

# The 8<sup>th</sup> Habit

## From Effectiveness to Greatness

by Stephen Covey  
[Fertig Notes]

- The greatest and most important mountain climbing achievements in history are not so much stories of individual achievement, but are stories of the extraordinary power of a unified, talented, prepared *team* that stays loyally committed to one another and their shared vision *to the end*.
- People face a new and increasing expectation to produce more for less in a terribly complex world, yet they are simply not allowed to use a significant portion of their talents and intelligence.
- Despite all our gains in technology, product innovation and world markets, most people are not thriving in the organizations they work for. They are neither fulfilled nor excited. They are frustrated.
- Being *effective* as individuals and organizations is no longer optional in today's world – it's the price of entry into the playing field. The call and need of a new era is for *greatness*. It's the *fulfillment*, *passionate execution*, and *significant contribution*.
- The 8<sup>th</sup> Habit is to *Find Your Voice and Inspire Others to Find Theirs*.
- Voice is *unique personal significance* – significance that is revealed as we face our greatest challenges and which makes equal to them.
- Edmund Burke: All that is necessary for the triumph of evil is that good men do nothing.
- The great historian Arnold Toynbee said, “*Nothing fails like success.*” In other words, when you have a challenge and the response is equal to the challenge, that's called success. But once you have a new challenge, the old, once successful response no longer works. That's why it's called a failure.
- The main assets and primary drivers of economic prosperity were machines and capital – *things*. People were necessary but replaceable. People were like things – you could be efficient with them. When all you want is a person's body and you don't really want their mind, heart or spirit (all inhibitors to the free-flowing processors of the machine age), you have reduced a person to a thing.
- The problem is, managers today are still applying the control model to knowledge workers. Because many in positions of authority do not see the true worth and potential of their people and do not possess a complete, accurate understanding of human nature, *they manage people as they do things*. What happens when you treat people like things today? It insults and alienates them, depersonalizes work and creates low-trust, unionized, litigious cultures.
- If you want to make *minor*, incremental changes and improvements, work on practices, behavior or attitude. But if you want to make significant, quantum improvement, work on *paradigms* - perceptions, assumptions, theories, frames of reference or lenses through which you view the world. For instance, how did they attempt to heal people in the Middle Ages? *Bloodletting*. What was the paradigm? The bad stuff is in the blood; get it out. Now if you did not question this paradigm, what would you do? Do more. Do it faster. Do it more painlessly. You might even teach positive thinking to your patients, as well as your employees, so the positive energy is optimized when bloodletting takes place. The problem is that paradigms, like traditions, die hard. Flawed paradigms go on for centuries even after a better one is discovered.
- At the core, there is one simple, overarching reason why so many people remain unsatisfied in their work and why most organizations fail to draw out the greatest talent, ingenuity and creativity of their people and never become truly great, enduring organizations. It stems from *an incomplete paradigm of who we are – our fundamental view of human nature*.
- Human beings are four dimensional – body, heart, mind and spirit – to live (survival), to love (relationships), to learn (growth and development) and to leave a legacy (meaning and contribution).
- People make choices. Consciously or subconsciously, people decide how much of themselves they will give to their work depending on how they are treated and on their opportunities to use *all* four parts of their nature. These choices range from rebelling or quitting to creative excitement.
- In today's Information/Knowledge Worker Age, only one who is respected as a whole person in a whole job – one who is *paid fairly, treated kindly, used creatively* and given opportunities to *serve human needs in principled ways* – makes one of the choices of cheerful cooperation, heartfelt commitment or creative excitement.

- Everyone *chooses* one of two roads in life – one is the broad, well-traveled road to mediocrity, the other the road to greatness and meaning. The path to mediocrity straitjackets human potential. The path to greatness unleashes and realizes human potential. The path to mediocrity is the quick-fix, short-cut approach to life. The path to greatness is a process of sequential growth from the inside out. One word expresses the path to greatness: Voice. Those on this path find their voice and inspire others to find theirs. The rest never do.
- *You learn best when you teach another.*
- *To know and not to do, is really not to know.* To learn and not to do is not to learn. For instance, you could study tennis as a sport by reading books and hearing lectures, but until you've actually played it, you wouldn't really know the sport.
- Our three most important gifts: *our freedom and power to choose, natural laws or principles*, and *our four intelligences/capacities* – physical/economic, emotional/social, mental and spiritual.
- Marianne Williamson: Our deepest fear is not that we are inadequate. Our deepest fear is that we are powerful beyond measure.
- **OUR FIRST BIRTH-GIFT: THE FREEDOM TO CHOOSE**  
 Next to life itself, the power to choose is your greatest gift. This power and freedom stand in stark contrast to the mind-set of *victimism* and the culture of *blame* so prevalent in society today. The essence of being human is being able to direct your own life. An awareness of our freedom and power to choose is affirming because it can excite our sense of possibility and potential. It can also threaten, even terrify, because suddenly we're responsible, that is, "response-able." We become **accountable**. Suddenly, *there is no excuse*. You may have an absolutely awful boss. Your working circumstances may be not only unpleasant but also unjust. However, by the wise exercise of your freedom to choose, you may change those circumstances and profoundly influence your boss for good, or at least insulate yourself from obsessing or being emotionally taken over by others' weaknesses. Remember, any time your emotional life is a function of someone else's weaknesses, you disempower yourself and empower those weaknesses to continue to mess your life up. Again, yesterday holds tomorrow hostage. William James taught that when we change our thinking we change our lives.
- **OUR SECOND BIRTH-GIFT: NATURAL LAWS OR PRINCIPLES**  
 Live by *principles* or *natural laws* rather than going along with today's culture of *quick fix*. Principles are *universal* – that is, they transcend culture and geography. They're also *timeless*. *Natural authority* is the dominion of natural laws. You can't ignore natural laws, and you have no choice but to operate by them. All actions have consequences. Like it or not, when we pick up one end of the stick we pick up the other. If you jump off a ten-story building, you can't change your mind at the fifth story. Gravity controls. That is the stamp of nature. Natural laws (like gravity) and principles (like respect, honesty, kindness, integrity, service and fairness) control the consequences of our choices. Just as you get bad air and bad water when you constantly violate the environment, so also is trust (the glue of relationships) destroyed when you're consistently unkind and dishonest to people.
- **OUR THIRD BIRTH GIFT: THE FOUR INTELLIGENCES/CAPACITIES OF OUR NATURE**  
 The four magnificent parts of our nature consist of body, mind, heart and spirit. Corresponding to these four body parts are four capacities, or *intelligences*, that all of us possess: our physical or body intelligence (PQ), our mental intelligence (IQ), our emotional intelligence (EQ) and our spiritual intelligence (SQ).  
 A person may be a ten on a ten-point IQ scale but emotionally score only a two, and not know how to relate well with others. They may compensate for this deficiency by over-relying on their intellect and borrowing strength from their formal position. But in so doing, they often exacerbate their own weaknesses and, in their interactions, the weaknesses of others as well. Then they try to intellectually rationalize their behavior.  
 Anwar Sadat: He who cannot change the very fabric of his thought will never be able to change reality, and will never, therefore, make any progress.
- Author and founder/CEO emeritus of Visa International, Dee Houk: The problem is never how to get new, innovative thoughts into your mind, but how to get the old ones out.
- Integrity means the *whole* of our life is integrated around principles.

- When you study the lives of *all* great achievers, you will find a pattern. Through their persistent efforts and inner struggle, they have greatly expanded their four native human intelligence or capacities: the mental, *vision*; the physical, *discipline*; the emotional, *passion*; and the spiritual, *conscience*.
- *Vision* is seeing in the mind's eye what is possible in people, in projects, in causes and in enterprises. Vision results when our mind joins need with possibility. As William Blake once said, "What is now proved was once only imagined."
- *Discipline* is paying the price to bring that vision into reality. Discipline arises when vision joins with commitment. The opposite of discipline and the commitment that inspires sacrifice is *indulgence* – sacrificing what matters most in life for the pleasure or thrill of the moment.
- *Passion* is the fire, the desire, the strength of conviction and the drive that sustains the discipline to achieve the vision. Passion arises when the human need overlaps unique human talent.
- *Conscience* is the inward moral sense of what is right and what is wrong, the drive toward meaning and contribution. It is the guiding force to vision, discipline and passion. It stands in stark contrast to the life dominated by *ego*.
- Margaret Thatcher: *Being powerful is like being a lady; if you have to tell people you are, you aren't.*
- When conscience governs vision, discipline and passion, leadership endures and changes the world for good. In other words, *moral authority makes formal authority work*. When conscience does not govern vision, discipline and passion, leadership does not endure, nor do the institutions created by that leadership endure. In other words, formal authority without moral authority fails. The words "for good" means that it "lifts" and also that it lasts. Hitler had vision, discipline and passion but was driven by ego. Lack of conscience was his downfall. Gandhi's vision, discipline and passion were driven by conscience, and he became a servant to the cause and the people.
- **VISION** Vision is applied imagination. All things are created twice: first, a mental creation; second, a physical creation. The first creation, vision, is the beginning of the process of reinventing oneself or of an organization reinventing itself. It represents desires, dreams, hopes, goals and plans. But these dreams or visions are not just fantasies. Albert Einstein: "Imagination is more important than knowledge." Memory is past. It is finite. Vision is future. It is infinite. Cultivating the habit of affirming people, of frequently and sincerely communicating your belief in them – particularly teenagers who are going through their second identity crisis – is supremely important.
- **DISCIPLINE** Discipline represents the second creation. It's the executing, the making it happen, the sacrifice entailed in doing whatever it takes to realize that vision. Peter Drucker once observed that the first duty of a manager is to define reality. Discipline defines reality and accepts it; it is the willingness to get totally immersed in it, rather than deny it. Warren Bennis: *Leadership is the capacity to translate vision into reality*. Happiness is sometimes defined as the ability to subordinate what you want now for what you want eventually. This personal sacrifice is what discipline is all about. Although hard work, good luck and astute human relations are all important, the successful person has "formed the habit of doing things that failures don't like to do." Successful people don't like doing them either, necessarily. But their dislike is subordinated by the strength of their purpose. People who lack discipline and are unable to subordinate and sacrifice simply play at working. Generally, people who spend their time making excuses are those who lack focus and discipline. Setbacks are inevitable; misery is a choice. There are always reasons, never an excuse.
- **PASSION** Passion comes from the heart and is manifest as optimism, excitement, emotional connection, determination. It fires unrelenting drive. When life, work, play and love all revolve around the same thing, you've got passion. The key to creating passion in your life is to find your unique talents and your special role and purpose in the world.
- **CONSCIENCE** Immanuel Kant said, "I am constantly amazed by two things; the starry heavens above and the moral law within." Conscience is the moral law within. It is the overlapping of moral law and behavior. Conscience is the still, small voice within. It is quiet. It is peaceful. Ego is tyrannical, despotic and dictatorial.
- Ego is threatened by negative feedback and punishes the messenger. It denies much of reality. Conscience values feedback and attempts to discern whatever truth it contains. It is open to an awareness of reality from every direction.
- *Conscience teaches us that the ends and the means are inseparable.*
- There is a painful gap between possessing great potential and actually realizing a life of greatness and contribution – between being aware of tremendous problems and challenges in the workplace and

developing the internal power and moral authority to break out of those problems and become a significant force in solving them.

- If you will apply these four capacities – talent (discipline), need (vision), passion and conscience – to any role of your life, you can find your voice in that role.
- Before making a bad food choice, train yourself to inwardly say, “Nothing tastes as good as thin feels.”
- *I committed myself to being healthy for my children. Not to losing weight, but to being healthy. That’s the key for me. My commitment had to be to something that held real value for me.*
- Survey after survey indicates that one of the greatest challenges faced by most people is life balance. People tend to focus so much on work and other pressing activities that the relationships and activities they really treasure most end up getting squeezed and pushed aside. They end up becoming addicted to urgency. *The most important work you do in the world will be within the walls of your own home.*
- Albert Schweitzer: In everyone’s life, at some time, our inner fire goes out. It is then burst into flame by an encounter with another human being. We should all be thankful for those people who rekindle the inner spirit.
- The more you use and magnify the gifts or talents you have been given, the more gifts and talents you are given. But if they are ignored or buried and remain undeveloped and unused, the very talents or gifts that you have been given will be lost and often given to another.
- *Leadership is communicating to people their worth and potential so clearly that they come to see it in themselves.*
- Organizations: At the most elemental level, an organization is nothing more or less than *a relationship with a purpose (its voice)*...Almost *all* people belong to an organization of one kind or another...*Most* of the world’s work is done in and through organizations...The highest challenge inside organizations, including families, is to set them up and run them in a way that enables each person to inwardly sense his or her innate worth and potential for greatness and to contribute his or her unique talents and passion - voice – to accomplish the organization’s purpose and highest priorities in a principle-centered way. In short, an organization is made up of individuals who have a *relationship* and a *shared purpose*.
- Most organizations, families included, are vastly overmanaged and desperately underled. You can’t lead things that don’t have the power and freedom to choose. Only people do. So you *lead* (empower) people. You *manage and control* things.
- There are two kinds of problems in both the physical body and in organizations: chronic and acute. *Chronic* means underlying, casual, continuing. *Acute* means painful, symptomatic, debilitating. Treating acute problems may mask the underlying chronic condition.
- *Low trust* is the first chronic problem that all organizations face...painful symptoms of backbiting, infighting, victimism, defensiveness, information hoarding, and defensive, protection of communication. Second, you will have *no shared vision or common value system*...people acting with hidden agendas, playing political games, and using different criteria in decision making. Third, there will simply be *no alignment* or discipline built into the organization’s structures, systems, processes and culture. Then, the result is a profound *disempowerment* of the people. The whole culture is in a funk. You’ll find a great deal of moonlighting, day dreaming, boredom, escapism, anger, fear, apathy and malicious obedience.
- Neglect body, mind, heart or spirit, and you get four chronic problems in an organization – *low trust, no shared vision and values, misalignment* and *disempowerment* – and all their acute symptoms.
- Live by the universal principles of fair play, honesty, integrity and truth so that you can develop a bedrock of trust on which to build that song sheet.
- How do you solve these four chronic problems? Where there is low trust, we focus on *modeling* trustworthiness to create trust. Where there is no common vision or values, we focus on *pathfinding* to build a common vision and set of values. Where there is misalignment, we focus on *aligning* goals, structures, systems and processes to encourage and nurture the empowerment of people and culture to serve the vision and values. Where there is disempowerment, we focus on *empowering* individuals and teams at the project or job level.
- In a recently published five-year study, The Evergreen Project, the compelling conclusion is that without exception, companies that outperformed their industry peers *excelled at four primary management practices*: 1. **Strategy** – Devise and maintain a clearly stated, focused strategy. 2. **Execution** – Develop and maintain flawless operation execution. 3. **Culture** – Develop and maintain a performance-oriented culture. 4. **Structure** – Build and maintain a fast, flexible, flat organization.

- When a player goes to professional training camp out of shape – lacking *muscle* strength and cardiovascular endurance – he is simply unable to develop the intended *skills*. And if he can't develop the skills, there is no way he can become a useful member of a *team* and part of a winning system. In other words, muscle development precedes skill development, and skill development precedes team and system development. The sports metaphor is a very apt and powerful image. Personal development precedes the building of trusting relationships, and trusting relationships are an absolute prerequisite to developing a group characterized by teamwork, cooperation and contribution to the wider community.
- Move from *character development* involved in finding your *own* voice, to the *skill development* and the *team and system development* required to inspire others to find their voice in *organizations*.
- **Q: Can leadership be taught?** **A:** No, but it can be learned. If people will exercise their freedom of choice to learn the knowledge, skills and character traits associated with leadership (vision, discipline, passion and conscience), they will learn to be leaders that others will happily choose to follow. Ultimately a good leadership team is a complementary team where people's strengths are made productive and their weaknesses made irrelevant by the strengths of others.
- Modeling is the spirit and center of any leadership effort.
- Sometimes mental and emotional *identification* is a more powerful force than involvement. You see this with the followers of a Gandhi, a Martin Luther King or a Nelson Mandela.
- Modeling is also not the work of just an individual; it's the work of a *team*. When you have a team of people that builds on each individual's strengths and organizes to make individual weaknesses irrelevant, you have true power in an organization. So when you think of modeling, think of an individual *and a complementary team*. You are there to play a unique role that compensates for the weaknesses of others. You're not there to find and focus on their weaknesses or to bad-mouth them behind their backs. You're there to make up for their weaknesses as they do for yours. No one has all strengths, and few people can be excellent in all roles. Mutual respect becomes the moral imperative.
- Any time you wrap your emotional life around the weaknesses of another person, you give away your emotional freedom to that person and give them permission to continue to mess up your life.
- By exercising initiative and empathy, by building ethos, by focusing and working on those things that are within your ability to influence, you can become a change catalyst in any situation.
- The five metastasizing emotional cancers: criticizing, complaining, comparing, competing and contending. People who don't have their own deep internal act together seek their security from sources outside themselves. Because they're codependent with their environment, they engage in these destructive, cancerous behaviors.
- George Patton: Never tell people what to do, and they will surprise you with their ingenuity.
- If people are required to own not only the problem but also the solution to the problem, they would begin to view themselves as a vitally important link in the chain of command.
- Avoid complaining, criticizing or being negative, be especially wary of absolving yourself from responsibility and simply blaming "them" for failures.
- Your security does not come from your job or from the patronage of other people; it comes from your ability to meet needs and solve problems.
- Dwight David Eisenhower: The supreme quality for leadership is unquestionably integrity.
- 90 percent of all leadership failures are character failures.
- Just as trust is the key to all relationships, so also is trust the glue of organizations.
- Many have come to believe that the only things we need for success are talent, energy and personality. But history has taught us over the long haul, who we *are* is more important than who we appear to be.
- The 7 Habits of Highly Effective People are *universal*, are *timeless* and are *self-evident*. Try to argue against it. The 7 Habits are character principles that shape *who and what you are*.
- Because modeling always comes first, your first job is to get your act together – to create FOCUS in your life. You simply have to decide what matters most to you. What are your highest values? What vision do you have for your life?
- Health is wealth and without it, no other wealth matters.
- **Q: What do you do if you have customers who abuse and mishandle your trustworthy employees?**  
**A:** Fire the customers! An extremely prominent organization actually said to the customers they did not want their business. However, the better and higher solution is good communication - listening first.

- Building strong relationships not only requires a character foundation of inner security, abundance and personal moral authority, but it also involves stretching ourselves in developing vital new interpersonal SKILLS that will make us equal to the challenges we will face with others. Almost all the work of the world is done through relationships with people and in organizations. But what is communication like when there is no trust? It's impossible. A lack of trust is the very definition of a bad relationship.
- There is nothing as fast as the speed of trust. When trust is present, mistakes are forgiven and forgotten. Trust is the glue of life. Ironically it comes from the speed of going slow. With people fast is slow and slow is fast.
- The presence of *humility* is the willingness to subordinate oneself to another person, to a principle, or to a higher cause. It's realizing that life is not just about me and mine.
- The most wonderful things in life require a *sacrifice*. A good definition of sacrifice is giving up something – even something good – for something better.
- Nothing destroys trust faster than making and breaking a promise. Conversely, nothing builds and strengthens trust more than *keeping a promise* you make.
- Rick Pitino: Lying makes a problem part of the future, truth makes a problem part of the past.
- Peace of mind, true happiness and balance are a function of living a life of integrity to conscience.
- Win-lose thinking is *the* underlying assumption of almost all negotiations and problem solving. It comes from society's scarcity mind-set which says the more the other guy wins or gets, the less there is for me. The key to breaking out of this win-lose mind-set is to become emotionally and mentally settled on championing the other party's "win" as much as your own. It requires courage, abundant thinking, and great creativity to not settle on anything that is a compromise for either party. A key is to begin with a No Deal option. Until you are prepared to go for No Deal, to walk away, to agree to disagree agreeably, unless both parties actually feel it is a win for them, you'll find yourself manipulating and often pressuring or intimidating others to go along with your win. But when No Deal is truly a viable option, you can honestly say to the other, "Unless this is a true win for you and you deeply and sincerely feel it, and unless it's a true win for me and I deeply and sincerely feel it, let's agree right now to go for No Deal.
- The power of Think Win-Win or No Deal lies in the initial willingness to sacrifice – to suspend your own interests long enough to understand what the other person wants most, and why, so that you can help them go to work together on a new, creative solution that encompasses *both* of your interests.
- If you study the underlying roots of almost all communication breakdowns, you'll find they come from either ambiguous or broken expectations around *roles* and *goals*: in other words, who is to do what role and what are the high-priority goals of those roles.
- *Being loyal to those not present* is one of the highest tests of both character and the depth of bonding that has taken place in a relationship. This is particularly the case when everyone seems to be joining in on the bad-mouthing and piling on someone who is not present. You can, in an unselfish-righteous way, just speak up and say, "I see it differently," or "My experience is different," or "You may have a point; let's go talk to him or her about it." By doing so, you instantly communicate that integrity is loyalty – not just to those absent but also to those who are present. Whether they acknowledge it or not, all the people present will inwardly admire and respect you. On the other hand, when loyalty is a higher value than integrity in that you give in, go along, and join in the bad-mouthing, so, too, will everyone present know that under pressure and stress, you would do the same regarding them.
- Giving negative feedback is one of the most difficult communications, but also one of the most needed.
- True *forgiveness* involves forgetting, letting it go, and moving on.
- Because we all make mistakes, we all need to forgive and be forgiven. It is better to focus on our own mistakes and ask forgiveness than to focus on other people's mistakes, wait for them to ask for forgiveness first, or give it begrudgingly if they do.
- Surely what a man does when he is taken off guard is the best evidence for what sort of man he is. Surely what pops out before the man has time to put on a disguise is the truth. If there are rats in the cellar you are most likely to see them if you go in very suddenly. But the suddenness does not create the rats; it only prevents them from hiding. In the same way the suddenness of the provocation does not make me an ill-tempered man: it only shows what an ill-tempered man I am.
- Affirm people. Affirm your children. Believe in them, not in what you see but in what you don't see – their potential. Goethe said, "Treat a man as he is and he will remain as he is; treat a man as he can and should be and he will become as he can and should be."

- Trust becomes a verb when you communicate to others their worth and potential so clearly that they are inspired to see it in themselves.
- The greatest risk of all is the risk of riskless living.
- There is nothing more powerful than to be around a person who is a light, not a judge; who is a model, not a critic.
- You can't change all things; you can't change people; you can only change yourself.
- High-tech works in the long run only with high touch. Once you have a relationship, you can then think efficiently and operate efficiently. Technology enables you to be efficient, but it cannot take the place of the relationship.
- Think Win-Win is the idea or principle of mutual respect and mutual benefit. We could both win more if we cooperated together.
- Communication is without question *the* most important skill in life. There are basically four modes of communication: reading, writing, speaking and listening. Of those four communication modes, the one that represents 40 to 50 percent of our time is *listening* – the one mode we have had the least training in.
- To truly listen means to transcend your own autobiography, to get out of your frame of reference, out of your own value system, out of your own history and judging tendencies, and to get deeply into the frame of reference or viewpoint of another person. This is called empathic listening. It is a very, very rare skill. But it is more than a skill. Much more.
- We do not see the world as *it is*; we see the world as *we are*.
- Edward DeBono, author of *Lateral Thinking*: Creative thinking involves breaking out of established patterns in order to look at things in different ways.
- *To understand does not mean to agree with*. It just means to be able to see with the other person's eyes, heart, mind and spirit. One of the deepest needs of the human soul is to be understood.
- Over 90 percent of all communication problems are caused by differences in either semantics or perceptions. Again, semantics means the way you define words or terms. Perception means how you interpret data. Whenever people listen to each other with true empathy, that is, within the other's frame of reference, both semantic and perceptual problems dissolve because they're listening from within the other's frame of reference.
- Synergy is not compromise. It must be a *better* solution – you must know it, the other must know it, and you both must know that you both know it – no compromise.
- Suing and “the law” should be used as the court of last resort, not the first. A litigious culture is unhealthy for society, destroys trust, gives terrible modeling, and at best results in compromise.
- As you practice the skills of Third Alternative communication, people will gradually get to know and like one another and will become more open, authentic and real. Mutual respect will develop, and people will increasingly seek to acknowledge the strengths of others and will actively strive to compensate for their weaknesses to make their strengths productive. This produces harmony, like in a musical group or an athletic team.
- This influence begins with *modeling* trustworthiness so that people will have confidence in you. But they need more than your trustworthiness. Good intentions do not compensate for bad judgment.
- Horst Schulze, longtime president and COO of the Ritz-Carlton Hotel Company: Leadership is creating an environment in which people want to be *part* of the organization and not just work *for* the organization. Leadership creates an environment that makes people want to, rather than have to, do. I must give purpose, not just work and function. It is purpose – it is value in their lives – that leads people to truly give of their minds. We found the greatest satisfaction for an employee is to feel part of something and to feel trusted to make decisions and to contribute. I realized I could be important if I do what I do right, no matter what it is. In fact, that idea has become the motto of the Ritz-Carlton: “We are ladies and gentlemen serving ladies and gentlemen.”
- Managers are typically rated high on work ethic (modeling) but low on their ability to provide focus and clear direction (pathfinding). As a result, people are neither clear about, nor accountable to, key priorities, and whole organizations fail to execute. People are pushing a rope...with all of their might.
- Theodore M. Hesburgh, President, Notre Dame: The very essence of leadership is that you have to have vision, you can't blow an uncertain trumpet.
- Hearing people clearly understand and get committed to significant goals requires you to involve them in decision making.

- Pathfinding is the toughest undertaking of all because you deal with so many diverse personalities, agendas, perceptions of reality, trust levels and egos. This underscores why modeling is the most important and central governing role. If people cannot trust the person and/or team initiating the pathfinding process, there will be no identification, and involvement will be very dysfunctional.
- There are significant negative consequences that follow from both the Mission/No Margin and the Margin/No Mission approaches. Neither approach is sustainable – particularly in today’s global economy. The key is to go for both. The key is balance.
- When you have too many top priorities, you effectively have no top priorities.
- If you say you value cooperation, reward cooperation, not competition. Water what you want to grow. Almost all organizations espouse the importance of teamwork and cooperation, yet they have deeply embedded systems that reward internal competition.
- Systems will override rhetoric every day of the week.
- Many organizations fall into the trap of rewarding only individual effort at the expense of cooperative effort. Since everybody is operating on their own agenda, people go along with compensation systems that reward individual effort.
- Look for best-practice organizations that are reputed to be superior performers – not that they are perfect or will even remain superior – but look for today’s best and learn from them.
- Teach men and women not only how to manage change, but how to create it.
- J.W. “Bill” Marriott: “The biggest lesson I’ve learned through the years is to listen to your people. I find that if you have senior managers who really gather their people around them, get their ideas and listen to their input, then if you sit around a table with those managers and listen to their input, you make a lot better decisions.” He realizes that simply asking “What do you think?” can turn even people who are considered “manual” workers into “knowledge” workers by listening to them and respecting their experience and wisdom.
- The most crucial activity of any management or leadership team, next to setting up the process of doing strategic pathfinding work, is recruiting, selecting and positioning people. Then, the key is execution.
- Team building is fundamental, particularly in developing complementary teams where people’s strengths are made productive and their weaknesses are made irrelevant by the strengths of others – where the unifying force is a common vision and value system.
- Induce pain. As long as people are content and happy, they’re not going to do much. You don’t want to wait until the market induces pain so you have to induce it in other ways.
- Harold S. Greener, ITT: The best way to inspire people to a superior performance is to convince them by everything you do and by your everyday attitude that you are wholeheartedly supporting them.
- Sometimes in organizations, as well as families, people believe in the potential of others but not in their worth, so they’re not patient, persistent, long-suffering, trust-giving and self-sacrificing. In fact, unless people have a sense of their own personal worth, they will not be able to consistently communicate the worth of other people.
- In the book, *Now Discover Your Strengths*: The great organization must not only accommodate the fact that each employee is different; it must capitalize on these differences.
- Peter Drucker: From now on, the key is knowledge. The world is not becoming labor intensive, not materials intensive, but knowledge intensive.
- Leadership is today’s hottest topic. The new economy is based on knowledge work, and knowledge work is another word for people. Our greatest financial investment is the knowledge worker.
- When you truly establish the conditions for empowerment, control is not lost: it is simply transformed into *self-control*. Self-control does not come when you simply abandon people in the name of “empowerment”; it comes when there is a commonly understood end in mind, with agreed-upon guidelines and supportive structures and systems, and when each person is set up as a whole person in a whole job. People become accountable for results and have the freedom, within guidelines, to achieve those results in a way that taps into their unique talents.
- Sometimes facing reality is difficult, especially when hearing it from others. But we demean and insult people when we treat them as anyone other than accountable, responsible, choice-making individuals.
- Set up the *conditions of empowerment* and then get out of people’s way, clear the path and become a source of help as requested. This is servant leadership. After all, your job is not about getting your ego stroked. It’s about getting the job done.



- Ask them the question: What do you suggest; what is your opinion? Mean it. People are amazingly creative and resilient, and no matter how oppressive a regulatory environment may be, if the work is meaningful, you'll always be able to find some areas of creative opportunity where people can exercise their own judgments.
- Gandhi: The difference between what we are doing and what we're capable of doing would solve most of the world's problems.
- John Gardner: Most ailing organizations have developed a functional blindness to their own defects. They're not suffering because they can't resolve their problems but because they can't *see* them.
- The 8<sup>th</sup> Habit gives you a mind-set and a skill-set to constantly look for the potential in people. It's the kind of leadership that communicates to people their worth and potential so clearly they come to see it in themselves. To do this, we must listen to people.
- First, *modeling*, which inspires trust without expecting it. Second, *pathfinding*, which creates order without demanding it. When people identify and are involved in the strategic decisions, they emotionally connect. Third, *aligning*, which produces *institutionalized moral authority*. Fourth, *empowering*, which is the fruit of the other three roles. It unleashes human potential without external motivation. The most important modeling is done by the leader when he *models the other three roles*.
- All that we have covered can be essentially summarized in two words: Focus and Execution. *Focus* deals with what matters most and *execution* deals with making it happen.
- The first two roles of leadership – *modeling* and *pathfinding* – can be summarized in one word: *focus*. The next two roles of leadership – *aligning* and *empowering* – are summarized in one word: *execution*.
- Larry Bossidy: Without the ability to execute, all other attributes of leadership become hollow.
- Until you have people on the same page, they will not execute consistently.
- Execution is *the* great unaddressed issue in most organizations today. It is one thing to have clear strategy; it is quite another to actually implement and realize the strategy, to execute. In fact, most leaders would agree that they would be better off having an average strategy with superb execution than a superb strategy with poor execution. Those who execute always have the upper hand.
- I am your constant companion. I am your greatest helper or heaviest burden. I will push you onward or drag you down to failure. I am completely at your command. Half the things you do you might just as well turn over to me, and I will be able to do them quickly, correctly. I am easily managed – you must merely be firm with me. Show me exactly how you want something done, and after a few lessons I will do it automatically. I am the servant of all great people; and alas, of all failures as well. Those who are failures, I have made failures. I am not a machine, though I work with all the precision of a machine plus the intelligence of a human being. You may run me for a profit or turn me for ruin-it makes no difference to me. Take me, train me, be firm with me, and I will place the world at your feet. Be easy with me and I will destroy you.  
**Who am I? I am habit.** -ANONYMOUS
- There are six core drivers to execution in an organization: *clarity, commitment, translation, enabling, synergy* and *accountability*.
- **1. Clarity** **2. Commitment** When there is a lack of clarity and commitment, you will have nothing but confusion about what is truly important. The end result is that urgency will define importance. **3. Translation** Align people's jobs to their voices (talents and passions). **4. Enabling** Unless there is genuine involvement in the strategic decision making, particularly regarding values and line-of-sight priorities, you won't get sufficient emotional connection, trust and internal motivation to align deeply embedded structures and systems. **5. Synergy** People's voices are identified and aligned with the organization's voice so that the voices of different departments harmonize together. **6. Accountability**
- There are four disciplines that, if practiced consistently, can close these execution gaps and vastly improve teams' and organizations' ability to focus on and execute their top priorities.
- **Discipline 1: Focus on the Wildly Important. People are naturally wired to focus on only one thing at a time (or at best very few) with excellence.** A "wildly important goal" carries serious consequences. Failure to achieve these goals renders all other achievements relatively inconsequential. Consider the situation of the air traffic controller. *Land them one at a time* and do so flawlessly. We must learn to narrow our focus. The reality is, far too many of us try to do far too many things.  
**Discipline 2: Create a Compelling Scoreboard. People play different when they're keeping score.** This is why it's so crucial to have a compelling, visible, accessible Scoreboard for your strategic plan and crucial goals. Most work groups have no clear measures of success, nor do they have any way to see how they are doing on their key priorities. The Scoreboard is an inescapable picture of *reality*. Strategic success depends on it. Plans must adapt to it. Timing must adapt to it. Unless you can see the score, your strategies and plans are simply abstractions. The Scoreboard should make three things

absolutely clear: *From what? To what? By when?*

**Discipline 3: Translate Lofty Goals into Specific Actions.** There is a vast difference between the stated strategy and the real strategy. The stated strategy is what is communicated; the real strategy is what people do every day. To achieve goals you've never achieved before, you need to start doing things you've never done before. Goals will never be achieved until everyone on the team knows exactly what *they're supposed to do* about them.

**Discipline 4: Hold Each Other Accountable – All of the Time.** In the most effective teams, people meet frequently – monthly, weekly, or even daily – to account for their commitments, examine the Scoreboard, resolve issues, and decide how to support one another.

- The inner drive to 1) Find Your Own Voice, and 2) Inspire Others to Find Theirs is fueled by one great overarching purpose: serving human needs. Over 20 percent of the present workforce is becoming obsolete, and unless they rededicate and reinvent themselves, within a few years, another 20 percent will become obsolete.
- Wisdom comes to people who educate and obey their conscience. Wisdom is the beneficial use of knowledge; wisdom is information and knowledge impregnated with higher purposes and principles. Wisdom teaches us to respect all people, to celebrate their differences, to be guided by a single ethic – *service above self*.
- Abraham Lincoln: *The surest way to reveal character is not through adversity but by giving power.*
- Most individuals think more in terms of “me” – *my wants, my needs, my rights*. *Wisdom* dictates us to focus on trust-building principles and sacrificing “me” for “we.”
- Winston Churchill: To every man there comes in his lifetime that special moment when he is figuratively tapped on the shoulder and offered a chance to do a very special thing, unique to him and fitted to his talents. What a tragedy if that moment finds him unprepared or unqualified for the work which would be his finest hour.
- When rules take the place of human judgment, you can't nurture a climate of innovation and creativity; instead you will nurture a kiss-up culture.
- Loyalty must not be a higher value than integrity; in fact, integrity is loyalty. You want your doctor to tell you the truth even if you don't want to hear it.
- The key is to take the material, teach it, discuss it, and try to institutionalize it by building the fundamental principles right into the daily processes of how the daily work gets done and how people get rewarded. Then it will take. If people won't apply it, however, it won't work. There is no silver bullet. It takes deep commitment, patience and persistence, but, in the last analysis, people must be committed to go to work.
- There are three fundamental ways to develop our physical intelligence: 1) *wise nutrition*; 2) *consistent balanced exercise*, 3) *proper rest, relaxation, stress management and prevention thinking*. They're really common sense. But common sense is not common practice. Very few people practice all three.
- People who have made a commitment to continual learning, growth and improvement are those who have the ability to change, adapt, flex with the changing realities, and become fundamentally equipped to produce in any area of life.
- The best way to develop integrity is to start small, make and keep promises. Make a promise that may seem small and insignificant to others but to you represents a sincere effort – exercise for ten minutes, don't eat that dessert, watch one less hour of TV a day and instead read a chapter of a book, express thanks in a letter, express thanks in person, pray daily, ask forgiveness, or read sacred literature for ten minutes a day. The point is that when you make a promise and keep it, your capacity to make and keep a larger promise increases.
- Warren Bennis: Management is getting people to do what needs to be done. Leadership is getting people to *want* to do what needs to be done. Managers push. Leaders pull. Managers command. Leaders communicate.
- Abraham Zaleznik: Managers are concerned about how things get done and leaders are concerned with what the things mean to people.
- Peter Drucker: The test of any leader is not what he or she accomplishes. It is what happens when they leave the scene. It is the succession that is the test. If the enterprise collapses the moment these wonderful, charismatic leaders leave, that is not leadership. That is – very bluntly – deception.
- John Mariotti: Leaders are the architects. Managers are the builders. Both are necessary, but without the architect, there is nothing special to build.