

ANGLING TOWARDS "BEST IN WORLD" STATUS, THE 525 FOLKS AT THE FAST-GROWING COVEY LEADERSHIP CENTER ARE TEACHING LEADERS WORLDWIDE THE FINE POINTS OF

FISHING BY KEN SHELTON THE

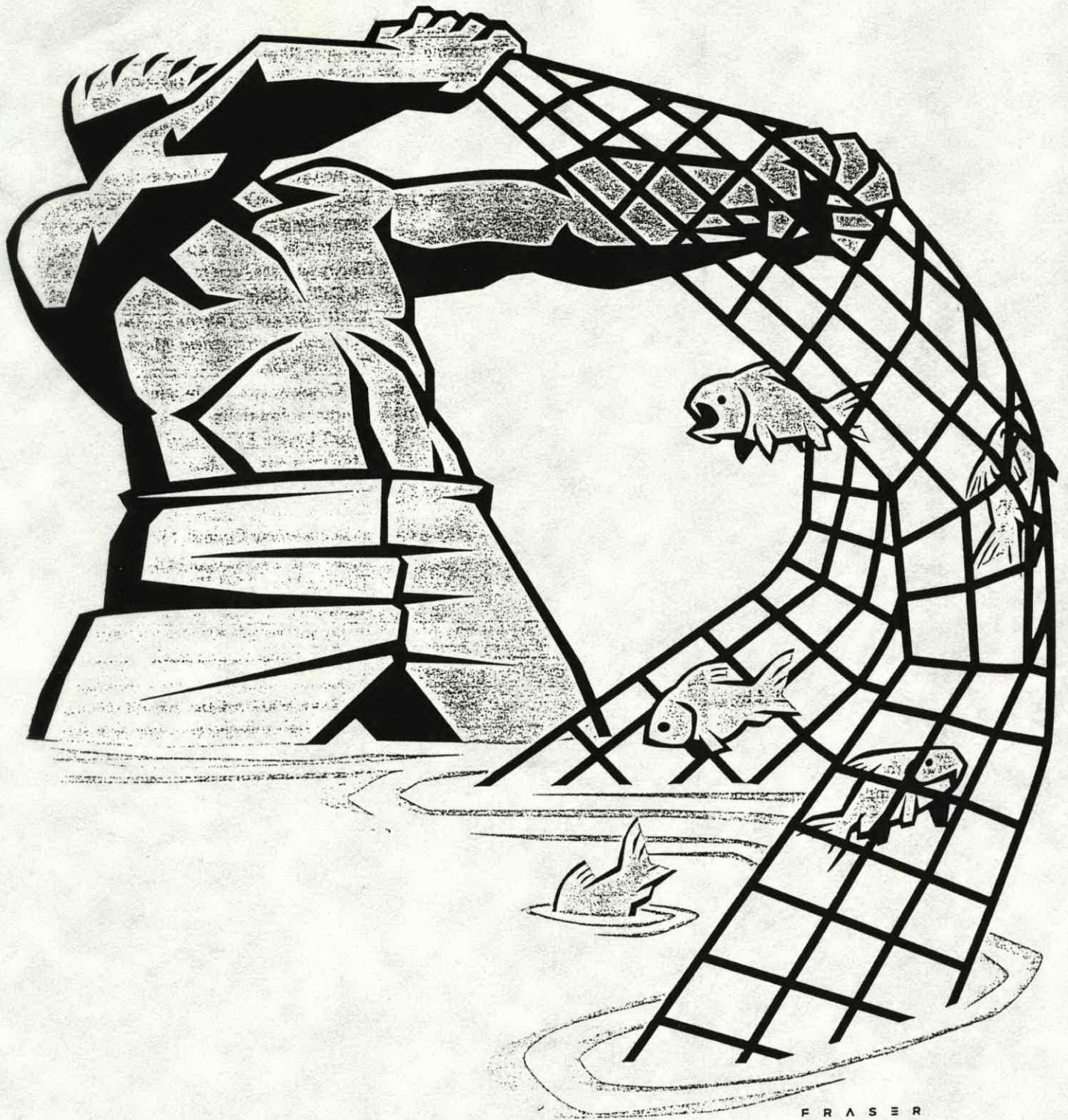
The first part of this story has been told before: a popular university professor decides to strike out on his own as business consultant, speaker, and trainer. The plot calls for the professor to make a decent living by keeping in touch with his network, keeping the overhead low, and having a couple of relatives assist with marketing and office management. ■ In the case of Stephen R. Covey, the story takes a curious twist. The former Brigham Young University professor is self-aware. He knows that like many other successful people, he not only has great gifts, talents and strengths, but he also has eccentricities and weaknesses. So he compensates for these by creating a complementary management- leadership team

STREAM

and lets it call the shots and build the business, the Covey Leadership Center. ■ The 11-year ride for Covey and his colleagues had two stages: a roller coaster for the first six years and a rocket to the moon during the past five. At a business conference last July, President Clinton touted Covey's bestselling book *Seven Habits of Highly Effective People*, as one of three books every worker should read to "dramatically boost the nation's productivity." Such high-ranking publicity and the Center's own mega-marketing have helped turn Utah into a mecca of management training. Every week, dozens of business executives make their pilgrimage to Provo. ■ "The goal in all this," says Covey, "is not simply to make money. We're teaching people how to fish the stream for themselves." ■ For years, Covey has shared this bit of ancient wisdom: Give a man a fish and you feed him for a day; teach him how to fish and you feed him for a lifetime.

ILLUSTRATION BY DOUGLAS FRASER





F R A S E R

"It's an old axiom, but it's as true and timely today as ever," says Covey. "We use this principle in our training. We want to teach people how best to fish the streams—the environments they operate in. We teach them to align their vision and mission with their strategy, structure and systems to achieve success."

Covey is very much the classicist whose ambition is "to restore the character ethic" by encouraging people to live in harmony with natural laws, enduring values and "true north" principles. "My colleagues and I are teaching the timely application of timeless truths, inviting people to center their lives on the proven principles of effective human behavior—and then to monitor their progress. We train people to work from the inside out, from their circle of influence, from the foundation of character to achieve both private and public victories."

Covey draws ideas from disparate sources—digesting an amazing breadth of thought. He then adds depth by presenting them within the context of his own experience with people and organizations, thus creating a unique paradigm of leadership that involves "not just doing things differently, but doing different things."

UPS AND DOWNS

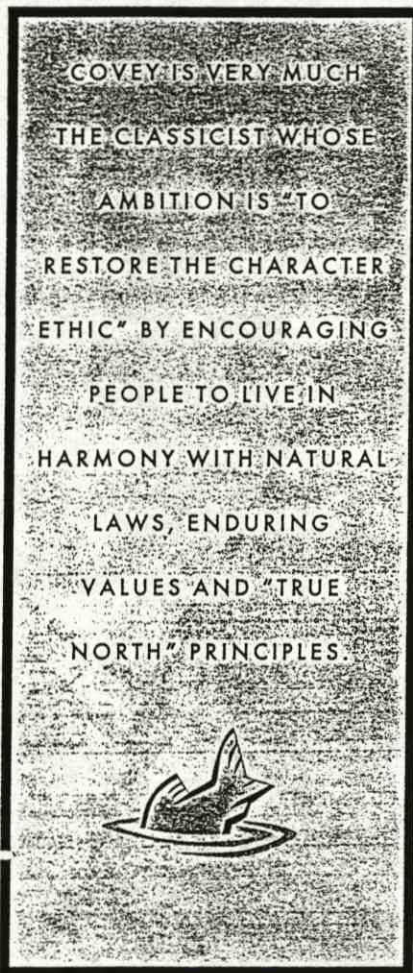
Early on, Covey's firm was fueled by zeal and high ideals, but it was low in management and marketing skills. After a couple of years, the company ran into heavy debt and bumpy relations with suppliers. The company might have folded then were it not for (1) the patience of creditors; (2) the internal decision to do different things; and (3) Covey's personal integrity. "If you will be patient with us," Covey told his creditors, "you will all be paid in full, plus interest on past due debt." He was true to his word.

Bob Thele, president of the Covey Leadership Center, is largely credited with turning the company around financially. "I believe that if there's no margin, there's no mission," he says. "My job is to turn our wonderful content into a marketable commodity in such a way that we can produce profit margins."

"In the mid-'80s," says Thele, "when

we were going through some tough times, we were working from a business plan that was not designed to produce a net margin. We had to devote our time and energy to products and services that had some margin attached to them. So we eliminated some products, added new products, and started focusing on consulting work with major clients."

The Covey Leadership Center is now on a roll. "Our little company is influencing big parts of society," continues Thele. "We now have 525 employees,



and about 200 affiliates and licensees—well over 700 people total. We'll do about \$75 million in sales this year. The Center now has some 7,500 licensed teachers and trainers who facilitate its video-based training inside other companies. That gives us a lot of leverage. We train corporate trainers who then teach thousands of people."

The Center works with about half of the Fortune 500 companies. "Last year alone, we spoke to and trained well over two million people directly

through seminars and speaking engagements. And through books and media, we reached millions more," notes Greg Link, marketing vice president.

Covey, now 60 years old, has great reach. Already this year he has spoken to 70 million people on Radio Free Europe, 30 million on Voice of America and 10 million through the Notre Dame Cable Channel. He'll do about 100 live appearances and 47 programs with the Chamber of Commerce and universities in the United States. He recently was on Robert Schuler's program and the *Larry King Live* show. For the past year, he's written a weekly column for *USA Today* and has been featured in *Success*, *McCall's*, *Business Week*, *Fortune*, *The Wall Street Journal*, *Incentive Magazine*, *Entrepreneur Magazine* and *Training Magazine*.

Covey was recently honored as the "International Entrepreneur of the Year" by the BYU Marriott School of Management. He has received many other awards over the years, including "Man of the Year" from the International Management Council. "But the award I am most proud of," he says, "is the Thomas More Medallion, because More is a great model to me. His life was one of integrity and service. I admire his intellect, integrity, and service ethic."

SUCCESS WRITTEN IN THE SCRIPT

Does all this success come as a surprise? "If I go back 11 years to our start, then yes, it's surprising," says Covey. Still, in 1984, the stated mission of the Center was "to become the most influential leadership training firm in North America within five years, and in the world within 10 years, in order to have a major impact on the way people are managed and organizations are led."

The amazing thing is that they have done just that. "Even five years ago," says Covey, "I saw this success coming. I think we're just starting to see the fruits simply because the material is an idea whose time has come. We've been very influential. I'm amazed at the interest people have in us and in the content. I always talk in terms of influence because that's what our mission is about. We're mission driven, not money driven."

Currently, the Center's mission

statement is "to serve the world-wide community through empowering individuals and organizations to significantly increase their performance capability in order to accomplish worthwhile purposes through understanding and living principle-centered leadership. In carrying out this mission, we strive to practice what we teach."

"What we mean by principle-centered leadership," says Covey, "is that we take the enduring values and universal principles that belong to all mankind, all world religions, and put them at the center of lives, families and organizations so that people have a sense of 'True North,' as if using a compass. 'True North' principles are external to ourselves. We do not own them; we did not invent them; we are merely another agency for articulating them."

"The Center not only serves business," he continues, "we're helping scores of communities and governments. The Honorable Hazel O'Leary, the secretary of the Department of Energy, sees our material as one of the best ways to reinvent the federal government. We're into at least 300 hospitals and 20 major hospital systems. We've trained the top people in many different churches. Our non-profit foundation, the Institute for Principle-Centered Family Living, focuses on community and family life."

"On the education front, we're working with teachers and administrators in some 2,200 school districts in 20 states," says John Covey, Stephen's brother. "In five years, we'll be in 40 states. We believe that children are influenced by their models and environment, and so we're creating principle-centered learning environments. In 16 states, we're working at the very top level, with state boards, superintendents, districts and individual schools. We're also working with national associations that have endorsed principle-centered learning. We used to get about seven phone calls a week when we started in education about four years ago. Now we might get 70 calls a day from people at every level. When we first start working with a school system, we find in-fighting, scape-goating, and blaming. But we get all the stakeholders



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together and help them develop a common vision, mission and strategy. We focus on empowering each student to function effectively in society. In Utah we are working with 20 districts (of the 40) in the state. We want to have a world-class educational establishment by the year 2000."

TEACHING CLIENTS TO FISH

"Everything we do with organizations is designed to empower them so they can do for themselves what we do for them," says Dave Hanna, a senior consultant with the Client Services Division who came to the Covey Leadership Center after 16 years with Procter & Gamble. "We don't give advice in the sense of a consultant; we empower by teaching leadership principles." Hanna cites the following companies as a representative sample:

PROCTER & GAMBLE

"At P&G, thousands of managers have attended Covey training programs where we put the Seven Habits in the context of personal, interpersonal, managerial and organizational effectiveness," reports Hanna. "When they see the connection, then they see applications that help the company."

CONOCO

"Seven Habits has had a great impact at Conoco," says Robert Burt, director of personnel development. He reports that half the company's 19,000 employees have been trained in Covey's program and estimates that the training has saved the company \$12 million because "better decisions are being made."

BLUE CROSS & BLUE SHIELD

Both managers and the union leaders who represent 4,000 employees use such Covey terms as "Think Win-Win" and "Seek First to Understand, Then to Be Understood" to cut negotiating time. "Speaking a common language helps us move twice as fast," says one executive. "We can finish a meeting that used to take three hours in an hour and a half."

FEDERAL EXPRESS

FedEx employees used the Covey Seven Habits training to tackle a deliv-

ery problem on the West Coast. Flowers often arrived wilted or crushed at florists. "Covey's training helped everyone to understand the customer's need and develop a way to move the flowers faster," says Edith Kelly, vice president for quality at Federal Express. "A team came up with a novel delivery system that kept the flowers fresh."

SATURN CORPORATION

"Saturn is perhaps our best example of how this all comes together for a company," says Hanna. "We've worked with them since 1989. They're



quick to give us credit for much of what's happened. Our material has galvanized their culture. It's all over everything—from banners to T-shirts and mugs."

Gary High, manager of Human Resource Development at Saturn, says, "Covey first spoke to our leadership team when we only had 50 employees. He's since become part of our lives. He's given us a common language. We frequently talk about making deposits in Emotional Bank Accounts, for example. The language of the Seven Habits is very compatible with how we want to be seen and how we want to behave as a corporation. When somebody says 'We need to sharpen the saw,' everyone

knows what we're talking about. Covey phrases are woven throughout our training and into our performance agreements. We just trained 8,400 people in the Seven Habits.

"The Covey principles have had a huge impact at Saturn," says High. "Because of the principle 'Seek First to Understand' we think conflict is healthy. It brings ideas to the table that we may not want to hear, but may be the answers to our problems. Because of 'Win-Win' thinking, we are in partnership with a union that historically has had an antagonistic relationship with management. At Saturn, management can't win if labor loses; we prosper together. With Covey's help, we started this company with the end in mind. Before we had a building or a product, we made a movie of a day in the life of a Saturn employee. Our working day now follows that vision. It's an environment where you can build people as well as cars."

MARRIOTT MANAGEMENT SERVICES

President Charles O'Dell says, "Our company was put together a year ago with mergers and acquisitions. There were really five different cultures within the company. We decided what we were missing was principle-centered leadership. Covey brought the leadership team together. His method was close and personal, and it had a huge impact. Remarkable things have happened. We didn't think we would move this fast. All 9,000 managers have gone through the program in little more than a year. We are now cascading that down to the other 75,000 people, and that should be done by the end of this year."

MASS MUTUAL

Larry Grypp, executive vice president at Mass Mutual, says, "Covey came to us from the bottom up. A couple of people who had been through his training in Utah presented it to senior management. We used it as a training tool at first, then brought it into our main office. It allowed us to speak a common language during times of rapid change. Our performance agreements and reviews are aligned with the principles of 'Win-Win' and 'Seeking First to

Understand.' The material and the principles stick. It's not faddish. It's something you can build on year after year."

SHELL OIL

"After being industry leaders for many years, Shell executives woke up one day and realized they were in the lower third of the industry," says Hanna. "They've invested heavily in our material to help bring them back. We worked with the Shell Division in New Orleans to create a vision statement that won the hearts and minds of all the people, even though there was a lot of cynicism in that division. Every employee gave input to the vision statement. And, as they rolled it out, it captured the energy and the attention of people."

JOHNSON WAX

"When this privately held, family-owned company in Racine, Wisconsin, discovered us, we first did a leadership session for the CEO and the top 36 managers worldwide, and it's helped them to strike a balance between the traditions of the company and newer practices," reports Hanna. "As a result of our program, they're now in the process of sorting out what to change and what to keep. During our training, we could see the legacy of Father Johnson being handed down to a new generation within the company. They're now recommitting to their values and identifying what has to happen to succeed in a global economy."

"All the companies we work with have scores of facilitators who are teaching our material totally independent of us," says Covey. "They use our products, our organizers, our feedback instruments, and our books and tapes, but they do it on their own. So this isn't dependent on me or even upon our company."

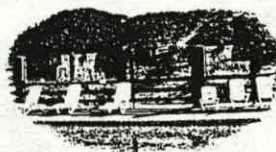
INTERNATIONAL IMPACT

"Through our international affiliates, we're now represented in 16 countries, and our training materials are translated in 17 languages," reports Roice Krueger, vice president, International. "The *Seven Habits* book is now in 26 different languages. We're doing business in Japan, Taiwan, Singapore, Australia, Malaysia, Saudi



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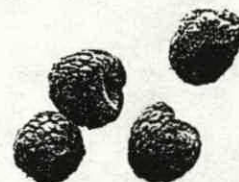
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Arabia, Indonesia, West Indies, Uruguay, Venezuela, and the Philippines. We're opening our own Covey Leadership Center Europe rather than do it through licensees.

"Our international experiences prove that we teach universal principles. When we give seminars, many people say, 'Thank you for reminding me of things my parents taught me.' We may put more emphasis on some principles in certain countries, but we don't change them. The principles are universal.

"Our success is as exciting and extensive in some foreign countries as it is in the U.S. We have a unique relationship with Japan. In Japan, the U.S. Navy is teaching the principles to their Japanese employees. And because the Japanese think so highly of the Navy, we are playing a very important role in Japan. The CLC mission statement is not just a U.S. mission statement—it is worldwide."

Here are but two examples:

RUSSIAN MANUFACTURING COMPANY

"We've hosted people from a major engineering and manufacturing firm in Russia," says Covey. "They claim that the greatest need they have is not money

but people who will exercise initiative around principles."

"Some 230 machine tool companies of 400 in the industry have gone out of business in the last three years," says Hanna. "This company is not just surviving, they're doing well. And they would say it's the work that we're doing with them. We have integrated Seven Habits and have licensed a couple of their people to be facilitators. They're also doing public programs in Russia. The Seven Habits training has given them optimism and initiative."

MERCK PHARMACEUTICAL COMPANY

"We're working with the worldwide manufacturing operations at Merck, a major multi-national corporation," says Hanna. "We've had teams of managers from Europe and Asia involved in a world-wide coordinated effort. They've been anticipating the changes in the health care industry, and we've helped them set up a stakeholder information system to gather data from their customers, suppliers, managers, and others—then to analyze what it means and decide how they must reshape their culture to meet market

needs. By creating partnerships with their stakeholders, they anticipate cutting the cycle time of bringing a product to market by 40 percent."

"We're influencing leadership around the world," says Thele, "because we see our mission to be worldwide. We've taught this material all over the world, and one of the statements that we hear most often is, 'You have brought us the truths of our forefathers,' or statements to the effect, 'How did you know so much about us? What you teach is exactly the prevailing culture of our society.' That message comes from everywhere in the world. These really are universal principles."

DOING THE RIGHT THINGS

So why does this stuff sell like hotcakes? "There are a couple of reasons," says Covey. "One is that a lot of people never get deeply reflective about their lives. Our Sundance programs get them into nature and get them focused in a program that is deeply reflective. Another thing is a lot of these people come from organizations where there is a lot of pain. From our training, they learn how to deal with the pain in a

STEPHEN R. COVEY: A MAN FOR ALL SEASONS

In his first book dealing with the roots of human relations, Stephen R. Covey contrasts two men to make a point. He writes:

Sir Thomas More became a "man for all seasons" because he would not take an oath contrary to his conscience. He was a man of such honesty and integrity that his influence, even in silence, disrupted the affairs of the British Empire. Richard Rich, on the other hand, became a chameleon: he changed colors to blend into his environment. He eventually became Chancellor of England. But at what price! He sold his soul. He would lie and cheat, violate confidences, and make and break oaths for the right bribe.

Covey, like Sir Thomas More, has become a man for all seasons, and for the same reasons. He has, however,



Stephen R. Covey

more commonly been mistaken for actors Yul Brunner and Telly Savalis or advertising characters Mr. Clean and the Jolly Green Giant. But he is none of the above—he is an original, complete with his own take on "Green and

Clean," "Kojak," and *The King and I*.

"Once in New York, about six weeks before Brunner died," recounts Covey, "I went into a theater during intermission of a performance of *The King and I*. I walked down the aisle and sat on the front row. Several people stared at me and, as the next act began, people on stage noticed me. And then, someone told him, and he acknowledged me by winking, as if to say, 'There's my understudy.'"

Covey is no understudy for the role of king. For 25 years, he was a popular professor of Organizational Behavior at the BYU Marriott School of Management. In 1983, at age 49, he left the security of the university to launch his own training firm and lay the foundation for a leadership center. He currently stars in his own production, *Seven Habits of Highly Effective People*, a best-selling book and video-based train-

holistic sense, not using some kind of quick fix, gimmick, success formula or cosmetic approach. We help them build mutual trust on the basis of personal trustworthiness and then align structures and systems. It deals with the whole package. Most training programs only deal with parts like communication, interpersonal relations or personal growth. Our programs deal with master principles at four levels—personal, interpersonal, managerial and organizational. That is very unique, very holistic, very ecological. Again, the principles are universal. It's like the blood that courses through our hearts. It is context-irrelevant, but it is made relevant when it gets into the different parts of the body. Likewise, our principles are context-irrelevant, but relevant in context, as they get applied in business, government, or family life."

Hanna adds that the Covey training works in companies because many applications have been developed since the *Seven Habits* book. "We now have tools and processes for each of these habits that are very practical and easy to use. People see them and say, 'Wow, this works. When I come to your pro-

ing program now playing in corporate boardrooms across the world. And he is the creator of acclaimed management and leadership training programs. The role puts him in good company: America's senior corporate executives, top management consultants, and assorted celebrities. "One day," relates Covey, "I was at the Universal Studios Sheraton, where Telly Savalis often stayed. I met him in the restroom. As we were washing our hands, I said, 'You know, I've sometimes been mistaken for you.' He smiled and said, 'Well, that's flattering to me.'"

Long a practical joker who likes to wear different masks, Covey seems to relish games of mistaken identity. He's been spotted wearing masks (and not just on Halloween) in his Provo neighborhood and in resorts across the country. Diversions and sports of all sorts are his specialty. His wife, Sandra, says

of him, "He's a big boy at heart. He works hard, but he also plays hard. He'll pull an occasional practical joke—like coming to a formal dinner party wearing a mask—or some light-hearted prank.

"He doesn't have a lot of formality or pretense. He's very natural and authentic. He could be in an intellectual conversation with someone and end up in an arm wrestle on the table. We will go into a home, and if he's tired, he may ask to lie down on the floor. He's not too worried about what people might think."

Definitely not. Once Covey was at the prestigious Anatole Hotel in Dallas where there is a nice indoor pool. That night there was a poolside wedding reception with hundreds of well-dressed people in attendance. Undaunted, Covey entered the area wearing his bathing suit, slipped into the water

before anyone could say anything and started swimming laps. People didn't get mad or upset; they were simply astounded.

John Covey, a brother and colleague in the firm, says this: "Stephen has a lot of child and a lot of play in him. When we were kids, we would sometimes jump on street cars in Salt Lake City, shoot people with a squirt gun, and duck down. He's spontaneous and fun-loving; he doesn't take himself too seriously, but he does hold some things sacred."

"I'm trying to influence people toward a more principle-centered approach to life and leadership," says Stephen Covey. "The mainsprings of corruption are false creeds, false maps, false notions and traditions. In every field—and especially in management and leadership—we need to restore character and conscience to preeminence."

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grams, I not only get exciting concepts, but also a process or tool that I can use immediately to apply them.' I think that's making the difference."

And Link says, "I think our marketing is very good, but I think the thing that's got us on a roll is that when people come to our programs, they find a depth and a perspective on the real problems they face that they're not finding anywhere else."

The Covey Leadership Center is doing at least five things right, and these are keys to success in the training business:

1. BALANCE YOUTHFUL ZEAL WITH MATURING SKILL. The first impression of the CLC is one of a young, zealous, marketing-driven organization. The growth of the company is fed by enthusiasm and incentive marketing, proving a Covey teaching: experience and memory may actually put us at a disadvantage; sometimes inexperience—coupled with native intelligence, imagination, and enthusiasm—count more.

"Yes, there are a lot of young people around here," says Thele. "But these young people grow tremendously when they work here. Some work with our

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-BOB THELE



very major accounts. They get continuous education and improvement to sharpen the saw and gain new skills.

"We also have a lot of senior people," Thele continues, noting that new hires include senior vice presidents from Wang, Proctor & Gamble, IBM, Aetna, Conoco, UpJohn, and Anderson Consulting. "We've hired people who have many years of life experience, who add to our diverse base and bring seniority to bear. Most of these people are coming to us; we're not recruiting them. We receive about 100 resumes a week from all over the U.S. from senior executives wanting to be a part of what we're doing."

Why the interest? "In many cases," says Thele, "they have been involved in teaching our material inside their companies, and when they see the power and experience the benefits, they want to teach it on a full-time basis. So they come to us to explore options, and sometimes that results in employment."

2. PRODUCE BEST-SELLING BOOKS. It's hard to say where the Center would be without *Seven Habits*, an international bestseller. Over five million copies have sold worldwide—keeping it

His impact is most pronounced in organizations he has worked with over time. For example, after a presentation in Palm Springs to Metropolitan Life Insurance, several executives warmly greeted him and exchanged stories about how his teachings had improved their marriages, families and work lives. Directors of Canada's Ontario School District honored him for "having the greatest influence" on their activities over 10 years, and the Ontario Ministerial Association gave him an unprecedented standing ovation at the end of a conference.

PUBLIC SPEAKING CAME EARLY

Covey started speaking in public early in life, partly as a result of a debilitating injury. "Stephen and John were both good athletes," recalled their mother, Irene Louise Richards Covey, now deceased. "But, while playing foot-

ball one day, Stephen felt a slippage in his leg. The doctors operated and put a pin in one leg, and then a year later, in the other leg. He was on crutches for three years during high school. So instead of pursuing athletics, he concentrated on debate and academics. It changed his life, perhaps for the better."

Covey is still bothered by weak knees, but he gamely gets around on them, logging some 300,000 air miles each year. He is, however, most in his element at his Sundance (Utah) mountain cabin. Like Sundance owner Robert Redford, Covey savors the solitude. Once in the public eye, nothing is more prized than privacy.

Increasingly, Covey is in the public eye, making headlines because of the impact he's having with various client companies. One business magazine featured him on its cover, with the caption, "When Stephen Covey talks, executives

listen." The article heralded him as "the new wizard of Corporate Culture."

While the notoriety is nice, Covey is rather nonchalant about it. His wizardry, in fact, is more of the garden variety, more homespun and heartfelt. While some top consultants are real showmen on stage, Covey works an audience more slowly.

His long-time friend and scholar Truman Madsen notes, "Stephen is not out for dramatics. He has a very imaginative, graphic view of life. He is also the most powerful listener I have ever met. People are convinced, when he asks a question, that he really is interested in them and in their response and that he somehow hears beyond the words at the deepest possible human level of understanding. He has a gift for identifying with an audience. He watches their faces, reads their responses, and knows at what level to hit them. And when he

in the top 10 on the paperback bestseller list for 166 weeks (over three years) and ranking in the top 25 of all-time best sellers. What may appear to some critics to be seven rather simple, if not simplistic, ideas have transformed millions of lives and thousands of companies.

Covey's second book, *Principle-Centered Leadership*, has sold some 700,000 copies, and his new book, *First Things First*, coauthored with Roger and Rebecca Merrill, presold over 300,000 copies, instantly ranking it No. 7 on *The Wall Street Journal* list its first week out.

"*First Things First* is a daily reminder for personal renewal," says coauthor Roger Merrill. "Much of the early success of *First Things* is due to the success of the *Seven Habits* book. *First Things First* challenges standard approaches to time management by asserting that principles are in control. We make choices which lead to consequences. The book talks about a new generation of life management, focusing on relationships and principles."

"Many people live life on the edge," says Covey. "They don't have much of an immune system. Our book *First*

delivers, they go away singing."

"It's the principle of empathy, of seeking first to understand," says Covey. "I pay a price to discern the needs of a company and its people; I'm often tightly scheduled, but I preserve time before a presentation to meet and talk with people and to empathize with them. If I don't, I'm filled with my own autobiography. The key to influence is to get into their heads, to learn and speak their language."

As part of his repertoire, Covey often says that business leaders are hacking their way through jungles. And while all of their producers are wielding their machetes and while all their managers are setting up machete-wielding work schedules and training programs, the leader must climb the tallest tree, survey the situation, and cry out, "Wrong jungle!" even though he can expect the answer back, "Quiet, we're making progress."

Covey then suggests that many companies and individuals are operating in the "wrong jungle," with the wrong map, and that the way to increase quality, service and profitability, therefore, is not to focus on being more efficient. "The principle is to think efficiency with things, effectiveness with people—and that often requires a change in paradigms and habits." In his seminars, Covey exhorts executives to "lead your life on the basis of timeless principles, rather than merely manage your time on the basis of daily priorities."

He and his crew at Covey Leadership Center are making headway. Harvard Business School, Covey's alma mater, points to him with pride. "Some time ago, I talked to the then acting dean of the Harvard Business School," says Madsen. "He told me, 'Stephen Covey represents, better than anyone I know, what we are trying to produce in this school.' In the

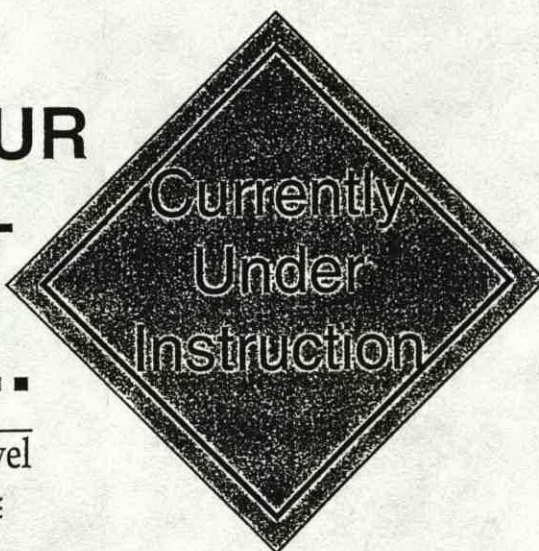
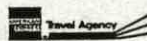
dean's mind, Covey embodies the skills and character traits that they want all their graduates to have."

After hearing Covey in California, one executive from Aerojet General said, "This isn't management training; this is life." Another executive, Peter Gustavsen, an assistant vice president of Human Resources at Aetna before he joined the Covey Leadership Center, notes, "When I first heard him, I had a sense that Aetna was ready for principle-centered leadership, and so we put together a variety of programs for our agents and managers—with impressive results."

"What is ultimately different about Covey," says Gustavsen, "is his approach to managing organizations. He makes a company get clear on its mission and then achieve congruence between the mission and the strategy, structure and systems."

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Things First helps them to build an immune system to the point that they don't need drugs, alcohol, and other substitutes. Instead, they have a life—a purpose, vision, and mission with meaningful roles and goals.”

Other new books include adaptations of *Seven Habits* and *Principle-Centered Leadership* for families and for leaders of organizations. “We’re developing a book on stewardship leadership to make the processes and principles of transformation very clear,” says Hanna.

“We’re also creating a book to help parents apply the Seven Habits in the home,” says John Covey.

3. MARKET PUBLIC SPEAKING AND SEMINARS. With regard to speaking engagements, “The opportunities come at us constantly,” says Merrill. “We get at least 20 invitations each day to speak, and we try to accept the best ones where we can make the most contribution. I could go out every day, and stay in hotels every night with the current demand for speaking. As the company grows, we will use more speakers, and do more programs each month. I now spend half my time speaking and

teaching, and the other half in product and research development.”

Merrill says the demand for speaking has grown because “the Covey teachings parallel some major megatrends in society, such as the rebirth of character ethic, and the realization that the world is an interconnected ecosystem, and that all parts of organizations are interrelated. Our materials respond to those needs—it really hits people where they hurt the most.”

4. FORM STRATEGIC ALLIANCES. “We have formed strategic alliances with Anderson Consulting, Day-Timer, IBM, as well as with our licensees in different countries,” notes Covey. “In the content areas, we are affiliated with many leading thinkers—some 760 contributing writers in *Executive Excellence* magazine. I don’t see these people as competitors, but as friends and teachers.”

The CLC has attracted but so far rejected several buy-out offers. “We want to maintain our own identity, and we believe strongly in strategic leveraged alliances,” says Covey. “We think that through these alliances we’ll grow much faster than we would by main-

taining a total independence. We want to be interdependent with strong entities that represent a common mission and that help us accomplish new things in the marketplace.”

“Our alliances with Anderson Consulting on strategic issues, with Day-Timer on some organizer products, and with IBM on some electronic products also serve the mission,” says Thele. “They’re still focused on delivering our content.”

5. CREATE AN IMPRESSIVE PRODUCT BASE. “We’re always looking for more effective ways to communicate,” says Link, noting an impressive line of publications, video and audio presentations, software, and CD Rom. “We have an extensive product line, including books, organizers, feedback profiles, assessment instruments, calendars, posters, accessories, even apparel.”

Bruce McFayden, product brand manager, notes that video-based training provides the bulk of product sales. Video presentations fall into four categories: (1) the Seven Habits video-based training program; (2) seven video vignettes that emphasize master principles; (3) mini-movies filmed at various

“My mission,” says Covey, “is to empower people and organizations to make more effective use of their resources. I don’t want disciples. I want to build and strengthen and join forces with other good people to make things happen.”

HE REALLY DOES IT

“What distinguishes Covey,” says Madsen, “is that he really does what he advises others to do—put first things first.”

Here Madsen relates three telling anecdotes. “I was with him once at a business seminar—a nice resort but not near any airfield. He went to a great deal of trouble and cost (securing a private plane) to get back home the next day to see his son play a football game.”

Another time, continues Madsen, “he turned down three consulting engagements (each in excess of \$10,000) to be at family activities. I have heard

the rhetoric from many people, but I have seen Covey put his family first, at costs. That impresses me deeply.”

Third, “He talks about his habit of visiting with Sandra away from the kids. Well, he really does it. I’ve heard him ask a group of men at a seminar, ‘Are you glad that there is a difference between you and your wife?’ And they all nod, *Vive la difference*. But then he asks, ‘But are you glad there are other differences?’ And they start shifting their feet. Then he makes a pitch that we have to stop fighting and start complementing each other and valuing the differences.

“Stephen so respects Sandra’s judgment and the fact that she perceives things differently that in conversation, he’ll turn to her and ask, ‘Sandra, what do you think?’ And not just to be polite—he really wants her perspective.”

“As a father, he gets involved in each child’s personal mission,” says

Sandra. “Our children choose their own direction, and then he helps them achieve. As a husband, he’s also very supportive. For example, the arts are important to me, and so he encourages me in that area. He and the kids have developed an appreciation of the arts, and that’s given broader meaning to their lives.”

Being chairman of his own 525-member company has added spice to Covey’s life. “I think he has more fun now,” says Sandra, “but less flexibility, because he has so many other people to consider and programs and commitments to carry out. He’s not doing this for himself, but rather to fulfill a sense of mission and to leave a legacy. To influence leaders worldwide, he feels that he has to take advantage of all the opportunities of media and marketplace.”

In an industry where there are a lot of big egos, Covey subordinates him-

locations in the world; and 4) a new Principle-Centered Leadership video.

"Good tools are needed to change lives, to help teams become self-directing, to change the systems of organizations and the styles of people," says Thele. "Our aim is empowerment, which means we train you to train your own people. We train the trainer and then come back to make sure clients keep on track and to provide them with new products and programs."

The products also allow the Center to gain leverage. "About 65 percent of revenue comes from sales of products," reports Thele. "Because of product sales, the company is not so dependent upon Stephen. He is still our inspirational leader and helps develop the content. But many other people now originate and revise content. Stephen plays the role of integrating it into the core curriculum."

SHOWCASING UTAH

Covey has spent much of his life at the University of Utah and Brigham Young University. "I have degrees from both schools," he says. "I worked at BYU for about 24 years, including four

self. Several talented people willingly collaborate with the Covey Leadership Center because Covey shares the spotlight. It springs from an "abundance mentality," a belief that there is enough out there for everyone. He tries to be inclusive, not exclusive, to show that while the leading management thinkers all emphasize different things, they are not in conflict or competition with one another because they all identify with principles that work. For Covey, this is harvest time. An earlier chapter in his life might be titled, "Deep Roots," after his first book. But title this chapter, "Abundant Fruits." "You don't have the fruits without the roots," he says.

If Covey and his colleagues continue their pace, the practical joke may yet be on Stephen: he will be known internationally as himself, a man for all seasons.

years in the administration as the president's assistant. We have also worked with several Utah-based organizations. We've done a few public programs in Salt Lake City, Ogden and Provo."

At Sundance, the Center does three or four week-long programs a month. "Executives come from all over the world to attend these programs," reports Bill Shoaf, general manager of Sundance. "We have a strong partnership with the Covey group. The Center will have 40 to 45 leadership training sessions this year at Sundance. People check in on Sunday and check out on Friday, and they have Thursday free to ski, hike, go horseback riding and fly fishing. The people who come to their programs here are of very high caliber, and they enjoy being here. Many return later with their families."

"We also do programs at Stein Erickson Lodge (in Park City) and the Homestead (in Midway)," says Link. "Those programs not only bring many top executives from around the world to Utah, but they also provide a chance for Utah business people to mix with their international colleagues. The tuition for those programs is \$3,900 per person, so mainly senior executives attend."

"The number of people we bring in for three-day or five-day courses is relatively small, compared with the large numbers of people Stephen sees when he travels. So, it's not so much the numbers that are impressive, but who these people are and the organizations they represent."

Covey has kept his headquarters in Provo, though some think it's an unlikely operating base to fulfill the mission of the firm. "I think it is the ideal place," he says. "We are located in a state that is very family-oriented and values-based. So this is very congenial territory."

"We also benefit from the surplus of local talent to draw on," says Link. "The character and work ethic of the people who join us are very high. And we're hiring men and women of different religions, races, ages, and national origins. We're trying to get more diversity because we value the differences—that's part of what we teach. The synergy and diversity that come through our international licensees and our affiliates and also through our colleagues

"WE WANT TO BE INTER-DEPENDENT WITH STRONG ENTITIES THAT REPRESENT A COMMON MISSION AND THAT HELP US ACCOMPLISH NEW THINGS IN THE MARKETPLACE."

— STEPHEN R. COVEY



here at the center are extraordinary. Some of our employees, however, prefer to live in Park City and Salt Lake City. They don't all live in Utah County."

Covey's family is well integrated into the community and company. "My brother John works with education and family applications, and my son, Stephen, works as the head of Client Services Division," says Covey. "Both Sean and David are coming into the company this summer after graduating from the Harvard Business School. We have other family members and friends, but we're not a family-owned or operated business; in fact, I'm a minority owner of the company."

How is this working? "It has its challenges," says Thele. "There are times when people feel we show favoritism toward family members, and times when family members feel they pay a higher price for being here. I'm sure the balance is somewhere in between. We probably err on both sides from time to time. But I believe that some of the most dedicated employees you can have may also have a family tie. I don't believe that just because your last name is Covey, Merrill or Thele, you're going to be a superb

employee, but I do know you will make a tremendous effort."

BRIGHT FUTURE?

"I see a bright future for the Center," says Thele. "One of our marketing goals is to have a major book every two years. We have new books lined up. We're also looking into other methods of distribution, such as electronic highway and electronic alliances. Obviously we'll do more satellite broadcasts. Those things

increase our reach. In the next 90 days, we'll talk to more than 10 million people through broadcasts."

But will the Covey Leadership Center fulfill its mission? "I believe that we will," says Covey. "We are just beginning. We haven't yet begun to scratch the surface of the enormous need out there and the growing awareness of that need. But the key to fulfilling our mission is to fully practice what we teach. That charge is a constant


reminder, and it humbles us. The thing that encourages me is that as I fly from here to Hawaii, the plane will be off track 90 percent of the time, but it will still arrive there on time. We keep that mission constantly in front of us, and we are constantly trying to improve so that we avoid the arrogant path that derails most organizations and individuals."

"The whole notion of an intergenerational legacy and global impact," adds Link, "depends upon not becoming arrogant, upon being humble, achieving this synergy we talk about, aligning ourselves with others, and having a collaborative organization."

The Center has not arrived in that regard, suggests Ron McMillan, a former vice president of CLC before leaving three years ago to form Praxis, another consulting firm in Provo. "The Center is spectacularly successful, but they face some unique challenges," says McMillan. "One is putting their content into practice and creating win-win relationships with like-minded organizations. Because their standards are so high, they have a tough time walking their talk."

In its efforts to improve, the Center sends its suppliers and "stakeholders" a form to fill out, grading the company in quality and service. Using feedback from all stakeholders, the company hopes to be the first consulting firm to win the prized Malcolm Baldrige award for quality.

"Our success to date is certainly a credit to Stephen," says Hanna. "But several of us now are making contributions to our content. And that's really taking us into the next generation. We're not so dependent on Stephen any more. I think the Center is just starting to blossom. We've got to be viewed as more than just Stephen. Otherwise, when he retires, we retire. And there's too much good stuff going on here for that to happen."

The consensus is that the "good stuff" comes from knowing how to fish the stream. 

Ken Shelton is president of Leadership Resources in Provo, editor of Executive Excellence magazine and literary agency, and a contributing editor to Utah Business magazine.

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