

# From Conoco to White House, Covey's ideas in demand

By John Hillkirk  
USA TODAY

In the day planner he carries everywhere, George Francis keeps his secret to eliminating stress, motivating 8,000 employees, and helping 14-year-old daughter Zeedra do her homework.

The planner contains Stephen Covey's *Seven Habits of Highly Effective People* — a set of principles that guides Francis' life as "Dad" and as a senior vice president at Blue Cross Blue Shield of Michigan.

"If I owned this company, every employee would live by the seven habits," Francis says.

Tens of thousands of employees already are. The habits are being taught at dozens of cutting-edge companies: Federal Express, Hewlett-Packard, Conoco, and Saturn, the vanguard automaker.

"Dr. Covey's work has saved Saturn literally millions of dollars," says Mike Bennett, a Saturn union leader. He counts the savings in more efficient meetings, less waste and improved quality. "It's made the difference between high performance and mediocrity."

Covey is the hottest self-improvement consultant to hit U.S. business since Dale Carnegie revealed *How to Win Friends and Influence People*. He commands \$25,000 per speech and his best-selling book, *The Seven Habits of Highly Effective People*, has sold 3.5 million copies since 1989. Each month, 150 CEOs and other executives pay \$3,500 for a week of training at Covey's Leadership Center in Sundance, Utah, one of many spinoffs run by a 400-employee enterprise that generates \$50 million in annual revenue.

"*Seven Habits* has had more impact at Conoco than any other book," says Robert Burt, Conoco's director of personnel development. Half the company's 19,000 employees have been trained in Covey's work. At a Workplace of the Future conference in July, President Clinton touted *Seven Habits* as one of

three books every worker should read to "dramatically" boost the nation's productivity.

Covey's approach is straightforward. Remind people what they should already know. Like Habit 1: Be proactive. It means: Take responsibility for your life. Quit blaming your spouse, or some S.O.B. boss. You have the ability to choose your response to criticism or abuse.

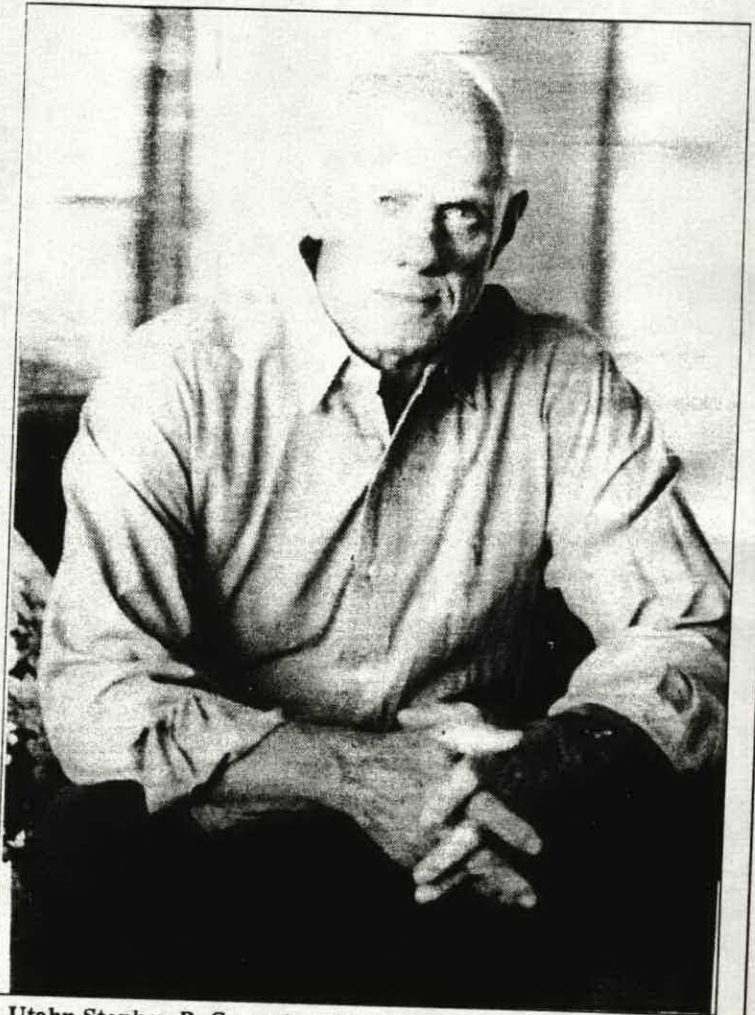
"Every person must start within their own circle of influence," Covey says. "Don't get seduced by politics. [Live by] your own set of principles, your sense of vision of what your life is about. ... Maybe in a few months or year and a half, two years, you'll be in an altogether different world."

Of course, learning the seven habits is easy; living by them 100% of the time is impossible.

"It's a lot like eating well," Francis says. "I know what I should eat and what I shouldn't, but I still stray. And it's the same with Dr. Covey's teachings. That's why I carry them with me everywhere I go."

Covey says you never should engage in gossip or criticize an employee who isn't in the room. "Be loyal to those who are absent to retain those who are present," he says. That means: If you criticize Joe while speaking to Pam, Pam will no longer trust you. She'll assume that you'll just as readily criticize her when she's not around. Common sense? Yes, but not common practice.

Covey developed the Seven Habits after studying hundreds of books and essays on "success" published since 1776. The works published the past 50 years looked superficial — filled with what he calls "social Band-Aids" and gimmicks to improve your personality. In contrast, the literature of the first 150 years — the writings of Ben Franklin and Abraham Lincoln — was based on character, and talked about principles such as integrity, courage and patience. The habits sell. Covey disciples say, because they work.



Utahn Stephen R. Covey is hottest management guru in U.S.

## You, too, can become a Highly Effective Person

Here are The Seven Habits of Highly Effective People, from Stephen Covey's best-selling book of the same name:

1. **Be proactive.** You are responsible for your life. Decide what you should do and get on with it.

2. **Begin with the end in mind.** Think of how you want to be remembered at your funeral. Use this as a basis for your everyday behavior.

3. **Put first things first.** Devote more time to what's important but not necessarily urgent.

4. **Think win-win.** Have an "abundance" mentality. Seek solutions that benefit all parties.

5. **Seek first to understand, then to be understood.** Don't dive into a conversation. Listen until you truly understand the other person.

6. **Synergize.** Find ways to cooperate with everyone. Value the differences between people.

7. **Sharpen the saw.** Continually exercise and renew four elements of your self: physical, mental, emotional-social and spiritual.

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By Nancy Krub



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**THE**



**HABITS  
OF  
HIGHLY  
EFFECTIVE  
PEOPLE**

What follows is a plan for building true, enduring success. It's not a handbook of tricks or techniques. It's a guide for strengthening your character. Character alone will give you the consistent energy and know-how to pursue opportunity and the courage to prevail against the challenges you will face. ✦ Our character, basically, is a composite of our *habits*. Because they are consistent, often unconscious patterns, habits constantly express our character and produce our effec-

**By Stephen R. Covey**



tiveness — or our ineffectiveness. In the words of Aristotle, "We are what we repeatedly do. Excellence, then, is not an act, but a habit."

I identify here seven habits shared by all truly effective people. Fortunately, for those of us not born effective (no one is), these habits can be learned. Furthermore, the collective experience of the ages shows us that acquiring them will give you the character to succeed.

Some years ago, I decided to read all the success literature published in the United States since its beginning in 1776 — hundreds of books, articles, and essays on self-improvement and popular psychology.

I noticed a startling thing: Almost all the writings that helped build our country in its first 150 years or so identified *character* as the foundation of success. The literature of what we might call "The Character Ethic" helped Americans cultivate integrity, humility, fidelity, temperance, courage, justice, patience, industry, and the Golden Rule. Benjamin Franklin's autobiography is a prime example.

Compared with the early success literature, the writings of the last 50 years seem superficial to me — filled with social image consciousness, techniques, and quick fixes. There, the solutions derive not from the Character Ethic, but the *Personality Ethic*: Success is a function of public image, of attitudes and behaviors, of skills that lubricate the process of human interaction. I don't say these skills are unimportant. But they are secondary.

If there isn't deep integrity and fundamental goodness behind what you do, the challenges of life will cause true motives to surface, and human relationship failure will replace short-term success. As Emerson once put it, "What you *are* shouts so loudly in my ears I cannot hear what you *say*."

Changing our habits to improve what we are can be a painful process. It must be motivated by a higher purpose, and by the willingness to subordinate what you think you want now for what you know you want later.

*Entrepreneurs and Fortune 500 executives flock to Stephen R. Covey's seminars on effectiveness. Covey, a Harvard MBA, heads the Covey Leadership Center.*



### THE HABIT OF SUCCEEDING

*Acquiring the seven habits of effectiveness takes us through the stages of character development. Habits 1 through 3 make up the "private victory" — where we go from dependence to independence by taking responsibility for our own lives. Acquiring habits 4*

*through 6 is our "public victory": Once independent, we learn to be interdependent, to succeed with other people. The seventh habit makes all the others possible — periodically renewing ourselves in mind, body, and spirit.*

As you open the gates of change to give yourself new habits, be patient with yourself. This is not a quick fix. But I assure you that you will see immediate benefits. And if you see the whole picture clearly, you'll have the perseverance to see the process to its conclusion. Have faith — it's worth the effort.

Remember what Thomas Paine said: "What we obtain too cheap, we esteem too lightly; 'tis dearness only which gives everything its value. Heaven knows how to put a proper price upon its goods."

## 1

### BE PROACTIVE

You won't find it in an ordinary dictionary, but the word is common now in management literature: *Proactivity* means more than just taking the initiative. It means that as human beings, we are responsible for our own lives.

If we think our lives are a function of



# BEING PROACTIVE MEANS FINDING OPPORTUNITIES, NOT PROBLEMS.

our conditions, it is because we have, by conscious decision or by default, chosen to empower those things to have control over us — we have let ourselves become *reactive*. Reactive people are often affected by the weather; *proactive* people carry their own weather with them.

Being proactive means recognizing our responsibility to make things happen. The people who end up with the good jobs are those who seize the initiative to do whatever is necessary, consistent with correct principles, to get the job done.

I worked with a group of people in the home-improvement industry. A heavy recession was taking a toll on their business, and they were discouraged as we began the seminar. The first day, we talked about "What's happening to us?" The basic answer was that they were laying off their friends just to survive. The group finished their first day even more discouraged.

The second day, we talked about "What's going to happen in the future?" They concluded things were going to get worse before they improved. They were more depressed than ever.

On the third day, we focused on the proactive question, "What is our response?" In the morning, we brainstormed practical ways of managing better and cutting costs; in the afternoon, we talked about increasing market share. By concentrating on a few doable things, everyone was able to wrap up the meeting with a new spirit of excitement and hope, eager to get back to work. We all had faced reality, and discovered we had the power to choose a positive response.

You can find a clue to whether you now have the proactive habit by looking at how you speak. Do you find yourself using these expressions?

"That's the way I am." *There's nothing I can do about it.*

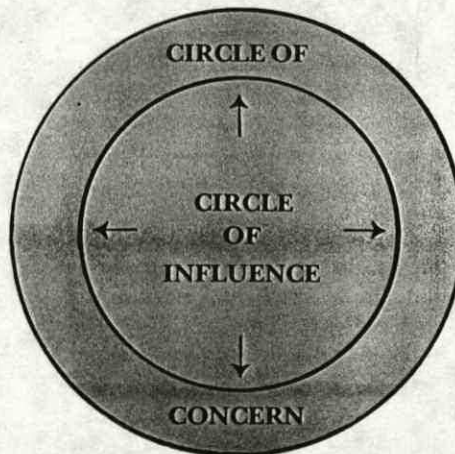
"He makes me so mad!" *My emotional life is outside my control.*

"I have to do it." *I'm not free to choose my own actions.*

For all of us, there are many things

that concern us that we can't do anything about, for now. But there are also things we *can* do. Proactive people work on their *circle of influence* — the people and things they can reach — and spend less energy on their much wider *circle of concern*. By keeping their focus on their circle of influence, they actually extend its area.

As you become more proactive, you will make mistakes. While we choose our actions freely, we cannot choose their consequences — which are governed by natural law, out in our circle of concern. The proactive approach to a mistake is to acknowledge it instantly, correct it, and learn from it. To delay, to deny the mistake, is to miss its lesson.



"Success," said IBM founder T.J. Watson Sr., "is on the far side of failure."

Try this exercise for 30 days:

- 1) Work only in your smaller circle of influence;
- 2) Make small commitments to yourself and others, and keep them;
- 3) Be a light, not a judge; be a model, not a critic; be the solution, not the problem.

If you start to think some important problem in your life is "out there" somewhere, stop yourself. That thought is the problem.

## 2

### BEGIN WITH THE END IN MIND

In your mind's eye, see yourself going to the funeral of a loved one. As you walk into the chapel, notice the flowers, the soft organ music. You see the faces of friends and family; you feel the shared sorrow of losing, the joy of having known.

As you reach the front of the room and look inside the casket, you suddenly

### PROACTIVE FOCUS?

*Two kinds of issues occupy our minds: those we can control and those we can't. Reactive people waste energy worrying about the things they can't change — in their Circle of Concern: other people's weaknesses or other problems in their environment.*

*Proactive people focus their thoughts and actions on the things they can do something about — things falling within their Circle of Influence. By continually focusing their efforts on results, proactive people expand this inner circle.*

come face-to-face with yourself. This is your funeral, three years from now.

Take a seat and look down at the program in your hand. The first speaker is from your extended family; the second is a close friend; the third is an acquaintance from your business life; the fourth is from your church or some community-service organization where you've worked.

What character would you like each of these speakers to have seen in you — what difference would you like to have made in their lives?



## THRIVING ON CHANGE REQUIRES A CORE OF CHANGELESS VALUES.

The second habit of effectiveness is to *begin with the end in mind*: It means to know where you're going so as to understand where you are now, and take your next step in the right direction. It's amazingly easy to get caught up in an activity trap in the busyness of life, to work harder and harder at climbing the ladder of success only to discover it's leaning against the wrong wall. We may be very *efficient* by working frenetically and heedlessly, but we will be *effective* only when we begin with the end result in mind.

The best way to start is to develop a *personal mission statement*. It describes what we want to be (character) and to do (achievements). The following is from my friend Rolfe Kerr's personal mission statement:

Succeed at home first;  
Seek and merit divine help;  
Remember the people involved;  
Develop one new proficiency a year;  
Hustle while you wait;  
Keep a sense of humor.

You could call a personal mission statement a sort of written constitution — its power lies in the fact that it's fundamentally changeless. The key to living with change is retaining a sense of who you are and what you value.

Start developing your mission statement, like Kerr's, from a core of principles. I mention this because all of us are drawn away from real effectiveness when we make our center something other than our principles.

Being *spouse centered* might seem natural and proper. But experience tells a different story. Over the years, I have been called on to help many troubled marriages; the complete emotional dependence that goes with being spouse centered often makes both partners so vulnerable to each other's moods that they become resentful.

The self-esteem of someone *money centered* can't weather the ups and downs of economic life; money-centered people often put aside family or other priorities, assuming everyone will understand that economic demands

come first. They don't always, and we can damage our most important relationships by thinking that they do.

Being *pleasure centered* cheats one of lasting satisfactions. Too much time spent at leisure, on the paths of least resistance, insure that our talents stay undeveloped, that our mind and spirit become lethargic, and our heart unfulfilled. Pascal described a life of pure self-gratification as "licking the earth."

We want to center our lives on *correct principles*. Unlike other centers based on people and things subject to frequent change, correct principles don't change. We can depend on them.

Your mission statement may take you some weeks to write, from first draft to final form; it's a concise expression of your innermost values and directions. Even then, you will want to review it regularly and make minor changes as the years bring new insights. Be guided by Viktor Frankl, who says we *detect* rather than *invent* our mission in life: "Everyone has his own specific vocation in life . . . . Therein he cannot be replaced, nor can his life be repeated."

Organizations need mission statements. So do families, so that they do not simply lurch from emotional crisis to crisis — but instead know they have principles that will support them. The

key is to have each member of the group contribute ideas and words to the final product. That contribution alone generates real commitment.

### 3

#### PUT FIRST THINGS FIRST

Question: *What one thing could you do — which you aren't doing now — that if you did it regularly, would make a tremendous difference in your business or personal life?*

The next habit involves self-leadership and self-management: putting first things first. Leadership decides what the "first things" are, and management puts them first on a daily basis. Management is the discipline of carrying out your program.

As Peter Drucker has pointed out, the expression "time management" is something of a misnomer: We have a constant amount of time, no matter what we do; the challenge we face is to manage ourselves. To be an effective manager of yourself, you must *organize and execute around priorities*.

#### THE TIME MANAGEMENT MATRIX

	Urgent	Not Urgent
Important	<b>I</b> ACTIVITIES: Crises Pressing problems Deadline-driven projects	<b>II</b> ACTIVITIES: Prevention of problems Relationship building Recognizing new opportunities Planning, recreation
Not Important	<b>III</b> ACTIVITIES: Interruptions, some calls Some mail, some reports Some meetings Near-term, pressing matters Popular activities	<b>IV</b> ACTIVITIES: Busywork Some mail Some phone calls Time wasters Pleasant activities



Instead of trying to fit all the *things* of our lives into the time allotted, as many time-management plans do, our focus here is on *enhancing relationships* and achieving *results*.

We all face the same dilemma. We are caught between the *urgent* and the *important*.

Something urgent requires immediate attention, it's usually visible, it presses on us, but may not have any bearing on our long-term goals. Important things, on the other hand, have to do with results — they contribute to our mission, our values, our high-priority goals. We *react* to urgent matters; we often must *act* to take care of important matters, even as urgent things scream for our attention.

People get "harried" away from their real goals and values by subordinating the important to the urgent; some are beaten up by problems (in quadrants I and III on the "Time-Management Matrix") all day, every day. Their only relief is in escaping once in a while to the calm waters of quadrant IV.

To paraphrase Drucker again, effective people don't solve problems — they pursue opportunities. They feed opportunities and starve problems. They have genuine quadrant I emergencies, but by thinking and acting preventively, they keep their number down.

With the time-management quadrants in mind, consider the question you answered at the beginning of this section. What quadrant do your answers fit in? My guess is quadrant II: deeply important, but not urgent. And because they aren't urgent, you don't do them.

I put a group of shopping-center managers through the same exercise. The thing they said would make a tremendous difference was to build helpful personal relationships with their tenants — the owners of the stores inside the center — a quadrant II activity.

We did an analysis of how much time they spent on that activity. It was less than 5 percent of their time. They had good reasons: urgent problems, one after the other. Reports, meetings, calls, interruptions. Quadrant I consumed them. The only time they did spend with store managers was filled with negative energy: when they had to collect money or correct advertising practices that were out-of-line.

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## WE DON'T MANAGE TIME. WE CAN ONLY MANAGE OURSELVES.

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The owners decided to be proactive. They resolved to spend one-third of their time improving their relationships with tenants. I worked with the organization a year and a half, and saw their time spent with tenants climb to 20 percent. They became listeners and consultants to their tenants. The effect was profound. Tenants were thrilled with the new ideas and skills the owners brought them. Sales in the stores climbed, and so did revenues from the leases.

Quadrant II activities are very powerful, because they are closely tied to results. Your effectiveness will increase dramatically with a small increase in those activities; your crises will be fewer and smaller.

To say "yes" to important things requires you to learn to say "no" to other activities, some of them urgent. Keep in mind that you are always saying "no" to something. If it isn't to the urgent things in your life, it's probably to the more fundamental, important things.

To pursue quadrant II:

■ Identify your key roles: business, family, church — whatever comes to

mind as important. Think of those you will act in for the coming week.

■ Think of two or three important results you feel you should accomplish in each role during the next seven days. At least some of these goals should be quadrant II activities.

■ Look at the week ahead with your goals in mind, and block out the time each day to achieve them. Once your key goals are in place, look how much time you have left for everything else! How well you succeed will depend on how resilient and determined you are at defending your most important priorities.



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### THINK "WIN/WIN"

Once we've mastered the first three habits, we're ready to move from the "private victory" to the "public victory." Self-mastery and self-discipline

### ACTION WORDS

*To be effective, you must look at the world proactively. The verbal expressions you find yourself using will reveal a great deal about how proactive your thinking is now.*

*The danger of letting yourself think in*

*reactive patterns is that the patterns become self-fulfilling. You don't want to convince yourself that action is futile. Instead, use your words and thoughts to define practical steps toward your goals.*

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#### Reactive Language

There's nothing I can do.  
That's just the way I am.  
He makes me so mad.  
They won't allow that.  
I have to do that.  
I can't.  
I must.  
If only.

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#### Proactive Language

Let's look at our alternatives.  
I can choose a different approach.  
I control my own feelings.  
I can create an effective presentation.  
I will choose an appropriate response.  
I choose.  
I prefer.  
I will.



# WHAT IS YOUR TRUE CENTER?

Center	Security	Guidance	Wisdom	Power
If you are... <b>Spouse Centered</b>	<ul style="list-style-type: none"> <li>You are highly vulnerable to the moods and feelings of your spouse.</li> </ul>	<ul style="list-style-type: none"> <li>Your decision-making criteria are limited to what you think is best for your marriage or your mate.</li> </ul>	<ul style="list-style-type: none"> <li>Your life perspective is to see things that influence your marriage.</li> </ul>	<ul style="list-style-type: none"> <li>Your power to act is limited by weaknesses in your spouse and in yourself.</li> </ul>
If you are... <b>Family Centered</b>	<ul style="list-style-type: none"> <li>Your sense of personal security is as volatile as the family.</li> </ul>	<ul style="list-style-type: none"> <li>Family scripting is your source of correct attitudes and behaviors.</li> </ul>	<ul style="list-style-type: none"> <li>You interpret all of life in terms of your family, creating a partial understanding and family narcissism.</li> </ul>	<ul style="list-style-type: none"> <li>Your actions are limited by family models and traditions.</li> </ul>
If you are... <b>Money Centered</b>	<ul style="list-style-type: none"> <li>You are vulnerable to anything that threatens your economic security.</li> </ul>	<ul style="list-style-type: none"> <li>Profit is your decision-making criterion.</li> </ul>	<ul style="list-style-type: none"> <li>Money-making is the lens through which life is seen and understood.</li> </ul>	<ul style="list-style-type: none"> <li>You are restricted to what you can accomplish with your money and your limited vision.</li> </ul>
If you are... <b>Work Centered</b>	<ul style="list-style-type: none"> <li>You are only comfortable when you are working.</li> </ul>	<ul style="list-style-type: none"> <li>You make your decisions based on the needs and expectations of your work.</li> </ul>	<ul style="list-style-type: none"> <li>You tend to be limited to your work role.</li> </ul>	<ul style="list-style-type: none"> <li>Your actions are limited by organizational constraints.</li> </ul>
If you are... <b>Pleasure Centered</b>	<ul style="list-style-type: none"> <li>You feel secure only when you're on a pleasure "high."</li> </ul>	<ul style="list-style-type: none"> <li>You make your decisions based on what will give you the most pleasure.</li> </ul>	<ul style="list-style-type: none"> <li>You see the world in terms of what's in it for you.</li> </ul>	<ul style="list-style-type: none"> <li>Your power is almost negligible.</li> </ul>
If you are... <b>Friend Centered</b>	<ul style="list-style-type: none"> <li>You are highly dependent on the opinions of others.</li> </ul>	<ul style="list-style-type: none"> <li>You are easily embarrassed.</li> </ul>	<ul style="list-style-type: none"> <li>You see the world through a social lens.</li> </ul>	<ul style="list-style-type: none"> <li>Your actions are as fickle as your opinions.</li> </ul>
If you are... <b>Enemy Centered</b>	<ul style="list-style-type: none"> <li>You seek self-justification and validation from the like-minded.</li> </ul>	<ul style="list-style-type: none"> <li>You make your decisions based on what will thwart your enemy.</li> </ul>	<ul style="list-style-type: none"> <li>You are defensive, overreactive, and often paranoid.</li> </ul>	<ul style="list-style-type: none"> <li>The little power you do have comes from anger, envy, resentment, and vengeance.</li> </ul>
If you are... <b>Church Centered</b>	<ul style="list-style-type: none"> <li>You find identity and security in religious labels and comparisons.</li> </ul>	<ul style="list-style-type: none"> <li>You are guided by how others will evaluate your actions.</li> </ul>	<ul style="list-style-type: none"> <li>You see the world in terms of "belongers" and "nonbelongers."</li> </ul>	<ul style="list-style-type: none"> <li>Perceived power comes from your church position or role.</li> </ul>
If you are... <b>Self Centered</b>	<ul style="list-style-type: none"> <li>Your security is constantly changing and shifting.</li> </ul>	<ul style="list-style-type: none"> <li>"What's in it for me?"</li> </ul>	<ul style="list-style-type: none"> <li>You view the world by how decisions, events, or circumstances will affect you.</li> </ul>	<ul style="list-style-type: none"> <li>Your ability to act is limited to your own resources.</li> </ul>
If you are... <b>Principle Centered</b>	<ul style="list-style-type: none"> <li>Your security is based on correct principles that do not change, regardless of external conditions or circumstances.</li> </ul>	<ul style="list-style-type: none"> <li>In every situation, you consciously and proactively determine the best alternative, basing decisions on conscience educated by principles.</li> </ul>	<ul style="list-style-type: none"> <li>Your judgment encompasses a broad spectrum of long-term consequences and reflects a wise balance as well as quiet assurance.</li> </ul>	<ul style="list-style-type: none"> <li>Your ability to act reaches far beyond your own resources and encourages highly developed levels of interdependency.</li> </ul>



are the foundation of good relationships with others.

We all know what a financial bank account is. If we make deposits in it, money will be there for us to withdraw when we need it. The Emotional Bank Account is a metaphor that describes the amount of trust that's been built up in a personal relationship. If I make deposits into an account with you through courtesy, kindness, honesty, and keeping my commitments to you, I build up a reserve. Your trust for me becomes higher, and I can call on it if I need to; I can even make mistakes, and that trust level will compensate for it. Communication is easy, instant, and effective.

But if I have a habit of showing discourtesy, disrespect, cutting you off, overreacting, betraying your trust, or threatening you, my account gets overdrawn. The trust level is low; what flexibility do I have?

None. I'm walking on mine fields. I'm politicking; I have to measure every word. Many organizations and many marriages are like this.

The fourth habit, "Think win/win," entails making an important deposit in another person's Emotional Bank Account: finding a way both of you can benefit by your interaction. All the other possibilities — win/lose (I win, you lose), lose/win (I lose, you win), and lose/lose — are ineffective, either in the short term or the long term.

The best way to approach win/win dealing is to remember that it (like all agreements) embodies a caveat: The complete description is "win/win — or no deal." Your attitude should be, "I want to win, and I want you to win. If we can't hammer something out under those conditions, let's agree that we won't make a deal this time. Maybe we'll make one in the future."

The president of a computer software company told me of the time he'd signed a five-year contract to supply software to a bank. The bank president was enthusiastic about the deal, but his people weren't. A month later, the bank changed presidents.

The new president came to the software company president and said, "I'm uncomfortable with these software conversions. My people are unhappy, and I have a mess on my hands."

The computer company was already

in financial trouble at the time. It had every legal right to enforce its contract. But the software company's president responded:

"We have a contract. But we understand you're not happy about it. We'll return your contract and your deposit, and if you're ever looking for a software solution in the future, come back and see us." He walked away from an

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## IF A DEAL HURTS THEM, IT WILL HURT YOU.

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\$84,000 contract. It might look like financial suicide, but he figured he didn't want to create an unhappy customer, and his attention to principle would pay off somehow.

Three months later, the new president called back. He was ready to put in a new software system. They signed a contract for \$240,000.

Using the paradigm of win/win requires three traits.

■ *Integrity* — We define integrity as the value we place on ourselves: We need to be self-aware, possessed of an indepen-

### Go for a Big Win/Win

1) Make a list of obstacles that prevent your applying the win/win paradigm more often. Decide what you can do within your Circle of Influence.

2) Picture a specific disagreement. Put yourself in your counterpart's shoes and write down his solution. Write down your own solution. Try to work out an agreement.

3) For three relationships, estimate your balance in each Emotional Bank Account. What deposits could you make?

dent will. We make and keep meaningful promises and commitments to ourselves and others.

■ *Maturity* — This is the balance between courage and consideration. Simply put, you must have enough empathy and goodwill to work for a win for your counterpart, and enough courage to make a win for yourself.

■ *Abundance Mentality* — You must know and believe that there is plenty out there for everybody. Many people don't: They think that to succeed themselves, others must fail. They harbor secret hopes that other people suffer misfortune — not terrible misfortune, but acceptable misfortune that will keep them in their place. The Abundance Mentality recognizes that possibilities for growth and success are potentially limitless, and sees in others the opportunity to complement its own strengths.

Win/win is a powerful management tool. Drucker recommends using the "manager's letter" to define the performance agreement between boss and employee. After a thorough discussion of expectations, guidelines, and resources, the employee writes a letter to the manager summarizing the discussion and setting the date for the following review.

With the agreement in place, the employee can manage himself within the framework of the agreement. The manager becomes like the pace car at an auto race: He gets things going and gets out of the way. His job from then on is to remove the oil spills. When the boss becomes the first assistant to each subordinate, he increases his span of control. Entire levels of administration can be eliminated, and he can double or triple his managerial leverage.

I once consulted for a company that wanted me to train their retail people in human relations: They said the employees on the selling floor were rude. I went to their stores, and indeed, the sales help were rude. I wondered why.

"Look, we're on top of the problem," the company president said. "The department heads are out there setting a great example: Their job is two-thirds selling and one-third management. They're outselling everyone. Just train the sales help to sell, too."

But I went back to the store for more data. It turned out that managers (who



## ONCE PEOPLE HAVE BEEN THROUGH SYNERGY, THEY'RE NOT THE SAME.

got sales commissions) were sending the sales help into the back to take care of cleaning and inventory, stepping behind the cash register and "creaming" every sale, except during the store's most frantic periods. That's why they were outselling their employees.

We replaced that win/lose compensation system with win/win: We changed the rules so that managers only made money when the sales staff made money. The sales clerks' attitude problem disappeared overnight.

### 5

#### UNDERSTAND — THEN BE UNDERSTOOD

The most important word to know in mastering this habit is "listen." Listen to your colleagues, family, friends, customers — but not with intent to reply, to convince, to manipulate. Listen simply to understand, to see how the other party sees things.

The skill to develop here is *empathy*. Empathy is not sympathy. Sympathy is a form of agreement, a judgment. The essence of empathic listening is not that you agree with someone; it's that you fully understand him, emotionally and intellectually.

Empathic listening is with the ears, eyes, and heart — for feeling, for meaning. It's powerful because *it gives you accurate data to work with*, instead of projecting and assuming your own thoughts and motives. You can only work with someone productively and make an appropriate deposit in your Emotional Bank Account with him if you understand what really matters most to him.

If the air were suddenly sucked out of the room you're in, your interest in this magazine would wane quickly, wouldn't

it? With survival at stake, you wouldn't care about anything except getting air.

Empathic listening can be a powerful emotional deposit in itself, because it provides the speaker with psychological air. When that need is met, you can work on your agreement in an atmosphere of trust.

On the second day of a seminar in Chicago, a commercial real estate broker burst in to tell me what had happened the night before, after class. After six months of hard work, he'd nearly closed a big deal; then at the last minute, the clients seemed to lose interest. Another agent with another deal was brought in, and they were ready to take the second deal instead.

The broker didn't know what to do; he'd put all his effort into this one deal, and now it was fizzling. He'd tried his last sales technique; then he just asked them to delay their decision. But they wanted to get it over with.

So he went for broke and said to his counterpart, "Let me see if I really understand what your position is and what your concerns about my offer are." As he started to put himself in the man's shoes and describe what he saw, the man opened up to him. In the middle of their conversation, the man stood up, walked over to the phone, and dialed his

wife. As he was waiting for her to pick up, he explained, "You've got the deal."

The broker had given him psychological air just when he needed it. It shows that when other things are relatively equal, the human dynamic is more important than the technical dimensions of the deal.

### 6

#### SYNERGIZE

When Winston Churchill was called to lead Great Britain's war effort, he remarked that all his life had prepared him for this hour.

In a similar sense, the exercise of all the other habits prepares us for the habit of synergy. Properly understood, synergy is the highest activity of life. Through it, we create new, untapped alternatives — things that didn't yet exist. We unleash people's greatest powers. We make a whole greater than the sum of its parts.

The creative process is also terrifying, because you don't know exactly what's going to happen or where it's going to lead. You leave the comfort zone of base camp and confront an entirely new and unknown wilderness. You become a pathfinder.

The basis of synergy is that two people can disagree, and both can be right. It's not logical. It's *psychological*. I was hired to lead discussion at the annual two-day planning meeting for top executives of a big insurance company. The usual pattern was to discuss major issues chosen through a questionnaire. Past meetings had been generally respectful exchanges, and on occasion they deteriorated into win/lose ego battles. They were usually predictable and boring.

I convinced them to commission several executives to write anonymous "white papers," which were passed out to all the executives ahead of time, so

#### Add Power To Your Purpose

- 1) Visualize your funeral and write your eulogy as you would want it.
- 2) Describe your various roles in your present life and how you rate your performance.
- 3) Decide how much you are centered in areas other than principles.
- 4) Collect notes, quotes, and ideas for your mission statement.
- 5) Draft your statement.
- 6) Talk to your family and work group about developing group mission statements.



they could immerse themselves in the differing points of view.

By removing both the need to be polite (and uncreative) and the threat of other egos (since the papers were anonymous), the release of creative energy was incredible. The executives generated new ideas and insights, and quickly made all the white papers obsolete. Most interesting, a new, common vision for the company and its mission began to form before our eyes.

Once people have experienced real synergy, they are never quite the same again. They know that the possibility of such mind-expanding adventures always exists. The device that opens us to synergy's power depends on all the habits of effectiveness at once, requiring confidence, integrity, and empathy. It's all embodied in one crucial ability: to value and exploit the mental, emotional, and psychological differences between people.

# 7

## SHARPEN THE SAW

Suppose you come upon a man in the woods feverishly sawing down a tree.

"You look exhausted!" you exclaim. "How long have you been at it?"

"Over five hours," he replies, "and I'm beat. This is hard."

"Maybe you could take a break for a few minutes and sharpen that saw. Then the work would go faster."

"No time," the man says emphatically. "I'm too busy sawing."

Habit seven is taking time to sharpen the saw (you're the saw). It's the habit that makes all the others possible.

To sharpen the saw means renewing ourselves, in all four aspects of our natures:

*Physical* — exercise, nutrition, stress management;

*Mental* — reading, visualizing, planning, writing;

*Social/Emotional* — service, empathy, synergy, security;

*Spiritual* — spiritual reading, study, and meditation.

To exercise in all these necessary dimensions, we must be proactive. No one

can do it for us or make it urgent for us; it is a quadrant II activity.

For instance, exercise is a typical, high-leverage, quadrant II activity that most of us don't do consistently enough.

We think we don't have time to exercise. What distorted thinking! We don't have time not to. We're talking about three to six hours a week. That's a drop

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## TO BECOME STRONG, RENEW THE SPIRIT.

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in the bucket compared with the enormous, beneficial impact on the other 162-plus hours in the week. Be proactive. If it's raining on the morning you've scheduled to jog, do it anyway. "Oh good!" you'll cry. "It's raining! I get to develop my willpower as well as my body!"

Reading for your work and planning require their own allotment of quadrant II time; and you obviously must be wise enough not to "sacrifice" so much for your profession that you neglect your family, friends, and community.

### Make the Most Of Time

- 1) Choose one quadrant II activity you've been neglecting; write it down, commit to doing it.
- 2) Estimate the time you spend at each activity in your week. Then keep a real time log and test your estimate.
- 3) Make a list of activities you could delegate. What training will your delegates need?
- 4) Organize your next week according to your goals.
- 5) Commit yourself to organizing your time weekly. Choose a regular time to do it.

Taking care of your spiritual dimension renews your core; your center, your commitment to all your principles. People do this in a variety of ways. Some meditate on the scriptures. Others immerse themselves in great literature or music, or commune with nature.

In a story called "The Turn of the Tide," Arthur Gordon describes a time when he found his world stale and flat. His enthusiasm for life waned, and he was getting worse daily.

A medical doctor found nothing physically wrong with him, but said he might be able to help if Gordon could follow his instructions for one day. He was to spend the next day in the place where he'd been happiest as a child. He was not to talk to anyone, nor to read, write, or listen to the radio. The doctor then wrote out four prescriptions and told him to open one at 9 a.m., noon, 3 p.m., and 6 p.m.

The next morning, Gordon went to the beach. His first prescription said only this: "Listen carefully." It seemed insane to listen to waves for three hours. But he did it — and began to hear more and more sounds that weren't obvious at first. He began to think of lessons he'd learned as a child from the sea: patience, respect for the interdependence of things. He felt a growing peace.

The noon prescription read, "Try reaching back." To what? He thought of the joyful times of his childhood, and felt a growing warmth inside.

The 3 p.m. message threw some cold water on him: "Examine your motives." At first, he was defensive. Of course he wanted success, fame, security — he could justify them all. But then it occurred to him that these motives weren't good enough, and that fact was making him stagnant. "It makes no difference," he wrote later, "whether you are a mailman, a hairdresser, a housewife — whatever. As long as you feel you are serving others, you do the job well. When you are concerned only with helping yourself, you do it less well — a law as inexorable as gravity."

When 6 p.m. came, the final prescription didn't take long to fill: "Write your worries on the sand." He knelt and wrote several words with a piece of broken shell; then he turned and walked away. He didn't look back; he knew the tide would come in. ☐



# The Principles In This Book Took 4,000 Years To Develop And 50 Years To Forget

Since the beginning of recorded history, mankind's greatest achievements have come about as a result of a set of timeless principles—principles that are found in the world's great, long-lived civilizations and leaders.



Over the past 50 years, however, the trend has changed. Personality development, persuasion, negotiation and communication techniques have

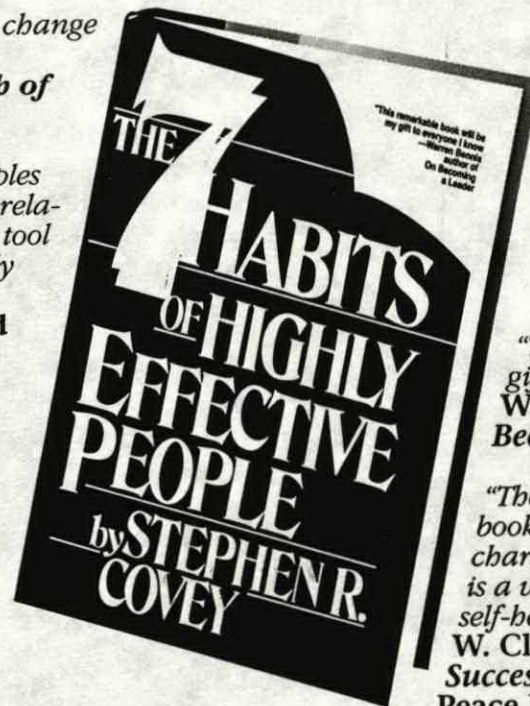
come to overshadow character. In the mold-shattering new book, *The Seven Habits of Highly Effective People*, Dr. Stephen R. Covey brings the time-honored principles of success to the forefront again and gets back to the basic roots of human effectiveness. This renaissance in values has individuals, families, and organizations of all kinds recognizing the idea that character, not cosmetics, is the basis for true success. That's why major corporations from Procter & Gamble to AT&T are implementing *The Seven Habits* leadership training, and with great success.

*"It is a wonderful book that could change your life."*

**Tom Peters, author of *In Search of Excellence***

*"It's powerful reading. His principles of vision, leadership, and human relations make it a practical teaching tool for business leaders today. I highly recommend it."*

**Nolan Archibald, President and CEO of Black and Decker**



*"This remarkable book will be my gift to everyone I know."*  
**Warren Bennis, author of *On Becoming a Leader***

*"The conclusions Covey draws in this book underscore the need to restore the character ethic in our society. This work is a valuable addition to the literature of self-help"*  
**W. Clement Stone, founder of *Success Magazine*, and 1981 Nobel Peace Prize Nominee**

**For information on Seven Habits books, tapes, seminars, and Principle-Centered Leadership call 1-800-331-7716, ask for Sally.**



# From Conoco to White House, Covey's ideas in demand

By John Hillkirk  
USA TODAY

In the day planner he carries everywhere, George Francis keeps his secret to eliminating stress, motivating 8,000 employees, and helping 14-year-old daughter Zeedra do her homework.

The planner contains Stephen Covey's *Seven Habits of Highly Effective People* — a set of principles that guides Francis' life as "Dad" and as a senior vice president at Blue Cross Blue Shield of Michigan.

"If I owned this company, every employee would live by the seven habits," Francis says.

Tens of thousands of employees already are. The habits are being taught at dozens of cutting-edge companies: Federal Express, Hewlett-Packard, Conoco. And Saturn, the vanguard automaker.

"Dr. Covey's work has saved Saturn literally millions of dollars," says Mike Bennett, a Saturn union leader. He counts the savings in more efficient meetings, less waste and improved quality. "It's made the difference between high performance and mediocrity."

Covey is the hottest self-improvement consultant to hit U.S. business since Dale Carnegie revealed *How to Win Friends and Influence People*. He commands \$25,000 per speech and his best-selling book, *The Seven Habits of Highly Effective People*, has sold 3.5 million copies since 1989. Each month, 150 CEOs and other executives pay \$3,500 for a week of training at Covey's Leadership Center in Sundance, Utah, one of many spinoffs run by a 400-employee enterprise that generates \$50 million in annual revenue.

"*Seven Habits* has had more impact at Conoco than any other book," says Robert Burt, Conoco's director of personnel development. Half the company's 19,000 employees have been trained in Covey's work. At a Workplace of the Future conference in July, President Clinton touted *Seven Habits* as one of

three books every worker should read to "dramatically" boost the nation's productivity.

Covey's approach is straightforward. Remind people what they should already know. Like Habit 1: Be proactive. It means: Take responsibility for your life. Quit blaming your spouse, or some S.O.B. boss. You have the ability to choose your response to criticism or abuse.

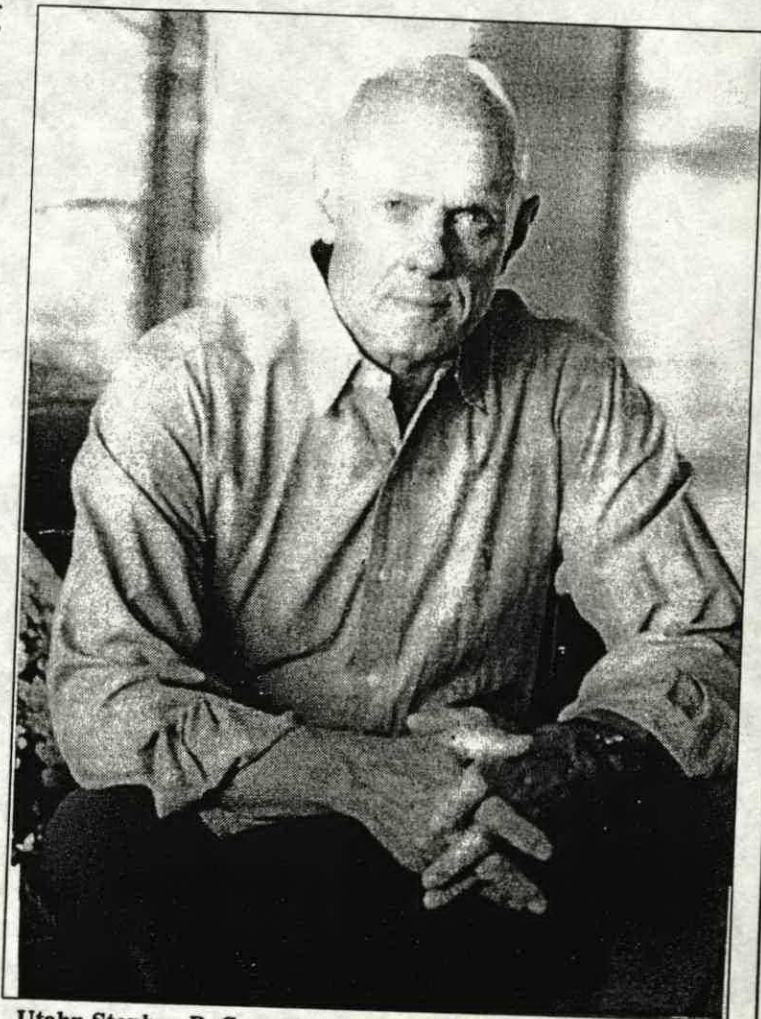
"Every person must start within their own circle of influence," Covey says. "Don't get seduced by politics. [Live by] your own set of principles, your sense of vision of what your life is about. ... Maybe in a few months or year and a half, two years, you'll be in an altogether different world."

Of course, learning the seven habits is easy; living by them 100% of the time is impossible.

"It's a lot like eating well," Francis says. "I know what I should eat and what I shouldn't, but I still stray. And it's the same with Dr. Covey's teachings. That's why I carry them with me everywhere I go."

Covey says you never should engage in gossip or criticize an employee who isn't in the room. "Be loyal to those who are absent to retain those who are present," he says. That means: If you criticize Joe while speaking to Pam, Pam will no longer trust you. She'll assume that you'll just as readily criticize her when she's not around. Common sense? Yes, but not common practice.

Covey developed the Seven Habits after studying hundreds of books and essays on "success" published since 1776. The works published the past 50 years looked superficial — filled with what he calls "social Band-Aids" and gimmicks to improve your personality. In contrast, the literature of the first 150 years — the writings of Ben Franklin and Abraham Lincoln — was based on character, and talked about principles such as integrity, courage and patience. The habits sell, Covey disciples say, because they work.



Utahn Stephen R. Covey is hottest management guru in U.S.

## You, too, can become a Highly Effective Person

Here are The Seven Habits of Highly Effective People, from Stephen Covey's best-selling book of the same name:

1. Be proactive. You are responsible for your life. Decide what you should do and get on with it.
2. Begin with the end in mind. Think of how you want to be remembered at your funeral. Use this as a basis for your everyday behavior.
3. Put first things first. Devote more time to what's important but not necessarily urgent.

4. Think win-win. Have an "abundance" mentality. Seek solutions that benefit all parties.

5. Seek first to understand, then to be understood. Don't dive into a conversation. Listen until you truly understand the other person.

6. Synergize. Find ways to cooperate with everyone. Value the differences between people.

7. Sharpen the saw. Continually exercise and renew four elements of your self: physical, mental, emotional-social and spiritual.

## College 'veterans' offer sage advice to the freshman class of '93

By Nancy Kruth



Check here, a good one for you to read.

Wald

Tuesday, December 4, 1990

The Times—5F

# Here's 7 habits to live by to be marginally effective

LOS ANGELES — As a seeker and constant traveler on the path of eternal perfection, I was drawn, naturally, to a book making its way up the best-seller charts, "The Seven Habits of Highly Effective People," by Stephen R. Covey (Simon & Schuster; \$9.95).

Covey is a serene-looking man, the father of nine children. Among other highfalutin accomplishments, he runs something called the Institute for Principle-Centered Leadership.

His book is sprinkled with words like "paradigm" and "rescripting" and "win-win."

These tripped me up a little.

So I decided to cheat. I sped-read right to part where the seven habits are listed.

I respect Covey and do not want to steal his thunder by telling you all seven for free.

Suffice it to say that Habit 6 is "Synergize" and Habit 7 is "Sharpen the Saw."

There must be an easier way, I thought, and, in so thinking, discovered my basic character flaw.

If I am too darn lazy to learn how to synergize or even to sharpen my saw, then I am not a candidate to be a highly effective person.

Hey, not everybody is.

Some of us have lower expectations.

Some of us only aspire to become marginally effective people.

So I've made a list.

What follows are the seven habits of marginally effective people. I swear by them, and look how mar-



**D.G. FULFORD**

Syndicated columnist

ginally effective I am! Shoot, I run around like a crazy horse all day and get almost nothing done.

You do not have to follow my program to the letter. Whittle off a few habits and accomplish even less! The choice is yours.

■ Habit 1: Get up in the morning.

This is the cornerstone in the marginally effective movement. Try it for a few days, then rest if necessary. You just might find that you miss it. You just might find that bedsores don't have to be a way of life. You just might find that you actually enjoy the human race. Maybe.

■ Habit 2: Get dressed.

Don't worry. You can start slowly at first. Try sweat pants. Too scary? Try sweat pants under your nightgown. I wore just this outfit to the grocery on Thanksgiving — a veritable gathering place for marginally effective people who forget things on their shopping lists. Looked good, too.

■ Habit 3: Go to work.

No one told you it was going to be easy. This is where the "No pain, no gain" aspect kicks in. Just make like a Nike and do it. You don't have to actually workwork. Just show show. You're marginally effective. No one will pay any attention

to what you're doing anyway.

■ Habit 4: Go home.

Now you're into the swing of things. This step makes up for all the others and will make you a true believer in the program. If you can make it this far, you're home free.

■ Habit 5: Eat.

Stay marginally effective by eating something with no nutritional value, like potato chips. Forget fruits and vegetables; they make you feel too frisky. Stick with the logy foods — pizza, ice cream, big giant lard pies. You'll settle in for the night and be ready for the next step.

■ Habit 6: Watch TV.

Whatever's on. Doesn't matter. Slow your brain waves down and accomplish nothing. It has been a long day. You got up and went to work, didn't you?

■ Habit 7: Go to sleep.

This is your reward. Your dreams will be sweet knowing you've been all that you can be, which, as we know, is not much. Isn't it good to realize this? Takes the pressure off, doesn't it. Life becomes simple and sweet.

There you have it. I know it looks difficult at first, but, believe you me, one day at a time, and you'll finally accept yourself for the load you really are.

And if you get bored, there are always the seven deadly sins.

Must-do's for highly defective people.

D.G. Fulford is a columnist for the Los Angeles Daily News.



# DILBERT

THE **7** HABITS OF

## HIGHLY DEFECTIVE PEOPLE



**1.** IGNORE ANY SIGNS OF DISCOMFORT IN OTHERS.

BUT HEY, I'VE BEEN DOING ALL OF THE TALKING.



S. Adams E-Mail: SCOTTADAMS@AOL.COM

## BY SCOTT ADAMS

**2.** USE HUMOR TO BELITTLE PEOPLE IN PUBLIC.

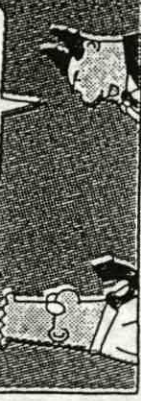
OUR NEWEST TEAM MEMBER HAS MOVIE STAR LOOKS. SPECIFICALLY, LASSIE.



**3.** TREAT ALL COMPLAINTS AS THE COMPLAINERS' FAULT.

YOU DON'T MOTIVATE ME.

MAYBE YOU SHOULD SEE A THERAPIST.



**4.** SHOW UP LATE AND RAISE CONTROVERSIAL ISSUES.

I THINK WE SHOULD LICENSE "BARNEY" AS OUR MASCOT.



**5.** GIVE ADVICE ON THINGS YOU DON'T UNDERSTAND.

TRY WRITING SOME ASSEMBLY LINE CODE HERE.



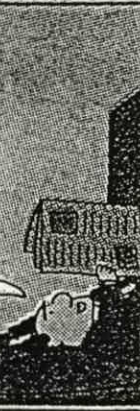
**6.** USE COMPLIMENTS TO SHOW YOUR PREJUDICES.

OOH, NICE CRISP PHOTO-COPY, ALICE. I DON'T THINK A MAN COULD HAVE DONE IT BETTER!



**7.** THINK THE COMICS ARE NOT ABOUT YOU

HEE HEE! LOOK AT THE HAIR ON THAT GUY!



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# Living the Seven Habits

HABIT	PRINCIPLES	PERSONAL LEVEL Examples
1. BE PROACTIVE: The Habit of Responsibility	<ul style="list-style-type: none"> <li>• Act &amp; respond based on values, not emotions</li> <li>• Accept responsibility for own behavior</li> <li>• Focus on circle of influence, not circle of concern</li> </ul>	<ul style="list-style-type: none"> <li>• When others are angry or critical, act according to <i>your values</i>, not <i>their emotions</i></li> <li>• Assess personal strengths &amp; weaknesses</li> <li>• Admit your errors &amp; mistakes</li> </ul>
2. BEGIN WITH THE END IN MIND: The Habit of Leadership	<ul style="list-style-type: none"> <li>• Mental creation precedes physical creation</li> <li>• Clear mission and vision motivate commitment &amp; action</li> <li>• Quality requires values aligned with true principles</li> </ul>	<ul style="list-style-type: none"> <li>• Write your personal mission statement</li> <li>• Identify personal important roles</li> <li>• Establish the vision of the person you want to be</li> </ul>
3. PUT FIRST THINGS FIRST: The Habit of Management	<ul style="list-style-type: none"> <li>• Focus on the important, not the urgent—Quadrant II</li> <li>• Goals flow from mission &amp; roles</li> <li>• Schedule priorities according to values &amp; mission, roles &amp; goals</li> <li>• Track and measure performance in relation to plans</li> </ul>	<ul style="list-style-type: none"> <li>• Utilize personal organizing tool focusing on roles, goals, and truly important activities</li> <li>• Plan weekly for daily execution</li> <li>• Analyze and assess regularly your past performance in accordance with your plans</li> </ul>
4. THINK WIN-WIN: The Habit of Mutual Benefit	<ul style="list-style-type: none"> <li>• Win-win cooperation is essential in interdependent relationships</li> <li>• Balance courage and consideration for win-win effectiveness</li> <li>• Abundance mentality necessary</li> </ul>	<ul style="list-style-type: none"> <li>• Honor competing interests and conflicts within yourself</li> <li>• Recognize your individual importance and worth</li> <li>• Choose win-win in your life</li> </ul>
5. SEEK FIRST TO UNDERSTAND, THEN TO BE UNDERSTOOD: The Habit of Communication	<ul style="list-style-type: none"> <li>• Understand before you act</li> <li>• The key to influencing others is to first be open to influence</li> <li>• Empathic listening requires the character plus certain skills</li> <li>• The nature of the relationship influences the effect of the message on the listener</li> </ul>	<ul style="list-style-type: none"> <li>• Understand yourself, your needs, desires, and motives</li> <li>• Review and understand personal feedback, such as Seven Habits Profile</li> <li>• Consciously program your subconscious to internalize your values, goals &amp; action plans</li> </ul>
6. SYNERGIZE: The Habit of Interdependence	<ul style="list-style-type: none"> <li>• Systems are greater than the sum of their parts</li> <li>• Value and respect differences</li> <li>• Mutually beneficial third alternatives result from synergistic win-win thinking</li> </ul>	<ul style="list-style-type: none"> <li>• Value the different aspects of your own nature and needs</li> <li>• Dialogue within yourself to make difficult win-win decisions</li> <li>• Gain strength from your diverse interests &amp; capabilities</li> </ul>
7. SHARPEN THE SAW: The Habit of Improvement      Continuous	<ul style="list-style-type: none"> <li>• Effectiveness requires balance between production and production capability</li> <li>• Renewal comes from developing all four personal and organizational characteristics: physical, social-emotional, intellectual, holistic or spiritual</li> </ul>	<ul style="list-style-type: none"> <li>• Exercise regularly for strength, endurance, cardiovascular</li> <li>• Maintain proper nutrition, rest &amp; relaxation</li> <li>• Develop intellectually through reading, study, courses, etc.</li> <li>• Renew spiritually and holistically</li> </ul>



## OUR APPROACH

Albert Einstein said, "The significant problems we face cannot be solved at the same level of thinking we were at when we created them." *Principle-Centered Leadership* and the *Seven Habits* is a new way of thinking about and addressing the many problems we face.

*Principle-Centered Leadership* refers to a paradigm of developing people and organizations through teaching and applying principles of effective leadership (such as those represented in the books, *The Seven Habits of Highly Effective People* and *Principle-Centered Leadership*) at four levels of development:

- 1) personal
- 2) interpersonal
- 3) managerial
- 4) organizational

Developing each level is necessary, but by itself is insufficient. The level or levels which are neglected tend to undo the others. All too often we see organizational changes not supported or sustained by personal and interpersonal changes in roles, behaviors, and skills. Frequently we see personal changes that are not reinforced by managerial and organizational systems. In either case, the change effort is ultimately incomplete and often undermined.

### Inside-Out Thinking

Continuous Improvement begins with each of us as individuals. We call this inside-out thinking. While Edwards Deming says that 90-plus percent of all problems in variation or defects are the result of the system and not the individual, the systems are merely programs. Individuals and people are programmers. It is more fundamental to start with the programmer, the individuals who write the programs.

While we diagnose effectively from the outside-in, we develop and transform from the inside-out. We begin at the personal level and build from there, moving to each subsequent level. This is illustrated in the following model:

*The Inside-out Approach*





## The Four Levels

To illustrate how we work at each of the four levels, consider the following: at the *personal* level we teach principles and processes that help individuals become independent by developing *trustworthiness* (i.e., character, competence, integrity, responsibility, balance, etc.). This includes the development of a personal mission statement. As individuals develop personal mission statements, this process more than any other will increase their value for, understanding of, and commitment to the organizational vision and principles. This "co-missioning" process is where highest loyalty is created.

By providing the foundation for trustworthiness and personal effectiveness, employees and managers will naturally begin to build trust within the organization. The emphasis at the *interpersonal* level is to help individual team members become interdependent by developing *trust*. This includes the principle of synergy--i.e., valuing the differences and diversity of each individual team member (the personal and interpersonal levels are the essence of *The Seven Habits* courses being conducted at many Du Pont sites).

By developing independence at the personal level (trustworthiness) and interdependence at the interpersonal level (trust), managers are capable of creating conditions for *empowerment*, the key principle of *managerial* effectiveness. At this level it is apparent why we must work from the inside-out. If we have a low trust culture, it is unrealistic to move toward empowerment. If people are lacking in character and competence (i.e. are fundamentally untrustworthy), it is unrealistic to build long-term, sustainable trust. Effective development must be inside-out just as trustworthiness precedes trust and trust precedes empowerment.

Finally, as individuals become more effective personally and interpersonally, organizational objectives are more easily met. The challenge at the organizational level is to develop *alignment* among the systems and structure to support and sustain the vision and core values of the organization as well as the strategy to serve the customer. As these values become truly shared, they will become an "organizational compass" for people in CoreStates, guiding their actions and decisions.

These levels of development and key principles are summarized as follows:

<u>Level of Development</u>	<u>Key Principle</u>
Personal	Trustworthiness
Interpersonal	Trust
Managerial	Empowerment
Organizational	Alignment



## Not a Quick Fix

*Seven Habits* is not a quick fix approach. While a company can change strategy, structure, and systems with a memo, it cannot mandate personal effectiveness, interpersonal trust, and continuous improvement. These processes take time, training, and reinforcement. However, while this inside out approach is not a quick fix, CoreStates individuals and the organization will experience fast and meaningful results.

## Summary

The *Seven Habits* course is founded upon timeless principles of human and organizational effectiveness, rather than upon specific practices and skills. An ancient proverb states, "Give a man a fish and you feed him for a day; teach him how to fish and you feed him for a lifetime." Teaching specific practices is like giving a person a fish. The recipient remains dependent on the giver for the next day's fish, or on a new practice for each situation encountered. Teaching a principle is similar to teaching a person how to fish. The result is empowerment of people and their organizations.

The Learning Process underlying the *Seven Habits* consists of the following sequence.

Participants learn timeless principles of personal, interpersonal, and managerial effectiveness. Individuals and organizations should be guided and governed by a set of proven principles. These are the natural laws and governing social values which have gradually come through every great society, every responsible civilization over the centuries. They surface in the form of values, ideas, norms, and teachings that uplift, ennoble, fulfill, empower, and inspire people.

When such principles of effectiveness are internalized, old, unquestioned assumptions of reality or paradigms are altered, enabling individuals and organizations to make significant improvements in performance.

Paradigm shifts are facilitated through learning processes, such as establishing win-win agreements with key stakeholders. This bridge between the classroom and the work environment enables the participant to respond to current reality from a principle-centered paradigm.

Results occur as principles are practiced within one's circle of influence, the area over which he or she exerts some influence or control.



This positive relationship between achieving desired results and applying principles of effectiveness reinforces and validates this entire change process, creating a culture of principle-centeredness.



## BENEFITS AND RESULTS

This *Seven Habits* program is being utilized extensively by hundreds of organizations including many Fortune 500 and other mid and small size firms. Several banks have utilized this as well including Central Fidelity Bank where they have trained all 500 managers in the *Seven Habits*. We have attached a list of client contacts that you may wish to call to get their sense of the usefulness of the program.

There will be many benefits to this training. You will see benefits in the following dimensions:

- *Personal* - participants will become more proactive and will gain a greater sense for organizing and executing around priorities.
- *Interpersonal* - participants will learn to build better relationships and to establish and build trust more effectively.
- *Managerial* - participants will learn how to create the conditions to empower their people and to release their capacities and innovation.
- *Organizational* - management will gain a better sense of holistically managing the organization and setting up systems and structures that are consistent with your strategy.

Additionally, you will see the following benefits:

- Participants will understand the simple language and approach and find it very applicational in both there personal and professional lives.
- Participants will appreciate being valued as unique individuals and appreciate getting a sense of identity and security through creating personal mission statements.
- Participants will become more responsibly independent and effectively interdependent as they become more effective in their personal lives as well as in there relationships with others.
- Participants will develop an increased commitment to the organization and increased job satisfaction.
- CoresStates Financial Corporation will find that their core values will become increasingly shared in that this process will help create personal buy-in and commitment to the core values of the organization.



# Principles

Definition as defined by us:

Enduring  
Universal  
Self-evident  
Self-validating

Physical principles such as the law of gravity

Principles applied to personal, interpersonal, managerial, and organizational leadership

What is the difference between principles and values?  
Overlap = making principles our values

Principles versus Practices



## WHAT IS THE DIFFERENCE BETWEEN VALUES AND PRINCIPLES

### Values

Social Norm

Personal

Intrinsic

Emotional

Subjective

Arguable

### Principles

Natural Law

Impersonal

Extrinsic

Factual

Objective

Self Evident



Expanding on this notion further, we can create a principle-centered development matrix that relates each of the four fundamental principles to seven basic habits of effectiveness and their related processes.

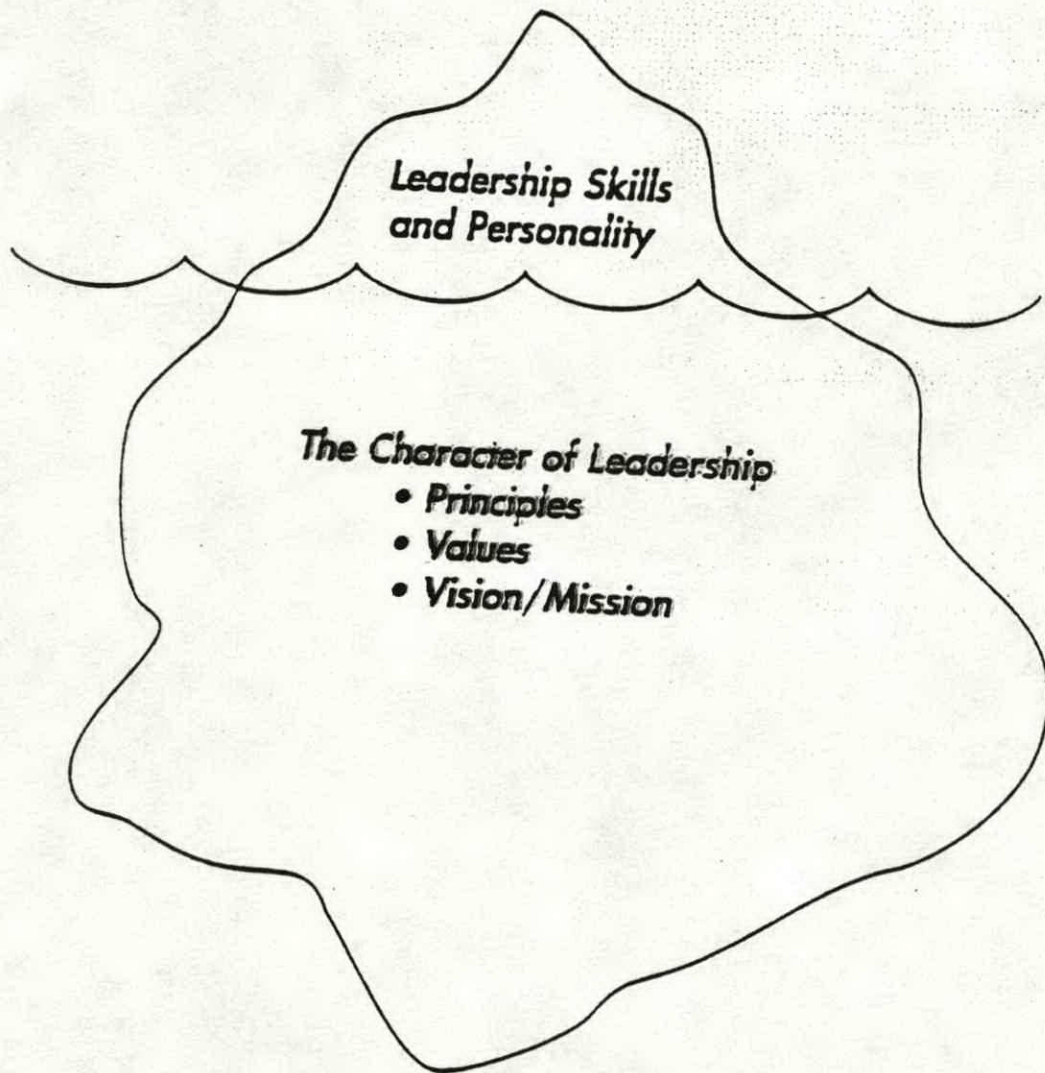
<b>PRINCIPLE (&amp; LEVEL)</b>	<b>HABITS</b>	<b>PROCESSES</b>	<b>RESULTS: Paradigms Attitudes &amp; Behaviors</b>
<b>Trustworthiness</b> (Personal)	1. Personal congruence & responsibility 2. Self discovery & vision 3. Self discipline 7. Self renewal & continuous improvement	Arbinger process Paradigm shifting Values clarification Personal mission/vision Quadrant II self management. Self renewal/ life planning Etc.	<b>Personal Commitment:</b> o Responsibility o Dependability o Integrity o Creativity o Personal effectiveness o Continuous personal improvement o Principle centeredness
<b>Trust</b> (Interpersonal)	Habits 1, 2, 3, & 7 above plus: 4. Managing relationships for mutual benefit 5. Empathic communication 6. Creative problem solving through cooperation & teamwork	Arbinger process Empathic communications Synergistic problem solving Profiling Conflict resolution process Etc.	<b>Interpersonal Commitment:</b> o Communication o Comradery o Cooperation o Enthusiasm o Synergy
<b>Empowerment</b> (Managerial)	Encompasses all Habits 1-7 but applies them to managerial issues Involves deep delegation through win/win agreements & self supervision	Win-win agreements Work unit visioning Job Enrichment Outdoor leadership labs Teambuilding & conflict resolution process Etc.	<b>Work Group Commitment:</b> o Quality processes/ continuous improvement o Innovation o Adaptability o Teamwork o Effectiveness
<b>Alignment</b> (Organizational)	Applies all 7 Habits to organizational issues Involves design & implementation of strategies, structures, systems, etc. so they are congruent with shared values/vision & with each other (Refer to PS Paradigm, p. 5)	Corporate mission/vision development Strategic path finding Organizational action planning Designing high performance organizations Conflict resolution process for sustainable operating advantage Etc.	<b>Organizational Commitment:</b> o Synergy o Speed o Total quality/ continuous improvement o Effectiveness

This is not a quick fix approach. Leadership must first be nurtured and developed. And like any growth process, it takes time and commitment, planning and persistence, and lots of patience. Beginning the process is the first step which ultimately will bring significant improvements at all performance levels.

(16)Empower



## TWO PARTS OF LEADERSHIP





## Cosmetics vs. Character

### STEPHEN R. COVEY

*... the best managed companies are still value-driven.*

*Personality development is the dominant theme of modern American "success literature," says Dr. Stephen Covey, whereas character development was emphasized during the first 150 years of our history. The shift is symptomatic of the gradual secularization of American culture: we have gone from a moral to a mental orientation. But the best managed companies are still value-driven. Their leaders are committed to certain basic principles or values which they translate into organizational policies and programs.*

RECENTLY I conducted a fascinating research project: a review of the popular success literature of the United States since 1776. This study brought me into contact with thousands of books, magazines, and digests devoted to success principles and practices.

I discovered that for the first 150 years, the character ethic was emphasized over personality development. During those early decades, before scientific empiricism became so pervasive in academic circles, much of the success literature was taught in our school, beginning in the early grades and continuing through college. Most church-related universities focused explicitly on character development, and many other institutions of higher learning were either founded on or dedicated to the idea of training the whole person, including the moral or spiritual dimension.

The success literature of our nation's formative years reflects this emphasis. Books dealing with self-

improvement and achievement focused primarily on such character traits as sincerity, humility, courage, integrity, fidelity, honesty, simplicity, thrift, and discipline. Personality attributes and human relations skills were seen as the natural fruits of these character roots. Typical of this literature is Benjamin Franklin's *Autobiography*, wherein he accounts how he systematically inculcated some of the virtues and character traits essential for success.

Surprisingly, I further discovered through my study that for the last five decades, and more particularly in the last 30 years, the emphasis has steadily shifted from character to personality. It is evident that the primary thrust of higher education, including that of most church-related universities, shifted from moral to mental and the modern literature reflects this movement.

MY REVIEW revealed definite trends toward 1) human relations technologies or the processes of human interaction that secure cooperation, support, acceptance, and favorable opinion; and 2) positive mental attitude or the power of constructive imagination whereby mental images of success may be planted in the subconscious mind to organize thoughts and accomplish goals. These trends have established the personality ethic, evident in such books as *How to Win Friends and Influence People* and *Psycho-sybernetics*.

By taking a casual survey of book titles in the areas of popular psychology, self-improvement or human interaction, we find that many of these books deal with such topics as successful living, self-esteem, communication, and marriage relations . . . and only give lip service to the principles of character development.

Henry David Thoreau said it well: "For every thousand hacking at the leaves of evil, there is one striking at the root." I perceive that such "success literature" is a symptom of the gradually increasing secularization of the American culture, and a fairly accurate mirror of our cultural mentality. I suggest that the depth and pervasiveness of the social problems in our society are other symptoms of the same problem which stems from the same underlying cause.

The popular success literature only mirrors the symptoms without dealing with the causes. It features a futile Band-Aid approach to curing deep-seated problems with individuals and institutions. For when the personality ethic is separated, severed, or truncated from its character roots, it yields a kind of manipulative personality, one that knows how to trigger desired responses by employing various influence strategies and mental calculations.

Fortunately, I detect a better balance between character and personality in some recent management literature. I attribute this trend to more intense competition in the international marketplace. Competition coming from the Far East, particularly Japan, and from European countries, particularly West Germany, has focused on quality, service, and stability . . . upon *principles* which foster permanency and universality as well as immediate application, and not so much upon *practices*. Practices are culturally indigenuous, but principles are transferable, universal, general laws which govern all of life.

In their best-selling book, *In Search of Excellence*, Peters and Waterman take a hard look at what is happening today. They find that most of the well-managed companies in the country today are value-driven or



value-governed and that their leadership is committed to certain basic principles, beliefs, or values which they attempt to translate into purposes, policies, programs, and practices. They write:

*Some colleagues who have heard us expound on the importance of values have said, in effect, "That's swell, but isn't it a luxury? Doesn't the business have to make money first?" The answer is that, of course, a business has to be fiscally sound and the excellent companies are among the most fiscally sound of all. But their value set integrates the notions of economic health, serving customers, and making money down the line. As one executive said to us, "Profit is like health. You need it and the more the better, but it's not why you exist." Moreover, in a piece of research that preceded this work, we found that companies whose only articulated goals were financial did not do nearly as well financially as companies that had broader sets of values.*

IN MY MIND, THESE findings signal the return to a character ethic in the excellent companies of today, and, for that matter, in the private institutions of marriage and family. The reason is that people have a deep need for meaning and for leadership that identifies institutional purposes, also a need to interact with others in ways that motivate and lift them to higher levels of moral performance.

My experience tells me that already people have a kind of inner extra-sensory perception whereby they instinctively trust those whose personality is founded upon correct principles and distrust others. We have evidence of this in our long-term relationships. We learn that communication technique is relatively unimportant compared to the trust level, which is the result of our interactive trustworthiness over time. When trust is high, we communicate easily, effortlessly, instantaneously. We even make mistakes and others

will still capture our meaning. But when trust is low, communication is exhausting, time-consuming, ineffective, and inordinately difficult.

It is so much easier to work on personalities: all we have to do is learn some new skill, rearrange language patterns, adopt human relations technologies, employ visualization affirmations, or strengthen our self-esteem. It's a different matter to change habits, develop virtues, learn basic disciplines, keep promises, be faithful to vows, exercise courage, or be genuinely considerate of the feelings and convictions of others. Nonetheless, it's the true test and manifestation of our maturity. To value oneself and, at the same time, subordinate oneself to higher purposes and to other people's interests is the paradoxical essence of highest humanity and the foundation of effective leadership.

*Stephen R. Covey & Associates  
3507 North University, Ste. 100  
Provo, Utah 84604  
(801) 377-1888*



## Using Your Seven Habits Organizer™

### Six Steps to Lead Your Life

The Seven Habits Organizer follows a powerful process to help you put first things first and close the gap between what is most important to you and the way you spend your time.



The key to success with your Seven Habits Organizer is to spend approximately 30 minutes at the beginning of each week walking through the six-step process. This weekly organizing process has such high leverage and is so vital that it positively affects every hour of the entire week. If you will attend to it with sincere effort, you will experience immediate benefits, in terms of inner peace, balance, and increased professional productivity.

#### Step 1: Connect to Mission

The first step is to develop a personal mission statement that identifies your core vision and values. Consider the big picture: What is most important in your life as a whole? What do you want to be and do in your life? Capture answers to such questions in a written personal creed or mission statement. Your mission statement becomes your personal “constitution”—it provides a framework for your life’s decisions. As you begin organizing for the coming week, connect to your mission by reviewing, pondering, or memorizing your mission statement; by thinking about what is deeply important to you; or by visualizing yourself living your mission. By connecting to your mission each week, you can make

certain that you are in alignment with your deepest values and principles before you decide how to spend the next seven days of your life.

#### Step 2: Review Roles

The second step is to identify and review the roles in your life. Roles represent your key relationships and areas of responsibility. Identifying roles will help you achieve balance and will give you a sense of the wholeness of life—that life is more than just a job or a family or a particular relationship. It’s all of these together. Your roles help break down your mission into specific parts of life that require attention. Writing and reviewing your roles each week on the Weekly Compass will help you maintain balance by reminding you of all the important areas of your life, including the “important but not urgent” areas which sometimes are overlooked.

#### Step 3: Identify Goals

Within each role, select goals each week that will help you achieve those things that are truly important to you. Then record those goals on the Weekly Compass. Weekly goals are not typical to-dos or daily action items, but represent Quadrant II activities such as relationship building, planning, preparation, and personal development. Usually these goals are important but not urgent activities. To set a weekly goal, ask yourself: “*What is the most important thing I could do in each role this week to have the greatest positive impact?*” Although you may identify several goals in each role, we suggest that you limit yourself to the one or two most important goals. A weekly goal may be a *focus*, such as “Listen more this week,” or an *activity* which you can schedule into your week, such as “Have lunch with Jim.”

#### Step 4: Organize Weekly

The week represents a view that is close enough to be highly relevant, but distant enough to provide context and perspective. Organizing and planning your life on a weekly basis (rather than daily), gives the most accurate perspective for creating a balanced, quality life. You can organize weekly using a week-at-a-glance or daily pages for the next seven days. Block out time in your schedule for the important goals you recorded on the Weekly Compass. (Note: not all goals require a specific block of time.) Give priority to those goals as you orga-



nize and review your other appointments, commitments, and to-dos for the week. By doing this you give priority to activities that will further your mission instead of merely schedule crises as they come up.

**Step 5: Exercise Integrity in the Moment of Choice**

As you move through the week, moment by moment, have the courage to say no to urgent and less-important activities, and yes to the important. Exercising integrity means translating your mission to the moment to help you put first things first, whether this means sticking to your plan or changing it to achieve a more important goal.

**Step 6: Evaluate**

The process would not be complete without time set apart for reflection on the accomplishments and setbacks of the week. Unless we learn from living, how are we going to keep from doing the same things—making the same mistakes, struggling with the same problems—week after week? As you sit down to plan your next week's activities, look back and evaluate what worked well and what should be changed to help you accomplish your goals. An effective way to evaluate your week is to couple your weekly evaluation with a personal journal. The following are growth-prompting questions you may wish to consider when you evaluate:

- What have I learned about myself?
- What goals did I achieve and what empowered me to accomplish them?
- Which goals did I not achieve and what kept me from accomplishing them?
- What patterns of success or failure do I see in setting and achieving goals?
- Am I setting goals that are realistic but challenging?
- Am I dedicating sufficient time to the three or four things that matter most in my life?
- Am I living in alignment with my personal mission?
- What challenges did I encounter and what was my response?
- Did I take time for renewal, reflection, and personal development?