

Harness the Power of Experience for Personal and Business

Breakthroughs

SOREN KAPLAN

Praise for Experiential Intelligence

- "Experiential Intelligence delivers a simple yet powerful framework for nextgeneration leaders to delve deeper into how their life's experiences shape who they are and how they show up and lead."
 - —Jennifer Sparks Taylor, Director of Corporate Relations & Executive Education, Center for Effective Organizations, USC Marshall School of Business
- "Experiential Intelligence uses powerful storytelling to take us on a journey to deeply understand our own XQ and how to maximize the impact it has on our leadership and business success."
 - —Pat Verduin, PhD, Chief Technology Officer, Colgate-Palmolive
- "The ability to understand your inherent capabilities as a product of life experiences is the essence of experiential intelligence. Leaders can harness XQ to unlock their own hidden strengths and that of their teams to drive transformation."
 - —Valencia Bembry, Vice President of Philanthropy, United Nations Foundation
- "With the increased awareness of how an individual's unique contributions and lived experiences can bring about transformation to the workplace, the new lens of experiential intelligence broadens the talent conversation and opens possibilities for building a more diverse workforce."
 - —Rebecca Romano, Global Head of Talent & Organizational Development, NBCUniversal

"Experiential Intelligence is a long overdue blueprint to more intentionally access the mindsets, abilities, and know-how gained from your unique life experience. I highly recommend that you add this book to your learning journey."

> —Michael J. Arena, Vice President of Talent & Development, Amazon Web Services and former Chief Talent Officer, General Motors

"Experiential intelligence complements IQ and EQ to comprehensively assess and build the disruptive capacity of your employees and organization."

> —Rich Goudis, Executive Vice Chairman, Tupperware Brands and former CEO, Herbalife Nutrition

"Experiential Intelligence provides an approach for how to gain self-awareness into your unique assets to foster both personal and professional growth. Soren's book gives keen insights into how the experiences we have form our current mindsets and how to examine our own self-limiting beliefs."

—Kathryn J. Coleman, PhD, Senior Vice President, Talent, Learning & Insights, 3M

"Experiential Intelligence reveals how to create a culture of empowerment and innovation that enables true sustainable growth and engagement."

-Rachael Orleans, Head of Change & Transformation, Cigna

"Soren Kaplan wades courageously into a half century of deep and often polarizing research on human intellect and emerges with a brilliant synthesis that provides the much-needed third leg of the intelligence stool. Experiential intelligence is the perfect complement to IQ and EQ."

—Matthew E. May, coauthor of What A Unicorn Knows: How Leading Entrepreneurs Use Lean Principles to Drive Sustainable Growth

"Reframing who and how we hire is more important than ever! With shifting strategies, priorities, and a quickly changing world, companies should be looking at the metrics for employees that really matter. *Experiential Intelligence* is the ultimate guide to equip leaders to know who has the talent they need to propel their business into the future."

—Dr. Marshall Goldsmith. Thinkers50 #1 Executive Coach and New York Times bestselling author of The Earned Life, Triggers, and What Got You Here Won't Get You There

"Experiential Intelligence provides an enlightening look at how to achieve personal and professional success and satisfaction."

-Michael Isip, President & CEO, KQED, PBS Public Media, San Francisco

"'Learning by doing' has long been a tenet of the educational process as it motivates and promotes participation. I am grateful to finally have a book that provides concrete examples of how experiential learning can shape the mindsets, abilities, and skills that not only help students succeed, but can also lead to personal growth, development, and success for the adults who work with them!"

—Maura Palmer, Superintendent, Salem New Hampshire Public School District

"In a world in which false assumptions are regularly at play in human relations, this book mines the treasures latent in all human beings and helps us welcome unknown talent in ourselves and others."

-Kent Packard-Davis, President, Women Forward International

"Many successful performers don't have Ivy League degrees, so there are clearly indicators of readiness beyond academic credentials. So what is the comparative value of fifteen years of experience? Does experiential intelligence deliver something a prestigious college degree does not? These are important questions to consider. From an equity perspective, we also know that both race and socioeconomics can unfairly limit education and career potential. This understanding helps companies recalibrate for and reconsider individual potential, while delivering improved access to untapped talent pools."

—Melissa Jones, Executive Vice President and Chief Human Resources Officer, California State Automobile Association Insurance Group

"Experiential Intelligence artfully blends concrete research with compelling storytelling to clearly show what leads to success. Let Soren Kaplan guide you to higher performance as a leader and for your organization."

—Juan Sanchez, Group Vice President, HCA Healthcare

"This must-read book delivers deep insight into how our personal and professional experiences influence how we show up and perform at work, in our relationships, and life itself."

—Dr. Loressa Cole, CEO, American Nurses Association

"Leveraging experiential intelligence is the new imperative for unlocking the peak potential of individuals, teams, and organizations."

—Carrie Smith, Chief Marketing Officer of Australia & New Zealand, Accenture

"A major game-changer for the field of transforming organizations."

—Louis Carter, CEO, Best Practices Institute

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Harness the Power of Experience for Personal and Business Breakthroughs

SOREN KAPLAN



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INTRODUCTION

My mother jarred me out of my sleep with a two-handed shake and shuttled my little sister and me out of the house and into our faded brown two-door 1973 Datsun. Off we went into the darkness. She drove until we reached a house in a neighboring town where she parked. I didn't know where we were, but I felt relieved to see that my mother's intensity had ratcheted down, at least enough that she was no longer shaking. I was seven; I didn't have much choice but to follow my mother's directions.

We jumped out of the car, beelining for a space in the hedge the power company had cleared for access to the meter. The three of us hunkered down in this prickly little cave in someone's front yard. And waited. We sat for twenty minutes in silence.

Like a flash of lightning, headlights lit up the hedge, and another car parked behind ours.

"Is that you?"

It was my father. I immediately felt safe. But that didn't last long. Just then the door of the house opened, and a crack of light flooded

into the front yard. Out came the charismatic man I recognized as the one who had influenced my parents to drop out of Harvard University and move to California to join his spiritual community. That night when my father had come home to our empty house, he'd intuited that we would be here. And we were. With an embarrassed shake of his head, my father shuttled us kids into his own car and drove us home, my mother trailing behind alone.

That poignant episode became etched into my visceral memory. It was the first time I realized that my mother's infectious fear wasn't based in reality. It wouldn't be until years later that I would understand her behavior as the result of mental illness. But at the time, all I could do was start trying to discern for myself what was real versus what were delusional stories—not an easy task for a first grader. My challenging childhood required me to navigate a series of unusual circumstances. Yet as difficult as they were, these early experiences fostered my capacity to live with uncertainty, manage ambiguity, and find meaningful patterns in complexity—abilities that have continued to serve me well.

When I was four, my rebellious behavior convinced my parents that I was possessed. For six months, they led prayer groups in our home to expel my "demon." As my mother spiraled into mental illness, her condition was originally viewed by friends and family as a "metaphysical awakening." My father, consumed by his work and spiritual community, was rarely present. As my parents struggled to make ends meet, we bounced around from one home to another. By the time I was fifteen, I had moved sixteen times.

So, what happens to someone like me? My life could have gone in any of three directions: 1) I could have been completely overcome by my circumstances, 2) I could have gone through the motions of leading a "normal" life while blindly being led by inner scars, or 3) I could have found a way to tap into my, let's say, "unique" experiences to take command of my future. For a long time, I did the second one really well. But now, I do the third with decent success.

You probably don't share the circumstances of my early life. Most people don't. But you have your own experiences. No matter how big or small, how ordinary or extraordinary, your experiences most likely impacted you in some way or another. My own relatively extreme stories influenced me in ways that I eventually needed to face head-on—and then make choices about what to do with what I found. The process of exploring the positive and negative impacts of my experiences led me to realize that most of us are in the same boat. We all have the opportunity to more deeply understand and then explicitly leverage what we've gained from our life events, whatever they may be. This book shares what I've learned over the years working on myself, and working with thousands of leaders around the world, so that you can apply the insights and tools I've discovered to yourself, with your team, and for your organization.

Growing up, I had to take charge. I assumed responsibilities at a young age that most children never take on. My early life experiences were tough, yet I gained certain things from them that I was able to draw upon later in life. Without being aware of how I did it at the time, I successfully channeled my challenging experiences into personal strengths that led to business success. I tapped into my hidden "assets" so that, before age thirty, I became the leader of a strategy team within a Fortune 500 corporation in Silicon Valley. I founded and ran several companies, including a consulting firm focused on

helping managers from around the world understand how to become better leaders by embracing uncertainty, living with ambiguity, and proactively shaping the future through innovation. I obtained clients like Disney, NBCUniversal, 3M, Kimberly-Clark, Colgate-Palmolive, Philips, Cisco, Hershey's, Red Bull, PepsiCo, Lowe's, Medtronic, Ascension Health, Kaiser Permanente, The American Nurses Association, AARP, Cigna, State Farm, and many others. I worked with executives to build business strategies, innovate their products and services, and reinvent their organizational cultures. I've harnessed my own ability to navigate uncertainty by founding several startups, including my latest venture, Praxie.com, a software company focused on digitizing the expertise developed from people's professional experiences and turning it into "best-practice" tools and business processes that anyone can instantly apply to their work.

In his book *Outliers*, Malcolm Gladwell popularized the idea that doing anything for ten thousand total hours, which is about five years of doing something full-time, makes someone an expert. The tenthousand-hour rule mostly focuses on hard skills, like practicing the violin, working in project management, or doing something technical.

In my own case, I spent about fifteen years navigating my chaotic childhood, sorting fact from fiction, and seeking patterns to make sense of confusing behavior. It's fair to say that my formal résumé began during that time because these are the same things that I've applied in my work life while leading startup teams, managing innovation, and transforming organizational cultures. They're abilities I continually draw upon, especially in my professional life. I didn't acquire them in school, but rather from lived experience.

Up until I graduated high school, I spent most of my summers

with my grandfather. He was a World War II veteran, a fashion designer in New York City, and a friend of Andy Warhol, Larry Rivers, Man Ray, and many other modern artists in the 1960s, '70s, and '80s. I learned a lot early on about the nature of trauma from his volatile behavior. What seemed like random outbursts at the time I now know were connected to the PTSD he acquired from his experiences in the war. Despite his trauma, we shared many positive moments together. My grandfather taught me about the nature of creativity. He introduced me to his artist friends. He shared his love of photography with me. He showed me how to look at crumbling buildings, graffiti, and garbage on the streets and in the alleys of New York as beauty, while we took photographs together of the concrete landscape. He gave me insight into the concept of originality and how new-to-the-world ideas deliver a feeling of positive surprise when people experience them, which in turn grabs attention and inspires word-of-mouth marketing. He showed me how the value of a work of art is a combination of being the first to do something and the unique story of the artist. I learned a lot about what it takes to introduce into the world creative ideas that stick. I put my experiences with my grandfather to use as I went on to formally study innovation in graduate school and then practice it in business.

I grew up in the San Francisco Bay Area, the region in Northern California known for welcoming diverse thinking and challenging conventional norms. Within this bubble of progressive culture, my life was intertwined with my parents' alternative spiritual community. In my teenage eyes, I viewed my parents as blindly following the teachings of their guru and his designated spiritual guides that ran their community. They wouldn't make any major decisions without getting

approval first. I just couldn't understand how my parents, along with hundreds of others in the group, could lose their way when it came to their freethinking.

Unlike my parents who gravitated to spiritual gurus, early in my professional career I had the unique opportunity to collaborate with several renowned business gurus. I gained insight into how these individuals applied their own unique experiences, combined with deep insights about how the world works, to coin novel concepts and create new approaches for transforming people and organizations. I worked briefly with Gary Hamel, who established the concepts of "strategic intent" and "core competencies" and has been consistently recognized as one of the most influential business thinkers of the last century. I saw how Hamel challenged the status quo at every turn, surfacing assumptions about organizations and leadership that had flown under the radar of even the savviest business executives. I cofounded a company with David Cooperrider, the father of Appreciative Inquiry, a methodology based in the field of positive psychology focused on business and social transformation through uncovering the inherent strengths of individuals and organizations. I saw how Cooperrider's unrelenting gratitude for life empowered him to see latent strengths within social systems that could be used as catalytic building blocks for positive change in even the most dysfunctional teams and organizations. Over the years, I've also had the opportunity to work with leaders from some of the world's most innovative companies, industry associations, and government organizations as a consultant and through my affiliations with business schools in the United States, Europe, and Australia—which helped me gain insight into the powerful role that culture plays in shaping mindsets and organizations.

My personal and professional experiences have helped me recognize that success depends on tapping into our strengths, gaining visibility into our blind spots, and building and deepening relationships with others. And however we define success, it's always about creating the future we want to see for ourselves, our families, our teams, our organizations, our communities, and the world. We can create our desired future more easily when we intentionally draw upon our inherent strengths while overcoming the invisible limitations created by our past. It's not always easy to do. And it can take time to learn to do. Yet, when we develop awareness of our strengths, lean into our assets, and move beyond the self-limiting beliefs that hold us back from fully embracing the whole spectrum of what we've gained from our unique experiences, we can tap into and apply a new type of intelligence in our lives—Experiential Intelligence (XQ).

The experiences that influence us can be big events, even traumatic ones, but they can also be little things that add up over time to shape our thinking and behavior. The opportunity is to embrace our experiences, decipher them, and use them to our advantage.

That's what this book is all about. My goal is to use my personal story, along with examples from my work with thousands of executives, managers, and employees, to show you how to uncover and tap into your own hidden assets to achieve your goals.

I've written this book to make it a simple read. It's full of examples to help you see how you have already acquired Experiential Intelligence just by living your life. Your XQ has given you assets that are ready and waiting to be discovered and used to create your desired future. Sometimes it takes a bit of work to find your hidden strengths, but they're there. To help you find them, I'll show you how I uncovered and then

overcame certain self-limiting beliefs that were holding me back both personally and professionally. I'll make connections between my early struggles and how they shaped my mindsets and influenced my adult behavior. I'll demonstrate how to lead with vulnerability, something incredibly hard to do in today's judgmental world but a critical success factor for personal growth, team effectiveness, business innovation, and healthy organizational cultures. I'll provide you with practical tools that you can use in your own XQ development.

- Chapters 1–3 outline what Experiential Intelligence is, why it's so important today, and how it relates to IQ (Intelligence Quotient) and EQ (Emotional Intelligence).
- Chapters 4–8 describe specific strategies and tools that you can use to further develop your XQ by growing it in yourself, amplifying it in your personal and professional relationships, and assessing it over time.
- Chapters 9–13 highlight how XQ applies in different contexts, including organizations, leadership, teams, and communities.

You'll see a QR code at the beginning of each chapter. Use them to view videos in which I provide an overview of what you will read, including more aof my personal thoughts about the ideas I share. You can also access the Experiential Intelligence Toolkit on my website at https://sorenkaplan.com/XQToolkit. The toolkit contains digital copies of most of the templates in this book, along with other resources. I've also made the XQ Assessment available so you can assess your own Experiential Intelligence at https://sorenkaplan.com/XQAssessment. My goal was to make this book as much of an "experience" as possible

for you—because it's through experience that we develop capabilities and discover opportunities.

A final note: Experiential Intelligence is a simple, intuitive concept. The idea that our experiences shape our mindsets, abilities, and know-how is a no-brainer. And that's why it's so important. In today's increasingly uncertain world, we need simple ideas to help us understand complexity. The most powerful concepts, like our most powerful personal assets, are often those that, upon deeper inspection, we realize have been hiding in plain sight all along.

Today, more than ever, we have an opportunity to recognize that XQ is real intelligence. We all have it. And we can use our Experiential Intelligence to transform ourselves, our teams, and our organizations for personal and business breakthroughs.

Part One UNDERSTAND XQ

1

EXPERIENTIAL INTELLIGENCE



Chapter One Video Overview

ompanies including Google, Apple, Tesla, IBM, Home Depot, Bank of America, Starbucks, and Hilton no longer require a university degree for an interview. These organizations understand that future success relies on way more than diplomas.

For a long time, a person's IQ served as the symbol of intellectual prowess and a general predictor of future achievement. Emotional Intelligence (EQ) then expanded our view of what leads to success across business, relationships, and life. EQ elevated our awareness of the importance of tuning into our emotions and the emotions of others for personal and professional growth.

People like Maya Angelou, Ellen DeGeneres, Whoopi Goldberg, F. Scott Fitzgerald, Bill Gates, Steve Jobs, Jerry Yang, Mark Zuckerberg,

Soichiro Honda, George Washington, Abraham Lincoln, Jeremy Corbyn, Russell Simmons, Rachael Ray, Vidal Sassoon, and Ansel Adams have seen extraordinary success. No college degrees for any of them.

At the same time, not all of the wildly successful people I just listed are necessarily known for their off-the-charts IQs. Nor are all of them famous for being extraordinarily empathetic, emotionally grounded, or softhearted. Some may be more intellectually or emotionally intelligent than the norm, but there are of course others who are either smarter or more empathetic. So having a high IQ or EQ doesn't perfectly correlate to "success," if you define success in the form of notoriety and achievement.

Here's the problem. Even with all the available models and measures, something's missing today that doesn't quite capture how our individual intricacies can, and do, contribute to both success and satisfaction in life. We need a way to understand how everything we've obtained from our unique life experiences—no matter how mundane or significant—holistically contributes to our ability to show up in the world and achieve our goals. We need a way to articulate and justify why we might want to hire someone who's not "officially" qualified for a job, but who we know will do a great job anyway. We need a way to recognize the inherent wisdom and strength that exist in all of us because of what we've done and experienced in both our personal and professional lives. And we need a way to make the process of understanding, appreciating, and leveraging the power of unique experiences and differences something that we embrace in our teams, organizations, communities, and personal lives.

We're on the cusp of a revolution in understanding and articulating what leads to success and satisfaction personally and professionally. We're starting to see organizations, academics, and the popular press recognize that there's a broader way to look at intelligence. We've understood for a while that we need to tap into the intellect to solve problems. We've also embraced the importance of tuning into emotions as an important tool for leading and working with other people. We're just now starting to fully appreciate that, to effectively operate in today's world and adapt to the fast-paced, disruptive changes happening all around us, we need to tap into a different dimension of our intelligence—the intelligence developed out of experience.

There's a slang term that touches the surface of this seemingly intangible intelligence: "street smarts." Street smarts is usually used to describe people with a lack of formal education to indicate they're actually "smart," but not in the traditional sense of the term. They've learned to survive in tough situations. They've developed abilities to do certain things that give them an edge in life. But even the idea of being street smart or having some type of know-how ignores the deeper process that *created* this intelligence in the first place. It's not just about the hard skills we may develop to do something; it's also about the way we think and the abilities we develop that become part of who we are as people.

Experiential Intelligence (XQ) is the combination of mindsets, abilities, and know-how gained from your unique life experience that empowers you to achieve your goals. XQ provides a holistic way to understand what's needed for success in today's world by getting in touch with the accumulated wisdom and talents you have gained over time through your lived experience.

Certain disciplines recognize the value of Experiential Intelligence without calling it XQ by name. "Extreme users," for example,

are people who spend an inordinate amount of time doing something at the extreme edge of what's considered "normal." Market researchers like to talk to extreme users because their knowledge of the ins and outs of a topic runs deep from their personal experience, much more so than that of the average person.

Think about a teenager who spends hours and hours playing a favorite video game. Perhaps the situation is a nightmare for their parents, but the video-gaming teen understands the subtle nuances of the game, its social networks, its underlying business model, and probably more. The teen gamer most likely didn't learn the rules from a printed user guide, but rather from direct experience.

Or consider someone who loves coffee so much that they test a new brand every time they go to the store. They experiment with different types of bean grinders and ways to brew the coffee, including French presses, AeroPresses, handheld espresso makers, stovetop espresso makers, coffee bags, pour-overs, and siphons. Extreme users get to know something so well they become an expert by virtue of their lived experience—and not just an expert that has knowledge, but an expert who innately understands how to do something. Their abilities flow naturally.

In my own case, I became an extreme user of sorts, not by choice, but by necessity. My parents met at an event for students who had been awarded scholarships to attend graduate school at Harvard University. It was the late 1960s. My father, driven by his desire to discover the meaning of life, dove into studying theology. My mother, who attended an international high school in the Himalayas and grew up meditating with the monks, was his perfect match. She wanted to understand the common threads underlying the world's religions.

The general disillusionment that permeated their generation, combined with their intense impatience with finding their higher purpose, hit them hard. They dropped out of Harvard to live on a commune with the spiritual teacher Richard Alpert, also known as Ram Dass. I was six months old at the time. It was there that we met a guy named Danny. Danny was Daniel Goleman, who would later go on to popularize the term *Emotional Intelligence*. Goleman introduced my parents to the teachings of an Indian guru named Meher Baba, who became their unwavering spiritual focus for years to come.

We moved to California when I was three so we could be near other people who followed Meher Baba like my parents. My father, who worked multiple jobs to make ends meet and was consumed by his spiritual pursuits at nights and on the weekends, was rarely home. Just after my sister was born, my mother's mental illness emerged. Most people couldn't fathom that my mother, who had been valedictorian of her high school, attended prestigious East Coast universities, and was stunningly beautiful with an engaging personality, could become mentally ill. The slow onset of her illness, combined with the interpretation made by my parents' spiritual community that my mother's unusual behavior was an "awakening," created a chaotic and confusing home life for me and my sister. Just like how extreme users develop unique mindsets and abilities from their extensive experiences, I gained certain assets precisely because I lived in an unpredictable environment with little structure for many years.

As paradoxical as it may sound, the same things that traumatized me in my childhood also delivered unique gifts. My unusual upbringing led me to develop mindsets and abilities to adapt to my situation that still serve me positively in many ways today. At the same time,

however, I developed defense mechanisms from the same process of adapting to my environment. I learned to automatically "turn off" my emotions when they became too uncomfortable. I also adopted a judgmental mindset that influenced my outlook on the world—that if others didn't do things like I would do them myself, then they were doing them wrong. My judgment of others protected me from my fear that I was going to be judged by others for my mother's odd behavior and my family's affiliation with a fringe spiritual group. I blocked off my emotions while creating a black-and-white view of the world. As a result, for many years, my "compart-mentalization" created barriers to my self-awareness and ultimately my personal and professional success. It took effort and some time, but once I was able to view my life experiences in a new light, I became more capable of seeing both my self-limiting beliefs and hidden assets all at the same time.

As I grew up and started adult life, small glimpses of the hidden strengths borne of my childhood challenges popped up every now and then. One of my first jobs was at a consulting firm that had an open office floor plan. It was a beautiful space with twenty-foot ceilings in the old Ghirardelli chocolate factory building at the end of Fisherman's Wharf in San Francisco. We named the office space "The Fish Tank" because it was simply a large room with brick walls and windows that overlooked the Bay and Alcatraz Island—plus, we had mobiles of colorful fish hanging around the room. During Fleet Week every fall, we could see the tourists wandering around far below and the US Navy Blue Angels flying high above.

With about eight of us in the office, the consultants' loud chatter filled the room each day. It was my job to conduct research and write reports for this extroverted crew. I didn't realize it at the time, but the chaotic environment of the office led me to draw upon a hidden ability that I had developed during childhood. When I responded to an email, wrote a report, read an article, or did just about anything else that required attention, I literally couldn't hear the people around me. I had learned to tune out my surroundings early in life to cope with stressful situations. Essentially, I had developed an uncanny ability to overcome chaos and distractions to focus. In one of my first performance reviews, the partner running the consulting firm specifically mentioned my unique skill as a quirky, yet valuable, ability for getting things done.

A NEW LENS FOR UNDERSTANDING EXPERIENCE

"You're the sum of your experiences" is a common catchphrase. But what does it really mean? Experiential Intelligence is much more than the set of accomplishments on your résumé. It also isn't merely what you've learned over time. Just as memorizing a bunch of facts doesn't give you a high IQ, your list of life lessons is not "intelligence" in and of itself. That's where XQ comes in.

Experiential Intelligence provides a new lens from which to view what makes you, you—and what makes your team and organization unique. It provides a framework for harnessing your past while not being bound by it, so that you can proactively create your desired future. XQ consists of three elements:

- **Mindsets:** Your attitudes and beliefs about yourself, other people, and the world
- Abilities: Your competencies that help you integrate your knowledge, skills, and experiences so you can respond to situations in the most effective way possible
- Know-How: Your knowledge and skills

When it comes to **mindsets**, you may be conscious of your attitudes and beliefs, but certain ones may be just below the surface of your awareness. Your attitudes and beliefs can either get in your way or help you achieve great things. If, for instance, you hold the belief, "I can't fail or people will judge me," then you'll most likely shy away from anything that feels risky. As a result, you won't be very innovative, as risk-taking is needed for any type of significant change. This type of belief is called a *self-limiting belief* because it limits your possibilities.

When you fully tap into your Experiential Intelligence, you're able to uncover the self-limiting beliefs you hold. As you peel back the proverbial onion, you can also discover *why* you hold the belief, and then consciously use your newfound insight to reinvent your mindset. A new, self-expanding belief can then replace the self-limiting belief, so that "I can't afford to fail" turns into "I'm comfortable with failure because I learn from it, and it's necessary for innovation."

As for **abilities**, they allow you to unite your knowledge, skills, and experiences to effectively apply what you know. Abilities are specific competencies that bridge your mindsets with your know-how. Great authors, for example, have good writing *skills*, but many authors also have an *ability* related to personal discipline. This ability is often tied to

a belief that focus and persistence is needed to write a book. This mindset and ability lead to specific behaviors, like setting time aside to write every day and finding exactly the right words to convey the meaning they want to communicate—both of which then become skills. Great innovators often possess the ability to tolerate a high degree of uncertainty and bounce back from setbacks. Many people who have experienced hard times, big disappointments, or major curveballs in their lives and have come out the other side to thrive often have abilities tied to grit and resilience. In the business world, when we talk about someone who deeply understands how to navigate negotiations, manage the ins and outs of growing a business, and deal with demanding customers, we say that person has a high degree of "business acumen." Your abilities represent broader approaches to how you do what you do, so you can apply what you know how to do in different contexts. Your mindsets guide what you see as possible and desirable, which influences where and how you decide to apply your abilities.

Know-how includes your knowledge and skills. When it comes to knowledge, there's the information and facts you might get from school, taking workshops, reading books, or watching educational videos. That's what we call "formal knowledge." It's learned through some sort of documentation. There's also what's known as "informal knowledge," or "tacit knowledge." Tacit knowledge is learned through experience informally. Tacit knowledge often comes from doing something repeatedly over time. We learn tacitly because we spend time practicing something or in the presence of another person, absorbing their knowledge by osmosis. In the field of education, many people call this "craft knowledge"—knowledge that's developed through experiential learning activities that include practical problem-solving.



Three Building Blocks of XQ

Mindsets, Abilities, and Know-How are the Building Blocks of XQ

Mindsets, abilities, and know-how collectively comprise XQ. When we treat these components as building blocks, with know-how as the base, abilities in the middle, and mindsets at the top, we get a progression from the tangible to the more amorphous and difficult to measure. This model also suggests a progression when it comes to self-awareness. Understanding that you possess certain knowledge and skills generally comes more easily than seeing your broader abilities. Recognizing that you possess specific mindsets that influence your thinking and behavior is even more challenging.

DEVELOPING XQ IS A DYNAMIC PROCESS

We all possess Experiential Intelligence because we all have past experiences that influence where we are today. Your XQ increases as your level of self-awareness of your mindsets, abilities, and know-how increases. XQ is dynamic because how you might describe the mindsets you hold and abilities you possess at one point in your life could differ at a later point. The more you do something and have experiences in a certain area of life or business, the more you'll develop greater abilities and know-how. Your mindsets can also evolve based on insights that you gain about yourself, others, and the world in general over time.

For example, it's unusual to hold a mindset that involves a self-limiting belief like "I can't afford to fail" while at the same time tolerating an extreme level of ambiguity. More likely than not, "I can't fail" connects to a personal ability related to "attentive to detail" or "highly organized." Changing your mindsets can shift your abilities in the same direction. Alia Crum, who runs the Mind & Body Lab at Stanford University, says that mindsets can be self-fulfilling. Crum's research shows that a certain level of stress in people's lives can enhance mind and body performance—as long as the person thinks stress can be helpful to them rather than just harmful. In one of Crum's studies, people who viewed stress as beneficial versus debilitating showed fewer symptoms of anxiety and depression, greater optimism, and improved work performance. It's a powerful concept: if you're someone who feels more comfortable when in control and your mindset shifts toward embracing more ambiguity in life, your abilities may

shift away from "managing details" and toward "creativity and innovation." You get more of what you believe.

Growing your XQ is a choice that involves exploring your past experiences, understanding how you were positively or negatively impacted, gaining insight into what you're consciously or subconsciously holding onto that helps or hinders you, and learning how to frame and reframe all this to evolve your mindsets and abilities to achieve your goals.

Exploring and developing your XQ can be quite effective when done as a collaborative activity. Although you can go it alone, feedback from others, and even helping others with their own process of developing XQ, amplifies XQ for yourself and everyone involved. Early in my career, I led a small team in the change management group at HP, the computer and printer giant in Silicon Valley. Our management team decided to ditch the standard performance evaluation process because it required creating a bell-curve distribution of high and low performers. To follow corporate guidelines and do it "right," our group would have had to force some people into the low-performing category, no matter how well we did as a team or how well they had actually performed during the year. We revolted.

Instead of having individual mangers rank their direct reports, we assembled "coaching groups" that included our team members, clients, partners, and any others who had worked with us during the year. The process was simple: list examples of our work, uncover the themes within those examples that revealed the strengths of the individual, and then identify opportunities for further growth and development. Though we didn't use the words "Experiential Intelligence,"

the process revealed the mindsets and abilities of the person being evaluated. It also revealed opportunities for the individual to take their performance to the next level, usually through projects with the very people in the room who had just helped uncover and identify the person's growth opportunities.

The process created greater accountability to the team on the part of the individual and commitment from all involved to support the individual's development, which ultimately led to a more effective and productive organizational culture. We referred to the approach as "generative" because it left everyone involved energized and with a sense of how we were all in this personal growth process together. As our team began to experience the highly supportive and deeply transformative process, the culture of our group shifted in ways that recognized and reinforced our interdependence and collaboration. As others across the organization learned of the process, they also scrapped the traditional performance evaluation model and replaced it with ours, which began to positively impact the broader organization's culture.

Here's how Experiential Intelligence works, and how it supported our team's process:

- Experiences shape mindsets that involve attitudes and beliefs about ourselves, other people, and the world.
- Our mindsets influence our thoughts and behavior and either help us or hold us back from achieving our full potential.
- When we become aware of our underlying mindsets, we see with a new lens.

- With a new lens, we can change our attitudes and beliefs, allowing us to tap into and apply our abilities in new ways.
- When we vulnerably share our experiences with those we trust, we accelerate the entire process for everyone involved.

Experiential Intelligence is your unique internal fingerprint. No one else possesses your distinct combination of mindsets and abilities because no one else has lived your experience. But unlike fingerprints that don't change over time, you can grow your XQ.

When we understand what's happened to us using a strengths-based lens, we gain the opportunity to expand our beliefs about the past, which can influence our attitudes about the future. Instead of ruminating on the past, feeling like a victim, or thinking of ourselves as broken, we start seeing unique assets that we may have developed from our experiences. When we shift our thoughts, we shift our feelings. New thoughts and feelings lead to new behavior, which in turn will help us achieve our goals. It's easier to move through the past when you have a compelling future pulling you forward.

Developing your XQ isn't a one-and-done deal. And it's not always linear. It's an ongoing process of increasing self-awareness to identify and overcome unhelpful mindsets, and then replace them with new ones that help you tap into your hidden assets. It's a journey of advancing your personal abilities and know-how. Sometimes you might feel like you're not making much progress. Other times, you might be pleasantly surprised by the big leaps you've made in a short amount of time.

The approaches to growing your XQ that I outline in the chapters ahead include tools that anyone can use to transform themselves,

their team, and their organization. While I've designed an assessment and templates using a step-by-step process, there's no one right way to develop your XQ. It may be just as valuable for you to skip around, diving into one tool first and then going back to revisit others. And these tools can be applied, put aside, and revisited over time. Growing your XQ is an iterative process, so there's no fixed timeline hanging over your head.

Humility combined with vulnerability is the fuel used in developing XQ. It starts with seeing and accepting yourself as both exceedingly capable and perfectly imperfect all at the same time. When you find others willing to reciprocate open sharing, acceptance, and curiosity, the process accelerates. Developing your XQ can become a flywheel—the more you develop it, the more you'll want to develop it further. The more you help others develop their own XQ, the more you'll develop it yourself.

CHAPTER ONE KEY MESSAGES:

- Experiential Intelligence, or XQ for short, is the combination of mindsets, abilities, and know-how gained from your unique life experience that empowers you to achieve your goals.
- Mindsets are your attitudes and beliefs about yourself, other people, and the world that influence your personal and professional success.
- Abilities are your personal competencies that help you integrate all that you have gained from your experience so you can respond to situations in the most effective way possible.

- Know-how is your knowledge and skills.
- XQ is your unique internal fingerprint—no one else possesses your distinct combination of mindsets, abilities, and knowhow because no one else has lived your experience.

2

SMARTS AND SUCCESS



Chapter Two Video Overview

t's like riding a bike."

We use this phrase to describe something that, once learned, even if we haven't done for a while, we'll know how to do when we try it again. It intuitively comes back to us. Whatever that thing is that we refer to as "like riding a bike," we've internalized it.

So, how do you learn to ride a bike in the first place? It's simple. You just do it.

I started out on a bike with training wheels. My father took one training wheel off first so that I still had a little support. Then he removed the second wheel. When both wheels had been removed, I felt a level of autonomy I had never felt before. It took a while—including riding straight into a hedge because I froze and forgot how to brake—

but over time, I became proficient. Eventually, on weekend mornings, I would wake up early at about 6:30 AM and head a couple of miles to downtown Walnut Creek, a suburb of San Francisco, and ride in the middle of the streets. At that time, Walnut Creek was a sleepy little town, and the streets were completely empty. No cars and no people. Just me, a ten-year-old adventurer, on my bike. The meditative feeling combined with the freedom I felt cruising around, trailblazing new routes, running stop lights, and riding on the wrong side of the street still sticks with me today. My bike revealed a new world for me, both physically and emotionally.

In 1978, an English professor named Robert Kraft published an article called "Bike Riding and the Art of Learning." Kraft taught at the college level and realized that his dry lectures weren't making the grade. His students could regurgitate information, but they fell short when it came to connecting that information to themselves and the real world. For instance, one student, preparing to be a high school teacher, asked for a copy of Kraft's lecture to use so the student could deliver the same lecture verbatim to his own students. Kraft realized that it wasn't "learning" that was being passed onto his student, which would then be passed onto his student's students, but rather memorized information. This insight changed everything for Kraft. He overhauled his teaching style. He became a proponent of experiential learning and wrote his famous article, which would become an important seed in the growth of the experiential learning movement.

Today, many people view experience as a cornerstone of the learning process itself. Some people refer to it as "learning by doing," while others call it "hands-on learning" or "learning through reflection on doing." Whatever you call it, when you have experiences that give you

hands-on practice, you can assimilate the learning into your deeper being and then apply what you've learned in other future contexts.

It's virtually impossible to become fully adept at riding a bike without doing it. As much as someone might have explained to you how to ride by describing the mechanics of a bicycle, how to work the handlebars and pedals, the feeling of balance, and how to brake and stop, such information alone probably wasn't nearly enough—no matter how smart you are. On top of that, getting the most out of a bike, including using it safely and effectively, involves much more than the mechanics of riding itself. While the mechanics are the baseline, the best riders anticipate bumps, see obstacles in the distance that may represent potential risks, and ride defensively when traveling on the road alongside cars.

Experience is essential. And once a kid actually starts to ride, there's no going back. The ability to ride sticks for life.

Having a mindset that bike riding is a means to achieving other personal goals can reveal opportunities to use the bike in new and fulfilling ways. In my case, my bicycle served as an escape from my childhood feelings of loneliness. I used my bike as a therapeutic tool on weekend mornings, gaining control of my environment by using the blank canvas of the abandoned streets, glowing in the early morning light, to blaze my own unfettered path.

Here's a way to look at the different elements of Experiential Intelligence (XQ) in terms of riding a bike:

Know-How (Knowledge and Skills):

- Understanding how a bike works
- The skill to start, ride, and stop the bike

Abilities (Competencies):

- Anticipating bumps
- Discerning potential obstacles
- Riding defensively around cars

Mindsets (Attitudes and Beliefs):

- Even excellent riders need to be cautious when biking on the road with cars.
- Bikes provide new opportunities for transportation, physical fitness, touring, and more.
- Going on a bike ride can feel freeing and reduce stress.

The example of learning to ride a bike demonstrates something important when it comes to intelligence. First, practical experience transforms information into real knowledge and skills. The more you practice and internalize your know-how, the better suited you will be to apply your knowledge and skills in new contexts. Practicing something also helps you see connections and integrate what you know from all of your other life experiences. The capacity to discover and integrate new connections to solve new problems and do new things creates new abilities.

Yet, to really use a bicycle effectively, you need to adopt certain mindsets about the bike, other people, and the role of the bike in relation to your goals. Being attuned to others around you while biking, no matter how strong of a rider you are, is essential to keeping yourself safe. Seeing the bike not merely as a way to get from point A to point B, but rather as a tool for fitness, touring the countryside, social activity, or even meeting certain emotional needs, involves certain attitudes

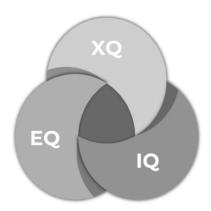
and beliefs that go beyond just the ability to ride. Those mindsets create new opportunities for using bike-riding abilities in new ways.

BRAINS, FEELINGS, AND EXPERIENCES

Over the last hundred years, there's been a lot of focus on the topic of intelligence. The most common measure of someone's smarts is the Intelligence Quotient, or IQ for short. The idea that we all have IQs was introduced in 1912 by the German psychologist William Stern.³ Since then, IQ tests have become the most prevalent form of intelligence testing. Many today refer to intelligence measured on these tests as "general intelligence," or the "g factor," to describe someone's level of cognitive performance. The numeric scores that result from these tests are typically used by psychologists and educators to assess and predict an individual's current and future success.

In the early 1960s, a psychologist named Raymond Cattell introduced the concepts of "fluid" versus "crystallized" intelligence.⁴ Fluid intelligence gives you the ability to see complex relationships and solve problems when faced with new situations. Cattell believed the ability to adapt to life's challenges through fluid intelligence was influenced by biology—people are born with a level of innate fluid intelligence that remains relatively constant over time. Crystallized intelligence, on the other hand, involves the ability to learn and recall information. Crystallized intelligence includes the facts and data obtained through various experiences in life. The more you practice something and retain concrete knowledge about it, the greater your crystallized intelligence.

More recently, Emotional Intelligence, or EQ, has become a mainstream concept. While the term *Emotional Intelligence* also originated in the '60s, it was popularized in the 1995 bestselling book by Daniel Goleman, *Emotional Intelligence*. The appeal of EQ is that it broadens the overall definition of intelligence. Those with high EQ, it's argued, are more emotionally regulated and empathetic to others. These attributes give you a leg up in navigating personal relationships and when working in groups, teams, and organizations. EQ has become a big focus within leadership development programs in business. The more emotionally intelligent a person is, the more successful they are with collaboration and leading others. EQ filled a void in our common-sense understanding of intelligence; there must be more to intelligence than pure intellect as a predictor of success.

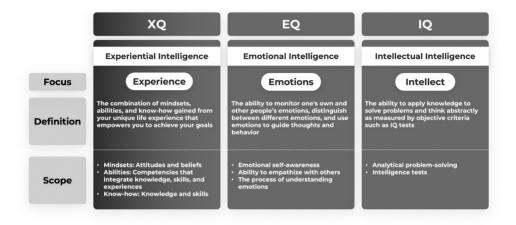


Three Complementary Intelligences.

IQ, EQ, and XQ Each Complement the Other

Success in business and life isn't just about being intellectually smart (IQ), having Emotional Intelligence (EQ), or using what you've gained from your experiences to your advantage (XQ). It's a combina-

tion of all three, and in different amounts for different people. They go together, like three intersecting circles, to help us understand what leads to success.



Intelligence Comparison Chart

XQ Expands the Concept of Intelligence

While the world generally recognizes IQ and EQ as indicators of ability, the missing element is Experiential Intelligence. XQ is like the third leg of a stool that's been propping us up all along but that we haven't been able to see because it's been hidden beneath our seats. As a complement to IQ and EQ, XQ expands our understanding of what's needed to thrive in today's ever-changing, increasingly uncertain, and disruptive world.

THE SEEDS OF XQ

When Robert Sternberg was a child, he suffered from test anxiety. He struggled to perform, no matter what the subject of the test. His

scores paled in comparison to his actual intelligence, and he knew it. This caused even more anxiety when he'd take tests. His troublesome experience led him to realize that tests don't necessarily tell you how smart you are—and that he wanted to do something about it.

Later in life, Sternberg became the president of the American Psychological Association and created the triarchic theory of intelligence. Sternberg developed his theory to broaden the definition of intelligence itself. Triarchic theory focuses on three complementary areas that make up intelligence:

- Analytical Components: Problem-solving and decisionmaking, including understanding complex relationships, obtaining knowledge, and prioritizing relevant information to make decisions
- Experience: Completing tasks by applying previous experience in ways that are so natural they become automatic, or creatively applying know-how and intuition gained from prior experiences to address challenges in new situations
- **Practical Context:** Practical application of the analytical components combined with prior experience, either through *adapting* to the environment, proactively *shaping* the environment to change it, or *selecting* and moving to a better environment to meet one's needs

Sternberg's second area involving experience has been commonly referred to as "Creative Intelligence." That's because it's about how people apply the learning and insight gained from prior experiences to creatively navigate problems and challenges in new situations. Some have

also referred to Creative Intelligence as Experiential Intelligence. And that's where the first academic use of the words *experiential* and *intelligence* came together in a single concept. When it comes to the definition of Experiential Intelligence in this book, XQ goes beyond just creative problem-solving. XQ assumes that our experiences impact us by shaping how we think as well as our abilities, both of which are important to understand for personal growth and success in business and life.

EVEN REALLY SMART PEOPLE CAN'T AGREE ON INTELLIGENCE

Around the same time that EQ became popular, a developmental psychologist named Howard Gardner introduced his theory of multiple intelligences. Gardner challenged the idea that intelligence is simply limited to cognition. He pushed the boundaries of the concept of intelligence itself over time, listing the following types of intelligence that go beyond just intellect:

- **Musical:** Understanding sounds, rhythm, and tone, which often includes the ability to sing, compose music, and play instruments
- **Naturalist:** Understanding living things and how to work with and in nature, which relates to abilities in farming, botany, biology, environmentalism, and outdoor recreation
- Visual-Spatial: Visualizing the world in the mind's eye, which relates to a good sense of direction, sense of design, and visual imagination

- **Linguistic:** Understanding and using words to convey meaning, which includes skills related to spelling, reading, writing, and public speaking
- **Intrapersonal:** Understanding yourself, including your feelings, needs, strengths, and weaknesses, allowing you to manage your emotions and behaviors
- **Interpersonal:** Connecting into others' feelings, moods, and motivations, and using empathy to foster collaboration
- Logical-Mathematical: Thinking in abstractions, using critical thinking and reasoning, and applying numbers to solve problems
- **Bodily-Kinesthetic:** Having coordination, including using your body with intent and skillfully using objects and tools, which can be applied to sports, dancing, construction, the military, and more
- Existential: Raising and pondering big existential questions like the nature of love, good, evil, right, wrong, life, death, purpose, God, and general existence
- **Pedagogical:** Understanding how learning happens and helping others learn new things

A big appeal of Gardner's multiple intelligences is the idea that intelligence is relative. Through exposure, practice, and hard work, you can gain greater intelligence in whatever area is most important to you.

Critics of Gardner's theory say that his "intelligences" are actually "abilities." Some assert that because Gardner's intelligences can be developed, they're not equivalent to true intelligence. That argu-

ment assumes that intelligence must be innate and tied to cognitive abilities. Other critiques have focused on the difficulty in quantifying and measuring Gardner's various intelligences in light of more standardized IQ tests.

Despite the criticisms, Gardner's intelligences provide the means to stop comparing people on a single, limited variable and instead honor their unique, wide-ranging abilities—and help others gravitate to the things that both tap into their strengths and give them the most fulfillment. The different intelligences also help expand the definition of success. Even if someone doesn't score well on a traditional IQ test, they may possess "intelligence" in other areas that can lead to both personal and professional satisfaction and achievement.

Shortly after Gardner's ideas came onto the scene, Carol Dweck, a psychology professor at Stanford University, introduced the distinction between "fixed" and "growth" mindsets. People with fixed mindsets assume their success is due to innate intelligence that doesn't—and can't—change over time. Those possessing a growth mindset, on the other hand, view success as stemming from continuous learning, development, and hard work. Their growth mindsets give them resolve to keep going in the face of setbacks. Whether they are as "smart" as others doesn't matter much. They may not necessarily believe that anyone can become a rocket scientist, but they do think anyone can become more successful with effort. Dweck's research adds another dimension to the intelligence debate—that your mindset about intelligence itself impacts your success, no matter how intelligent you may be. Those who possess a growth mindset are better positioned to succeed in life, both personally and professionally.

The primary reason there's debate about intelligence is because of

the underlying and often unquestioned assumptions that exist about the topic. In most developed countries, the construct of intelligence is taken for granted. Five common beliefs underlie the dominant view of intelligence in modern society:

- 1. People are born with a certain level of intelligence.
- 2. Given that intelligence is an innate trait, one's intelligence level doesn't change through life.
- 3. Some people have more intelligence than others.
- 4. Greater intelligence equates to greater success.
- 5. Success based on intelligence equates to achievement, social status, and material wealth.

Even with the shift toward a broader, more empowered definition of intelligence rooted in positive psychology, like the ones Gardner and Dweck provide, it's still important to recognize the controversy surrounding the topic.

Why do we care so much about what constitutes intelligence and how to get more of it? The first two beliefs—that intelligence is an innate trait that remains consistent over time—naturally leads to the third belief that some people inevitably possess greater intelligence than others. If we presume that differences in intelligence come from factors outside of our control (e.g., we're born with our level of intelligence and it doesn't change as we grow older), it's easier to accept the idea that differences are simply a natural part of the world order. *Some people are just smarter than other people* might seem so intuitively valid that it would be frivolous to even question the statement.

The implication of accepting the first three beliefs, either implic-

itly or explicitly, is that they reinforce the logic of the fourth and fifth beliefs. The first three biologically based assumptions can lead people to rationalize that differences in socioeconomic conditions and social status are also natural, which is one of the reasons that intelligence has become a hotly debated topic.

I won't go into the various debates around general intelligence in detail. Those discussions could become an entirely separate book because there are so many contentious issues. The role of nature versus nurture is central to many of those debates. Challenges to how IQ is measured is another hot topic, including the role of implicit bias in its measurement. There's also the question about how and why the average IQ score in the United States has increased by thirty points in the last century. Some have also voiced concern around intelligence tests being used to exacerbate and justify social inequities. The umbrella controversy that envelops most of these debates is whether general intelligence is a truly objective scientific measure or if it's really a social construct that reinforces dominant values and institutionalized power structures—or both.

While these debates will likely remain alive for some time to come, an opportunity exists to consciously reevaluate what constitutes "intelligence" in today's rapidly evolving world where disruptive change is an everyday experience. Arguably, it's not just intellect that makes someone successful in today's world. Resilience, creative thinking, empathy, self-awareness, and many more attributes are needed beyond just intellectual problem-solving. The debate about whether nature, nurture, or a combination of the two are responsible for IQ doesn't address the fact that we all possess both emotions and experiences. That's why Emotional Intelligence became such a great

complement to IQ. EQ highlights a success factor for navigating the world that falls outside the realm of the intellect. And this is also the case with Experiential Intelligence—we all have experiences, and our experiences instill both barriers and assets for navigating the nuances of life, no matter how high our IQ score.

DEFINITIONS OF SUCCESS SHAPE VIEWS OF INTELLIGENCE

I've been fortunate to have had some profound experiences throughout my life that have shaped my knowledge and awareness of what it takes to use the past to create a successful future. I'm a firm believer that the definition of success lies in the eye of the beholder. For some, success means money and material possessions. For others, it means notoriety. Still for others, it means leaving a positive mark on the world or just finding happiness. And that's why it's important to embrace different types of intelligence—so that we don't presume that the size of our brains equates to the size of our success in business, and even life itself.

Of all the research on intelligence, XQ is most aligned with Gardner's intelligences. Although Gardner doesn't use the language of "experience" per se, the fundamental premise of his theory is that the more experience you obtain in one of the areas of intelligence, the "smarter" you can get. Experience is the common denominator. Gardner's intelligences, like XQ, provide a strengths-based understanding of people rather than pigeonhole everyone into a definition that's primarily about analytical problem-solving. People who possess different

types of intelligence, like having a deep existential connection to a higher purpose and meaning in life, or being physically coordinated and superior at sports, may be as "successful"—and happy—as anyone else.

XQ also connects to Dweck's growth mindset concept. Having a growth mindset means you possess a positive, future-focused view of yourself and the possibilities for your life. XQ addresses the past, but in the spirit of gaining insight from it as a way of creating your desired future. Grounded in positive psychology, XQ helps foster a growth mindset by overcoming the impacts of past setbacks and challenges that may have cemented certain self-limiting beliefs and assumptions—which can then lead to greater self-awareness and the ability to start seeing new opportunities where none existed before, and ultimately finding success and satisfaction in whatever one chooses to do.

Developing your XQ is about knowing what you know. It involves gaining greater awareness of your attitudes and beliefs, anchored by an intention to marry your mindsets with the abilities built from your experiences to apply your knowledge and skills most effectively. But it doesn't stop there. Intelligence based on experience, which ensures resilience in today's disruptive world, also includes the capacity to adjust your mindsets over time so that you can artfully adapt to whatever your future may hold and ultimately define success for yourself.

CHAPTER TWO KEY MESSAGES:

- IQ is today's primary way of evaluating general intelligence.
- Emotional Intelligence, the theory of multiple intelligences,

- and the concepts of fixed and growth mindsets broaden the definition of what it means to be "smart."
- While the term *Experiential Intelligence* originated in academic literature with an emphasis on creative problem-solving, XQ as outlined in this book broadens the definition by focusing on the personal assets developed from specific experiences that positively shape mindsets, abilities, and know-how.
- By overcoming the fundamental assumption that underlies society's interest in intelligence—that the smarter you are intellectually, the more successful you'll be—you can find greater personal and professional success.

3

THE PSYCHOLOGY OF EXPERIENCE



Chapter Three Video Overview

This mandate came down from the CEO of a Fortune 500 company to his executive team, which I learned about just as I was starting to advise the company on its innovation strategy. The CEO told his entire team they weren't allowed to talk about their organizational culture. Using the word *culture* felt too amorphous for the CEO, given his strong financial background. Because he couldn't adequately quantify culture and "manage" it, like he could with the company's balance sheet, he chose to ignore it. The problem was that he also wanted greater innovation and business growth. He

wanted results without looking at why his culture held people back from taking risks to test out new ideas. Culture was intentionally ignored, which made it next to impossible to improve it to get more innovation.

This chapter, and the chapters following it, may challenge you in the same way that the notion of culture challenged that CEO. That's because Experiential Intelligence (XQ) can't be completely segmented into personal versus professional spheres of life. There's a psychological component necessary for understanding XQ. And that can make many results-oriented businesspeople uncomfortable.

This book applies to business, but it's also about the influence of neurology and psychology on how we define and develop mindsets and abilities—which in turn influence personal and professional success. The experiences you have, especially early in life, wire you to think and behave in certain ways. You might be able to operate sufficiently without full awareness of how you've been influenced by both the big and little events in your life. But when you show up at work, whether it's in an office or a videoconference, you're bringing your whole self to it. Especially when the pressure rises and stress increases, what you think, say, and do are often influenced by the mindsets and abilities, both good and bad, that you fall back upon. So you can choose to ignore the influences that led you to where you are today, just like the CEO chose to ignore his culture, or you can opt to understand your experiences with a new lens to make both your personal and business lives more effective at the same time.

BIG INFLUENCES OFTEN COME FROM LITTLE PLACES

When I was four, my mother showed me how centrifugal force worked by filling a bucket of water and swinging it around and around in a circle with a rope. When the upside-down bucket reached the top of the circle, my mom smiled, noting my amazement that the water didn't fly everywhere. I found it comforting. What could have ended up in chaos, didn't.

Shortly thereafter, my father and I were on a walk in the neighborhood and came upon a gutter full of soggy decomposing leaves. He pointed to the brown pile of mush and said, "Eventually, they'll all turn to dirt and go back into the earth."

Nature had rules when, it seemed to me, people didn't.

As the unpredictability of my childhood exponentially increased due to the onset of my mother's mental illness, my father's lack of presence, and my family's constant moves from one town to the next, the little scientific miracles I discovered at an early age reassured me.

I longed for predictable patterns. Would I walk into the living room to find my mother in a catatonic trance, unresponsive to the world? Would I receive a ride home from school, or would I need to walk home four miles in the pouring rain? For years, these questions, and many others like them, reverberated in my mind as a constant, stressful hum.

Finding a formula to proactively manage the social challenges of my childhood was next to impossible. Over time, I learned to deal with the discomfort of highly uncertain situations. I learned to live

with ambiguity until the very last minute, then make decisions given whatever information I had in that moment. I learned to set clear boundaries with other people and to protect myself both physically and emotionally as I grew up in the world with little supervision. I didn't always have the greatest information or circumstances to work with, but I learned to make the best of what I had.

As an adult, I found a way to translate my abilities into opportunities. I realized that I was particularly adept at dealing with some of the most inherently ambiguous areas of business: how to run startups, manage corporate innovation, and transform organizational culture. It wasn't about theory. I instinctively understood how to work with limited data, check assumptions, decipher unwritten rules, hedge bets, and quickly pivot in new directions. To get to a place where I could recognize how my experiences had contributed to my strengths, though, I first had to look internally. I needed to understand the limitations that had been instilled in my psyche, along with the hidden assets that my unique challenges and struggles gave me.

The challenge for me, and for many other people, is that sometimes we have experiences, especially during childhood, that can stick with us and get in our way. These experiences may be big events, like the death of a loved one, or a series of small experiences that add up over time, like being bullied by other kids or enduring relentless criticism from a parent. As a result of these experiences, we might adopt certain self-limiting beliefs that aren't accurate or attitudes that hold us back in certain ways. To make things even more complex, sometimes highly stressful events or persistent experiences that produce sustained levels of stress can literally wire our brains to have autopilot responses to certain triggers later down the road.

When I was walking alone to school in first grade, for example, our neighbor's two German shepherds ran up to me, jumped up onto my chest, and knocked me to the ground. Though in retrospect I believe they wanted to play, I experienced them as giant, drooling beasts that threatened my life. In a single moment that lasted just a second, my brain was rewired. I lived with a visceral fear of dogs for decades. As an adult, I would do just about anything to avoid dogs, even the small, yappy pipsqueaks. I knew my fear wasn't rational, yet I felt the fear in my gut. The danger felt real for me even when there was no objective risk. For years, I subconsciously held the self-limiting belief that "all dogs are dangerous" and simply accepted the fact that "I'm a person who's scared of dogs."

At age seven, my run-in with the German shepherds felt like a truly traumatic experience. I literally feared for my life during that short interaction, which wired my brain to associate dogs with something life threatening. This process is what Bessel van der Kolk describes in his book *The Body Keeps the Score*. Certain traumatic life experiences are "held" in the body and later surface as physiological responses to specific triggers connected to that original experience, like encountering certain words, sounds, smells, or just about anything else associated with it.

The thing that makes psychology complex, however, is that different people can have very different responses to similar events, even scary or threatening ones. For example, even though I experienced the "dog attack" as a trauma, a child with dogs in their household might have experienced it as a simple encounter with the neighbor's friendly canines and not have been affected at all. A similar example comes from someone I know who, at age ten, was pulled onto the dance floor

at a wedding by his grandmother and "forced" to dance with her in front of a hundred people. The experience was so traumatic for him that he never danced again. For me, this would have just been a blip in my life's timeline, or possibly even a positive memory with my grandmother that I would cherish for life. Experiences are relative—they can have dramatically different effects from person to person based on many factors tied to both nature and nurture.

HIDDEN ASSETS LIE WITHIN YOUR EXPERIENCE

Think about a teacher you had, someone who mentored you, or a parent who taught you valuable lessons. You likely have had experiences with people that helped you learn something new or changed your perspective in some way that has stuck with you to this day. Or maybe you can point to an event in your life, a milestone, or something you did or achieved that gave you a new skill, new knowledge, or a completely different way of seeing the world. Making the connection between your positive experiences and the positive contributions gained from them can feel energizing.

It can be a bit harder to decipher what you may have gained from your perceived *negative* experiences. Negative experiences are just that: difficult, painful, challenging, stressful, or just overall unpleasant. Talking about these experiences with other people can feel risky. It can be a lot easier to attempt to forget about your negative experiences and try to move on. Plus, there can be social stigma tied to admitting your struggles.

Oprah Winfrey is one of a few public figures who have helped reframe what it means to reveal difficult experiences. In partnership with the psychiatrist Bruce Perry, Winfrey coauthored the book *What Happened to You? Conversations on Trauma, Resilience, and Healing.*Winfrey and Perry intentionally titled the book "What Happened to You?" to contrast the typical question that people get when they're living with trauma: "What's wrong with you?" The premise of the book, and what's behind the title, is that the impact of our experiences can persist over time due to how certain events may rewire the brain. This rewiring can cause problems later in life either directly, like anxiety or depression, or through coping behaviors, like addiction. Looking at "what happened" within one's past—the experiences we had that negatively impacted us—shifts focus from pathology to empathy.

Just as it's important to have empathy for others, we need to be equally kind to ourselves when we're stymied by our own setbacks. We need to recognize that we all have our own individual stories, populated by our own unique collection of experiences, that can indeed create mountains for us to climb, but that also equip us with the tools to traverse over them. By approaching your own challenges with a recognition that you already possess strengths that can help overcome them, you have a leg up. A simple reframing of a belief can support your ability to discover hidden assets waiting to be leveraged for your benefit.

A great example of how this works comes from psychologist Richard Tedeschi. His research on post-traumatic growth (PTG)¹² addresses how even trauma can produce unforeseen benefits. Tedeschi's concept of PTG describes what happens when you undergo a significant psychological struggle that leads to a substantial mindset shift

that positively transforms your life. "Negative experiences can spur positive change, including a recognition of personal strength, the exploration of new possibilities, improved relationships, a greater appreciation for life, and spiritual growth. We see this in people who have endured war, natural disasters, bereavement, job loss and economic stress, serious illnesses and injuries," according to Tedeschi.¹³ He also says it's possible that, following traumatic events, "people develop new understandings of themselves, the world they live in, how to relate to other people, the kind of future they might have and a better understanding of how to live life."¹⁴

Tedeschi's work shows that unfortunate events don't necessarily spell perpetual doom. In fact, they may even equip you for a brighter future. Experiential Intelligence embodies this idea, though XQ applies to experiences beyond trauma as well. Embracing your XQ means looking for the unrealized assets you *already* possess and that you've developed *because* of your experiences, whatever they may be.

SHARED EXPERIENCES CREATE CONNECTION

Understanding how experiences shape us on an individual level is important. Yet we're all part of different social groups, like families, teams, organizations, and communities. When we have shared experiences with other people, we often develop similar mindsets. That's what creates culture: when people share similar attitudes and beliefs, which in turn influences people's behavior.

Shared experiences are powerful. When people are part of groups with intense shared experiences, like military units, police departments, fire stations and battalions, and hospital emergency departments, very strong cultures can result. Whole societies can also have shared experiences, like when the United States was attacked on September 11, 2001. These types of experiences can create dramatic shifts in collective mindsets almost overnight, just as PTG transforms individual mindsets.

Many organizations understand the importance of shared experience. New-hire "onboarding" programs give new employees a common experience through training, executive presentations, office tours, and other activities that reinforce the company's culture. The goal is to get everyone on the same page quickly so they can hit the ground running in the work environment. Many teams and organizations also create rituals around rewards. When someone who's done something valuable is recognized publicly, the act of doing so becomes a shared experience. Everyone who witnesses the accolades gains an understanding of what's important and valued by the organization. A shared mindset is the result, which usually leads to more of the desired behavior that was rewarded.

Team building is also a technique used by many organizations to create shared experiences focused on solidifying the culture of groups and departments. The challenge with team-building programs, however, is that they can feel contrived. Unless people feel like the program is purposeful, the team-building session can backfire by giving people an experience that instills the wrong mindsets. Experiences that are authentic, that bring people together around a common purpose, and where success is tied to the contributions of everyone involved, are

often the most influential in instilling shared mindsets that influence culture.

CREATING THE FOUNDATION FOR YOUR XQ

Experiential Intelligence gives you the opportunity to expand how you think about what happened in your past and how it affected you. Even your most trying experiences, especially your setbacks and struggles, most likely helped you develop unique assets that you can leverage to shape your future.

In the broader scheme of things, moving forward isn't just about addressing past wounds. Sure, the thousands of experiences you have had in your life can impact you, stick with you, and affect your happiness, social and emotional functioning, and quality of life. And yes, some of these impacts may be bigger than others, and some may need some healing. But growing your XQ isn't about getting back to your baseline. It's about discovering and tapping into your inherent capacity for growth and resilience, and then taking yourself to the next level.

Developing your Experiential Intelligence using the techniques in this book will help you see yourself through a new lens, which will then help you view your future possibilities in a new way. That's because the concept of XQ is anchored in positive psychology, which emphasizes the strengths of people and organizations rather than what's wrong or broken. Approaches grounded in positive psychology zero in on what's working, inherent assets, and latent opportunities

that exist within people and the broader social systems in which they participate. Greater happiness, well-being, quality of life, and overall effectiveness in whatever you want to do is the goal. And so, as you grow your XQ, you'll also harness the assets acquired from your most challenging life experiences, the ones that may have been weighing you down until now.

It may be necessary to heal from the impacts of an experience before being fully able to see the strengths it delivered to you. In my case, I overcame my fear of dogs using an approach called Eye Movement Desensitization and Reprocessing (EMDR).¹⁵ EMDR rewires your brain to unpair your physical stress responses from your embedded memories of the past. The process I used first involved identifying potential "targets" that represented past experiences that caused anxiety, distress, or emotional discomfort. Given my background, I had a substantial list of targets, but agreed with the therapist that we would start with something relatively mundane for me, which was my fear of dogs. We moved into a discussion in which I provided a numeric ranking of the level of stress that the memory of the German shepherd attack caused me as I recalled it in the therapist's office. Using a long stick with a red ball on the end, the therapist moved the stick from side to side, instructing me to move my eyes to follow the ball, all the while thinking about my scary childhood experience with the dogs. We repeated the process several times until my reported stress level went to zero. At that point, we did it again, but this time I thought about the feelings of safety and confidence I wanted to have when being around dogs in the future. In what seemed like a miraculous hourlong session, I overcame my "lifelong" fear.

Overcoming my fear of dogs after so many years was a gratifying

feat. After doing so, I applied EMDR to other experiences I had growing up. Yet, one thing was missing from my overall experience with EMDR. Not once was I asked to discuss or explore what I gained from the traumatic experiences that I was healing. The assumption was that the experiences injured me in some way and that the goal was simply to repair those wounds. The process left out a big opportunity: *to go beyond healing into empowerment*.

The EMDR process by its very nature, and by no fault of the approach or the therapist who implemented it, stopped short. It indeed addressed my presenting problem. But it didn't catalyze a deeper, empowered understanding of myself. The question of what unique personal assets I may have developed because of being "attacked" by those German shepherds simply wasn't part of the equation.

Through my own reflection, using meditation, and applying the tools in this book, I eventually realized that, for much of my life, I have been acutely aware of my environment. The German shepherds came out of nowhere when I was walking to school. I subconsciously didn't want to be surprised like that again. So I started noticing details. I'm keenly aware of who and what is around me. When facilitating leadership development programs of a hundred people or more, I take cues from body language throughout the room and adjust how I lead.

I chose EMDR to address my fear of dogs, but there are many other approaches I could have selected, like cognitive behavioral therapy, exposure therapy, hypnotherapy, neuro-linguistic programming, guided meditation, and many others. Depending on your own situation, any of these approaches can be useful for resetting your system so that you no longer automatically respond to certain triggers.

Growing your XQ doesn't require doing formal therapy first. The goal is simply to uncover your hidden assets and apply them to creating your desired future. It may be easier to see your strengths if you get certain obstacles out of the way first, like I did. Otherwise, the tools in this book may be enough to help you move beyond lingering attitudes and beliefs that are getting in your way.

Let's get practical and look at how to develop your XQ.

CHAPTER THREE KEY MESSAGES:

- Our unique collection of experiences equips us with strengths and tools to navigate the world, though sometimes these assets are hidden and need to be discovered.
- Experiences, especially those we have early in life, can cause neurological wiring that leads to inaccurate self-limiting beliefs or attitudes that hold us back from our greater potential.
- The concept of post-traumatic growth (PTG) highlights how significant psychological struggles can lead to positive transformation in people's lives.
- Reframing a belief can help you discover hidden assets waiting to be leveraged to support your personal and professional goals.
- When people have shared experiences, they often develop common mindsets that create bonds and influence the culture of their teams, organizations, and communities.

About the Author



oren Kaplan is a bestselling and award-winning author and speaker, a columnist for *Inc. Magazine*, the founder of Praxie.com, and an affiliate at the Center for Effective Organizations at USC's Marshall School of Business. *Business Insider* and Thinkers50 have named him one of the world's top management experts and consultants.

Soren has advised, consulted to, and led professional development programs for thousands of executives at leading organizations around the world, including Disney, NBCUniversal, Kimberly-Clark, Colgate-Palmolive, Hershey, Red Bull, Medtronic, Roche, Philips, Cisco, Visa, JPMorgan Chase, Wells Fargo, Ascension Health, Kaiser Permanente, Star Alliance, CSAA Insurance Group, PwC, American Nurses Association, AARP, and many others. He has lectured at the University of Southern California's Marshall School of Business, the Copenhagen Business School, Melbourne Business School, Breda University of Applied Sciences in the Netherlands, and other MBA and executive education programs around the world.

Soren's debut book, *Leapfrogging*, was named "Best Leadership Book" by the Axiom Book Awards, and his book *The Invisible Advantage* received the "Best General Business Book" distinction by the International Book Awards. He has been quoted, published, and interviewed by Harvard Business Review, Fast Company, Forbes, CNBC, Vice, National Public Radio, the American Management Association, Strategy & Leadership, and the International Handbook on Innovation, among many others. He holds Masters and PhD degrees in organizational psychology.

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