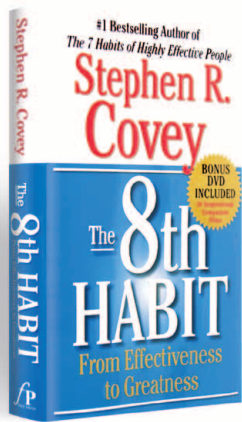


SOUNDVIEW Executive Book Summaries®

FILE: LEADERSHIP



By Stephen R. Covey

From Effectiveness to Greatness

THE 8TH HABIT

THE SUMMARY IN BRIEF

For individuals and organizations, effectiveness is no longer merely an option — survival requires it. But to thrive, excel and lead in the Knowledge Worker Age, we must move beyond effectiveness to greatness, which includes fulfillment, passionate execution and significant contribution. Accessing a higher level of human genius and motivation requires a sea change in thinking: a new mind-set and skill set — in short, an additional habit to those featured in The 7 Habits of Highly Effective People. The crucial challenge is to find our own voice and inspire others to find theirs. This is the 8th Habit.

The 8th Habit shows you how to tap the limitless value-creation promise of the Knowledge Worker Age. It shows you how to solve the major contradictions inherent in organizational life — most of which are a carry-over from the Industrial Age. This summary will transform the way you think about yourself, your purpose in life, your organization and other people. It explains how to move from effectiveness to greatness.

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What You'll Learn In This Summary

- ✓ **The power of win-win thinking.** When you're willing to suspend your own interests long enough to understand what the other person wants most, you can collaborate on a new, creative solution.
- ✓ **How to increase your influence.** Find out how to work on these three dimensions of yourself: *ethos* (your ethical nature, personal credibility, and the trust that others have in your integrity and competence); *pathos* (your empathy — knowing how others feel and how they see things); and *logos* (the power and persuasion of your own presentation and thinking).
- ✓ **There is a connection between leadership style and success.** The very top people in truly great organizations are "Servant Leaders." They are the most humble, the most reverent, the most open, the most teachable, the most respectful and the most caring. They model moral authority through service, humility and contribution.
- ✓ **The importance of the Balanced Scorecard.** It is concerned not only with the traditional bottom line, but also with the quality of the organization's relationships with all its key stakeholders. These are predictors of future results.
- ✓ **How to create 8th Habit leadership.** The 8th Habit leader has the mind-set and the skill set to constantly look for the potential in people. This kind of leadership communicates to people their own worth so clearly that they come to see it in themselves.

THE 8TH HABIT

by Stephen R. Covey

— THE COMPLETE SUMMARY

The Pain, the Problem And the Solution

More than 25 years ago, Muhammad Yunus was teaching economics at a university in Bangladesh when he met a woman making bamboo stools for two U.S. pennies a day. She explained that because she didn't have the money to buy the bamboo to make the stools, she had to borrow from a trader who imposed the condition that she had to sell the product to him alone, at a price that he decided.

Yunus made a list of 42 similar workers around the village who could use very small loans to improve their lives. The total needed by all those people was \$27. After loaning them the money, he was paid back every penny.

Grameen Bank

After making many more loans and proving that poor people would pay back every cent, Yunus struggled unsuccessfully to find a local bank that would lend small amounts of money to the poor people in nearby villages. He then spent two years setting up a formal, independent bank to do just that. On Oct. 2, 1983, Grameen Bank was created.

Grameen Bank now works in more than 46,000 villages in Bangladesh, has 1,267 branches and more than 12,000 staff members, and has lent more than \$4.5 billion, in loans of \$12 to \$15. A housing loan is \$300. At the heart of this empowerment are individuals who chose to become self-reliant, independent entrepreneurs producing goods out of their own homes or neighborhoods to become economically viable and successful. They *found* their voices.

The Pain

Most people in organizations today are neither fulfilled nor excited. They're frustrated and uninvolved in their organization's goals. That's why our high-pressure, 24/7 era requires more than effectiveness (the "7 Habits"). To achieve greatness, we need an "8th Habit": ***Find your voice and inspire others to find theirs.***

The Problem

Our basic management practices come from the **Industrial Age**. These include:

- The belief that you must control people;
- Our view of accounting (People are an expense; machines are assets.);

- The carrot-and-stick motivational philosophy; and
- Centralized budgeting, which creates hierarchies and bureaucracies to drive "getting the numbers" — a reactive process that produces "kiss-up" cultures bent on "spending so we won't lose it next year."

As people consent to be controlled like things, their passivity only fuels leaders' urge to direct and manage.

There's a simple connection between the controlling, Industrial Age, "thing" paradigm that dominates today's workplace and the inability of managers and organizations to inspire people's best contributions in the Knowledge Worker Age: *People choose how much of themselves to give to their work, depending on how they're treated.* Their choices may range from rebelling or quitting (if they're treated as things), to creative excitement (if they're treated as whole people).

The Solution

Most great organizations start with one person who first changed him- or herself, then inspired others. Such people realize that they can't wait for their boss or organization to change. They become an island of excellence in a sea of mediocrity. They learn their true nature and gifts, then use them to envision what they want to accomplish. *They find and use their voice.*

Greatness involves transcending the negative cultural "software" of ego, scarcity, comparison and competitiveness, and choosing to become the creative force in your life.

All of us can choose greatness — we can cultivate a magnificent spirit in facing a serious disease, make a difference in the life of a child, be a catalyst inside an organization, or initiate or contribute to a cause. ■

The author: Stephen R. Covey is a respected leadership authority, family expert, teacher, author, organizational consultant, and co-founder and vice chairman of FranklinCovey Co.

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PART ONE: FIND YOUR VOICE

Discover Your Voice

We can discover our voice because of three gifts we're born with. These gifts are:

Gift #1: The Freedom to Choose. Our past, our genes, the way others have treated us — these influence us but don't determine us. Between stimulus and response there is a space where we choose our response. In our choices lie growth and our happiness.

Gift #2: Natural Laws or Principles. To use wisely that space between stimulus and response, we must live by *natural laws* that dictate the consequences of behavior. Positive consequences come from fairness, kindness, respect, honesty, integrity, service and contribution.

Gift #3: The Four Intelligences. These are:

● **Mental Intelligence (IQ).** IQ is our ability to analyze, reason, think abstractly and comprehend.

● **Physical intelligence (PQ).** PQ is what our body does without conscious effort, coordinating 7 trillion cells with incredibly complex precision.

● **Emotional Intelligence (EQ).** EQ is one's self-knowledge, self-awareness, social sensitivity, empathy and ability to communicate successfully. It is a sense of timing and appropriateness, and having the courage to acknowledge weaknesses and express and respect differences.

● **Spiritual Intelligence (SQ).** SQ is our drive for meaning and connection with the infinite. We use this to develop our longing and capacity for meaning, vision and value. It allows us to dream and to strive. It's our conscience.

SQ helped the late president of Egypt, Anwar Sadat (who, with former Israeli prime minister Menachem Begin, brought about the Camp David Peace Accord between Israel and Egypt) write these words while he was a young man in solitary confinement in a Cairo prison, "He who cannot change the very fabric of his thought will never be able to change reality, and will never, therefore, make any progress." ■

Express Your Voice

Great achievers develop their mental energy into vision. Vision is applied imagination. Everything is created first as a mental creation, then as a physical reality. Vision also means affirming others, believing in them and helping them realize their potential.

Great achievers develop their physical energy into discipline. They don't deny reality. They accept the sacrifice entailed in doing whatever it takes to realize their vision. Only the disciplined are truly free. Only a person who has disciplined him- or herself for decades to play the piano is free to create magnificent art.

Great achievers develop their emotional energy into passion — desire, conviction and drive. Passion appears as optimism, excitement, emotional connection and determination, and is deeply rooted in the power of choice. Passionate people believe in creating their own future.

Great achievers develop their spiritual energy into conscience — their inward moral sense of what's right and wrong, and their drive toward meaning and contribution.

Moral authority makes formal authority work toward positive ends. Hitler had vision, discipline and passion, but was driven by a mad ego. Lack of conscience was his downfall.

Conscience — the small voice within us — is quiet and peaceful. It deeply reveres people and sees their potential for self-control. It empowers, understands the value of all people, and affirms their power and freedom to choose. It values feedback and tries to see the truth in it.

But our ego is a tyrant. It micromanages, disempowers and excels in control. It is threatened by negative feedback. It punishes the messenger, interprets all data in terms of self-preservation, censors information and denies reality.

We must control our ego and let our conscience guide our moment-to-moment behavior. As we develop the four intelligences — physical, mental, emotional and spiritual — in their highest manifestations, we find our voice. ■

PART TWO: INSPIRE OTHERS TO FIND THEIR VOICE

The Leadership Challenge

The leadership challenge is to enable people to sense their individual innate worth and potential for greatness, and contribute their talents and passion — their *voice* — to accomplish the organization's highest priorities in a principled way. Leaders must model the four intelligences, so that the organization won't neglect them.

If an organization neglects its *spirit and conscience*, the result is low trust; backbiting; in-fighting; victimism; defensiveness; information hoarding; and defensive, protective communication.

If it neglects its *mind*, it has no shared vision or common value system. If there's an ambiguous, chaotic culture, people act with hidden agendas, play political games and use different criteria in decision-making.

When there's widespread neglect of *discipline*, there's no execution or systemic support for the priorities of the organization. Processes, culture and rules replace human judgment. Bureaucracy, hierarchies and regulations replace trust and produce the codependent "wait until told" mentality.

When *the heart* is neglected, there's profound disempowerment. Thus, a great deal of moonlighting, day-

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The Leadership Challenge

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dreaming, boredom, escapism, anger, fear, apathy and malicious obedience results.

Where there's no trust, "servant leaders" model trustworthiness. Where there's no common vision or values, they try to create them. Where there's misalignment, they align goals, structures, systems and processes. Where there's disempowerment, they empower individuals and teams at the project or job level. This kind of leadership affirms people's worth and unites them as a team.

To model conscience, set a good example. To engage in pathfinding, jointly determine the course. To achieve alignment and discipline, set up and manage systems to stay on course. And to empower and evoke passion, focus on results, not methods — and then get out of people's way and give help as requested.

These modeling roles are sequential. We must first strive to find our voice personally before attempting to build high-trust relationships and practice creative problem solving. ■

The Voice of Influence

Before you respond to a situation, decide whether or how to use the voice of influence. The boss may be a jerk, but you can choose your response. The key question: What's the best thing you can do *under these circumstances*?

You choose which level of initiative to use on the basis of how far the task lies within or outside your "circle of influence." This choice takes sensitivity and judgment, but gradually your circle will expand.

There are seven levels of initiative. They are:

- 1. Wait until told.** Unless you have the influence of someone who can do something about a problem, don't waste energy on something you can do nothing about. Otherwise, you risk the "emotional cancers" of criticizing, complaining, comparing, competing and contending.
- 2. Ask.** Ask about something within your job description but outside your circle. If the question is intelligent and preceded by thorough analysis and careful thinking, it could be very impressive and may widen your circle.
- 3. Make a recommendation** on an issue outside your job and at the outside edge of your circle. This process works great in many situations, and can enlarge your circle.
- 4. "I intend to."** Here you've done more analytical work. You've owned not only the problem but the solution, and you're ready to implement it.
- 5. Do it and report immediately.** This is on the outside edge of your circle but within your job. Report to the people who need to know.
- 6. Do it and report periodically.** You are clearly within your job description and your circle.
- 7. Do it.** When something is at the center of your circle,

it's at the core of your job description, and you just do it.

You empower yourself by taking initiative in some way. Be sensitive, wise and careful about timing, but do something — and avoid complaining, criticizing or negativity.

In our culture of blame, taking responsibility means going against the current. It will also require some vision, a standard to be met, some improvement to be made — and discipline. It requires enlisting your passion, in a principled way, toward a worthy end. ■

The Voice of Trustworthiness

Trust is the key to all relationships — and the glue of organizations. It's not true that all we need for success is talent, energy and personality. Over the long haul, who we are is more important than who we appear to be.

Trustworthiness comes from personal character:

- **Integrity.** Your actions are based on principles and natural laws that govern the consequences of behavior.
- **Maturity** develops when we win the private victory over self, so that we can be simultaneously courageous and kind, and deal with tough issues compassionately.
- **Abundance Mentality.** Rather than seeing life as a competition with only one winner, you see it as a cornucopia of opportunity and resources. You don't compare yourself to others: You're genuinely happy for their success.

Trustworthiness also involves competence:

- **Technical competence** is the skill and knowledge necessary to accomplish a particular task.
- **Conceptual knowledge** is the ability to think strategically and systematically, not just tactically.
- **Awareness of interdependency** and the connectedness of all life is important for organizations concerned with the loyalty of customers, associates and suppliers.

We must model trust in order to deserve it. So, to improve any relationship, we start with ourselves. ■

The Voice and Speed of Trust

Communicating in an environment of no trust is impossible. Even if communication is clear and precise, people will always look for hidden meanings and agendas. But when there's high trust, communication is easy and instantaneous. Mistakes hardly matter, because people trust you: "Don't worry about it. I understand." No technology ever devised can do that. There is nothing as fast as the speed of trust. When trust is present, mistakes are forgiven and forgotten.

Enduring trust in a relationship cannot be faked and is rarely produced by a dramatic, one-time effort. It's the fruit of regular actions inspired by conscience. The "deposits" and "withdrawals" we make have a profound impact on the level of trust in any relationship.

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The Voice and Speed of Trust

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Deposits to the “Emotional Bank Account” include:

- **Seek First to Understand.** We don’t even know what a deposit is to another person unless we understand that person from his or her frame of reference. What may be a high-level, high-value deposit to you may be a low-value deposit to another — or even a withdrawal.
- **Make and Keep Promises.** Nothing destroys trust faster than breaking a promise.
- **Honesty and Integrity.** If we can put our integrity and our relationship with another person above our pride and natural desires to hide our mistakes and avoid embarrassment, we can form powerful bonds of trust.
- **Kindnesses and Courtesies.** Everyone has feelings. Small courtesies and kindnesses can yield huge dividends. But people see through superficial techniques; they know when they’re being manipulated. True kindness comes from a deep character reservoir of SQ.
- **Thinking Win-Win or No Deal.** The key to breaking out of the “win/lose” mind-set is to settle on *championing the other party’s win as much as your own*. This requires courage, abundant thinking and great creativity. You must be prepared to walk away — unless both parties actually feel the conclusion is a win for them.
- **Clarifying Expectations.** Most communication breakdowns originate with ambiguous or unfulfilled expectations about who is to do what and how goals are prioritized.

Loyalty, Apologies, Feedback and Forgiveness

- **Being Loyal to Those Not Present.** This is one of the highest tests of both character and the depth of bonding in a relationship. When everyone seems to be bad-mouthing someone who isn’t there, you can, in an unself-righteous way, just speak up and say, “I see it differently.” When we give in, go along and join in the bad-mouthing, we tell everyone that we would do the same to them.
- **Apologizing.** To learn to say “I was wrong” or “I was on an ego trip. I overreacted,” and then to live accordingly, is one of the most powerful deposits you can make.
- **Giving and Receiving Feedback.** Giving negative feedback is one of the most difficult communication tasks — and one of the most needed. Many people have serious blind spots they never confront, because no one knows how to give them feedback. Often, people are too fearful of rupturing relationships or having their future compromised by taking on their boss.

To give feedback, describe your feelings, your concerns or your perceptions of what happened. Don’t accuse, judge or label the other. He or she may then become open to information about a blind spot without feeling threatened.

When receiving feedback, express gratitude for it, however much it may hurt. Our blind spots are not as tender as

we imagine. Our sense of worth is intrinsic and doesn’t come from a particular weakness or behavioral pattern.

- **Forgiving.** True forgiveness involves letting go and moving on. We all make mistakes. We need to forgive ourselves and others. It’s better to focus on our own mistakes and ask forgiveness than to dwell on other people’s offenses, wait for them to ask forgiveness first, or give it begrudgingly if they do. When you forgive, when you refuse to bear a grudge, you actually take away another person’s power over your life. ■

Blending Voices: Searching for The Third Alternative

The “third alternative” is a higher middle position, better than either of the other two ways. It’s a product of creative effort. It emerges from our willingness to really listen. We don’t know where it’s going to end up. All we know is that it’ll be better than it is now.

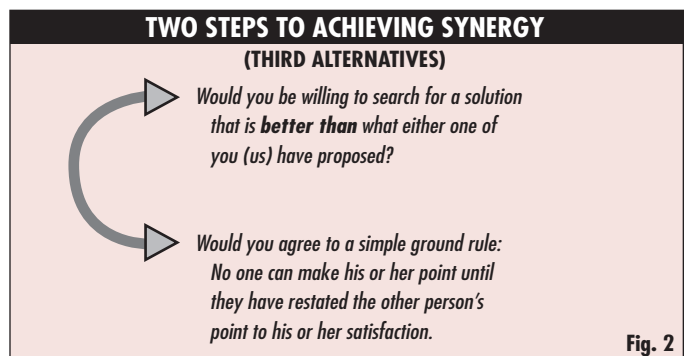
It’s not true that both participants have to think win-win. Only one has to think it — then prepare the other for it by practicing empathic listening, seeking the other’s interest and staying with it until the other person feels trust. Most people won’t do the tough work of thinking win-win and seeking first to understand in order to get to the third alternative. It takes considerable character development to get to the point where your security lies in you, rather than in people’s opinion of you or in your being right.

The key is your ability to be vulnerable, because your integrity to your value system makes you secure. You can afford to be open to other influences, to be flexible, and to search without knowing where you’re going to end up.

Typically, senior managers who are deeply invested in their beliefs and have the power of position will decide strategy — then announce it to everyone else. The silent audience resents the heavy-handed treatment and resists the announcement. The codependency conspiracy of “wait until told” becomes stronger. Leaders are getting their strength from their high positions but lack moral authority.

There are two steps to searching for a third alternative (see Fig. 2). Repeatedly applying these steps provides

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Blending Voices: Searching for The Third Alternative

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feedback and helps create the trust that encourages the search to continue.

The two steps are not always sequential. Sometimes you start with the first one; other times, with the second.

Every situation is different. And every relationship is unique. It requires good judgment, awareness, self-control and presence to initiate either of these two steps.

Executive Modelers

The most important modelers are those on the executive team. They have formal authority, so they need to manifest moral authority. Moreover, because executives are so visible, they can be immensely motivational to others.

But third-alternative communication can begin at any level. The results produced by those at lower levels can convert the cynics at higher levels — because true leadership is a choice, not a position.

As people practice third-alternative communication, mutual respect develops. Increasingly, they seek to acknowledge the strengths of others and to compensate for their weaknesses by leveraging others' strengths. ■

For additional information on empathic listening, go to: <http://my.summary.com>

One Voice: Pathfinding Shared Vision, Values and Strategy

“Pathfinding” is uniting diverse people into one voice, one great purpose. One way to do this would be to announce the vision, values and strategy to people, without any real involvement on their part. You can also seek excessive involvement and get bogged down in paralysis by analysis, with endless off-sites and discussions, as if you didn't need to actually execute. The third alternative is to reasonably involve people in the process of developing the vision, mission and strategy, in a culture of trust.

Pathfinding creates order without demanding it. As soon as everyone agrees on what matters most, everyone shares the criteria that drive all subsequent decisions. Now, they're focused, yet agile. Your challenge is to help create that shared view. Everyone who is involved in determining the vision and mission then has ownership in the values and the strategic plan.

To determine your priorities, first come to grips with the realities you face. Since pathfinding means dealing with diverse personalities, perceptions of reality, trust levels and egos, modeling is extremely important. If people can't trust the person or team that is initiating the pathfinding process, there will be no identification,

and involvement will be very dysfunctional. Much depends on the leader's modeling the behavior that he or she professes to value throughout the organization.

The key pathfinding tools are: *the mission statement* (this expresses your sense of purpose), *your vision and your values*, and *your strategic plan*. The plan explains how you'll provide value to your customers and stakeholders, and achieve certain goals — by specific deadlines — in getting and keeping customers.

The words of the mission statement may vary, but organizations have the same fundamental needs as people:

- **Survival:** Financial health (body).
- **Growth and development:** Economic growth, customer growth, innovation and increasing institutional competency (mind).
- **Relationships:** Strong synergy, external networks, partnering, teamwork, trust and valuing differences (heart).
- **Meaning, integrity, contribution:** Serving and lifting all stakeholders; making a difference in the world (spirit).

No Margin, No Mission

Unless your enterprise produces consistent profits over time, you'll lose your opportunity to deliver on your mission. If you have a clear mission statement and strategic plan, anyone at any level in the organization should be able to describe how his or her job helps fulfill the plan and is consistent with the company's values.

Once the mission statement and plan are shared, half the battle is won. Mental, emotional and spiritual creation has taken place. The physical creation (execution) then follows: setting up structure, getting the right people in the right jobs with the right support, and then getting out of the way and giving help as requested.

If your pathfinding is successful, your values and strategic plan will drive every decision. You won't get sidetracked by matters that aren't central to your core purpose.

To get focus and teamwork, employees must know what the highest priorities are, buy into them, translate them into specific actions, have the discipline to stay the course, trust one another and collaborate effectively.

If priorities are clearly identified, but people feel no ownership of strategy, are given competing priorities or are unable to see the link between their tasks and corporate vision, their ability to execute is jeopardized. Teamwork is threatened by low trust, backbiting, faulty systems or processes, or too many barriers to action.

Organizations that create a shared sense of mission — such that departments, teams and individuals are consistently focused on their goals, and people are accountable to the organization's highest priorities — can find their voice and build a powerful, principle-centered culture. That's what pathfinding is all about. ■

The Voice and Discipline of Execution

To execute your values and strategy consistently without relying on the leader's continuing presence to keep everyone going in the right direction, you practice **alignment**. This involves the following three actions:

- *Use personal, moral and formal authority* to create systems that institutionalize the strategy, vision and values.
- *Create, throughout the organization, cascading goals aligned with its vision, values and strategic priorities.*
- *Adjust and re-align according to regular feedback from the marketplace and the organization.* Aligning requires constant effort and adjustment, simply because you're dealing with so many changing realities.

Be sure that your reward systems actually reward what you say you value. Many organizations preach cooperative effort but reward only individual effort — thus, little more than lip service is paid to cooperation.

To get input to the alignment process, benchmark yourself against superior performers of similar functions within your company and throughout the world. Identify best practices and learn from them.

Institutionalized Moral Authority

Aligned organizations that are truly principle-centered have ***institutionalized moral authority: the ability to consistently produce quality, trusting relationships with various stakeholders, as well as continued focus on efficiency, speed, flexibility and market friendliness.***

The key to alignment is to begin with results. What kinds of results are you getting in the marketplace? Are your shareholders happy with their return? Are your employees and suppliers happy with their return on their mental, physical, spiritual and emotional investment?

Now, look at the gap between the results and your strategy. ***“Effectiveness” is the balance between production of desired results and production capability. It's achieving the result you want in a way that enables you to get even more of those results in the future.***

To ensure alignment, create a scoreboard. To the extent possible, everyone should be involved in developing the scoreboard — and should then be accountable to it.

One of Edwards Deming's great insights was that over 90 percent of all organizational problems are systemic. Aligning structures and systems with values and strategy is one of the toughest of all leadership challenges. Structures and systems represent the past: tradition, expectations and assumptions. Many people derive their security from the predictability and certainty of such structures and systems, which truly become sacred cows and cannot be ignored or kicked aside unless there's deep buy-in to the pathfinding criteria. ■

The Empowering Voice

The empowering role of leadership means creating win-win agreements about goals that align with the company's vision, and then holding people accountable for results.

Most organizations are overmanaged and underled.

Empowerment is the natural result of both personal and organizational trustworthiness, which enable people to identify and unleash their potential. True empowerment enthrones *self-control*, *self-management* and *self-organizing*. It taps into passion, energy and drive — in short, *voice*.

In organizations where people do every day what they do best, there's lower turnover, higher productivity and higher customer satisfaction. And since only 30 percent of product cost today is materials — the rest is knowledge — we must empower knowledge workers as never before.

Managers must overcome their inability to give up control. ***With empowerment, control is not lost. It's translated into self-control.*** This comes when there is a commonly understood end, with agreed-upon guidelines and supportive structures and systems, and when each person acts as a whole person in a whole job. In this “directed autonomy,” managers shift from controllers to enablers: They remove barriers and become a source of support.

Successful empowerment depends on management's commitment to work with team members by win-win agreement. The result is an overlapping of the four needs of the organization (financial health, growth and development, synergistic relationships with stakeholders, and meaning/contribution) with the four needs of the individual (physical — survival, health and security; mental — growth and development; social/emotional — relationships; and spiritual — meaning and contribution).

It's essential that executives build a culture where people are allowed — even expected — to push back against a decision that would result in serious consequences to the overall mission and values of the organization.

Empowerment implies a different kind of performance appraisal. Instead of a lecture by the boss, your progress should be evaluated by the best qualified person: *you*.

Self-evaluation is tougher than anyone else's evaluation (bosses actually know the least, being the furthest removed from the actual job performance), but with a high-trust cul-

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The Win-Win Agreement

A key empowering tool is the Win-Win Agreement Process. The agreement that results is neither a job description nor a legal contract. It is an open-ended, psychological/social contract that defies expectations. It is written first into the hearts and minds of people, and then put on paper in a way that is easy to change, because it must be renegotiated as circumstances change.

The Empowering Voice

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ture, helpful systems, as well as 360-degree feedback data, self-evaluation becomes not only possible but easy.

The performance evaluation can then revolve around managerial questions such as: How is it going? What are you learning? What are your goals? How can I help you?

The role of the supervisor is to set up the conditions of empowerment and then to clear the path and become a source of help as requested. This is “servant leadership.”

Our jobs are not about gratifying our egos. They’re about getting the organization’s best work done. It’s *empowerment* that creates heartfelt commitment and excitement. ■

The 8th Habit and the Sweet Spot

Peter Drucker wrote, “So much of what we call management consists of making it difficult for people to work.”

The problem is a failure in these six drivers of execution:

- **Clarity.** People don’t know what the goals or priorities of the team or organization are.
- **Commitment.** People don’t buy into the goals.
- **Translation.** People don’t know what they need to do to help the team or organization achieve its goals.
- **Enabling.** People don’t have the proper structure, systems or freedom to do their jobs well.
- **Synergy.** People don’t get along or work together well.
- **Accountability.** People don’t regularly hold each other accountable.

An organization with great leaders (who live the four roles of leadership — modeling, pathfinding, aligning and empowering) and great people (who have discovered their birth gifts) can govern and discipline itself. It has hit the “sweet spot” where the greatest expression of power and potential happens.

Four disciplines, practiced consistently, can vastly improve your ability to focus on and execute your top priorities. These disciplines are:

- 1. Focus on the Wildly Important.** People are naturally wired to focus on only one thing at a time and still do an excellent job. The more goals, the lower the chance of achieving them all. Focus intensely on a few crucial goals.
- 2. Create a Compelling Scoreboard.** People play differently when they’re keeping score. Without crystal-clear measures of success, they are never sure what the goal truly is. The same goal may be understood by different people in different ways. Your scoreboard should identify your key measures and represent them visually. For each priority, provide three elements: the current result, the target result, and the deadline for hitting the target.
- 3. Translate Goals Into Specific Actions.** All the top people may know what the goals are, but that doesn’t mean that the front line knows what to do. Goals will never be achieved until everyone knows exactly what he or she is

supposed to do about them.

Ultimately, the front line produces the bottom line. Translate your organization’s goals into weekly and daily tasks.

4. Hold Each Other Accountable, All the Time. A self-empowering team focuses and refocuses in frequent accountability sessions that move key goals forward. There’s “triage reporting” that quickly covers the vital few issues, leaving the less important ones for later, followed by finding third alternatives for moving goals forward. Managers agree to do things that only they can do, and to enable workers to achieve. ■

Using Our Voices Wisely to Serve Others

The 8th Habit enables us to expand and develop our freedom to choose. We grow personally when we give ourselves to others, and our relationships deepen.

We begin our search for wisdom by admitting how little we know, and how much we need others.

Wisdom also requires the courage to live by unchanging principles when they’re contrary to social norms. Wisdom plus an “abundance mentality” produce the kind of empowering, noncontrolling leadership that operates in terms of third alternatives.

Moral authority exponentially increases the effectiveness of formal authority. People are extremely sensitive to a leader’s use of patience, kindness, empathy and gentle persuasion. Such characteristics activate the consciences of others and create emotional identification with the leader and the cause or principles for which he or she stands.

Finding your voice is a synergistic concept: It’s greater than the sum of the parts. When you respect, develop and integrate the four parts of your nature, you realize your full potential and achieve lasting fulfillment.

As you continually apply the 8th Habit and find your own voice — and inspire others to find theirs — you’ll increase your own power and your freedom of choice to solve your greatest challenges and serve human needs. ■



If you liked *The 8th Habit*, you’ll also like:

- 1. *The 7 Habits of Highly Effective People* by Stephen R. Covey.** Covey explains the steps it takes to achieve personal congruency and effectiveness for healthy, growing relationships with others.
- 2. *Crucial Confrontations* by Kerry Patterson, Joseph Grenny, Ron McMillan and Al Switzler.** The authors help others develop the skills it takes to resolve the most pressing problems.
- 3. *Life Matters* by A. Roger Merrill and Rebecca R. Merrill.** The Merrills show you how to develop your navigational intelligence to optimize your life choices and stop wasting energy, money and time.
- 4. *How Full Is Your Bucket?* by Tom Rath and Donald O. Clifton, Ph.D.** Clifton and his grandson, Tom Rath, help people focus on the positive in their lives.
- 5. *First Things First* by Stephen R. Covey, A. Roger Merrill and Rebecca R. Merrill.** The authors describe better ways you can slow down, live by your principles and find your mission.

For additional information on a description of a “Level 5” executive, go to: <http://my.summary.com>