those who can do nothing for him.

-- Von Goethe (Chapter 17 paragraph Page 131)

**Importance:** The nineteenth century writer captured a quick way to judge another person which can be applied to today's corporate world. A leader who is focused on his own needs and career probably won't take up much of his time with his subordinates.

The more energy is transferred from the top of the organization to those who are actually doing the job, those who know more about what's going on on a daily basis, the more powerful the organization and the more powerful the leader.

-- Author (Chapter 18 paragraph Page 148)

**Importance:** The author stresses the importance of allowing the actual process workers to make decisions about how they do their job. They generally know more about the





process than the leader does. By doing so, the organization, the employees and the leader will all benefit.

We need to know that the information we are given by others and especially our leaders, good or bad, is the truth. We need to know that when someone says something, they mean it. If we doubt their integrity, then we cannot trust them with our lives or the lives of those we love.

-- Authort (Chapter 19 paragraph Page 150)

**Importance:** The author stresses the importance of the truth in a relationship of trust. Once there is the sense that a leader is being dishonest, the employee uses faith in him, retreats within himself and the longevity of the entire team is in jeopardy.

We know that for there to be peace between Israel and Palestine, the leaders must meet. They must talk. We know that for there to be peace between India and Pakistan, they must be willing to come to the table and to talk and to listen. When the parties refuse to talk, refuse to listen, refuse to even meet, then the odds are high that the conflict will only continue.

-- Author (Chapter 20 paragraph Page 166)

**Importance:** The author is discussing the dysfunction of the US Congress. He compares their lack of connection to the schisms between nations that seem to be unending.



# Topics for Discussion

## Topic 1

What unique policies did Bob Chapman bring to his company? What compelled him to make these drastic changes? What impact did they have?

## Topic 2

Explain the vicious cycle that some people get into with their jobs? Why are people reluctant to leave their jobs even when conditions aren't the best?

## Topic 3

Draw a parallel between Homo sapiens and modern man relative to daily survival. Why is it essential that employees are able to socialize, at least to some degree, at the workplace? Why is it important to establish friendships within a team?

## Topic 4

What is the Circle of Safety? What elements must exist with a Circle of Safety? Describe a successful Circle of Safety and a dysfunctional one.

## Topic 5

Describe the four biological survival chemicals and what impact their release has on the individual. Which ones are "selfish" chemicals and which are "selfless" chemicals and why. What is cortisol and what impact does it have?

## Topic 6

What is the significance of the "alphas" in society? How do people react to them, what leeway do people give them and why are they essential in a team setting?

## Topic 7

How has the Internet impacted the personal lives of people? What is Destructive Abundance?



## Topic 8

Contrast the Greatest Generation with Baby Boomers. How and why are they different? Contrast Generation Xers and Generation Yers. What must Gen Yers be cautious about?

## Topic 9

Describe the odyssey of Goldman-Sachs. What was the corporate culture when it was first established? When and how did it change?

## Topic 10

What is managerialism? What social and political events occurred in the 1970s that made profound changes on society? Why was the stewardship of GE under Jack Welch a pivotal time in American capitalism?