**Foreword by Jim Collins:**

* Collins did research on why some businesses go from good to great and why some don’t.
  + He made discoveries similar to those of Covey:
  + “Preserve the Core”: Companies need a set of principles to serve as anchor in an ever changing world
  + “Stimulate Progress”: Have BHAGs, Big Fat Hairy Goals, to continuously build upon and improve
* “There is no effectiveness without discipline, there is no discipline without character.”
* Emphasize building character, not attaining success
* Bill Gates and the Seven Habits:
  + Habit 1: It wasn’t luck, he was at the right time and skills, but there were thousands of others with the experience. He dropped out of Harvard and worked on it, he had a *proactive* response to being at the right moment.
  + Habit 2: In the Bill and Melinda Gates foundation “how can we do the most good for the greatest number with the resources we have?”
  + Habit 3: When Bill Gates and Warren Buffet first met at a dinner and the host asked everyone what the most important thing through life was, they said “focus”.
  + Habits 4 & 6: Gates understood that for Microsoft to be successful, it would need to partner with Intel for microprocessors, IBM, Dell, etc. He shared equity, when Microsoft won, so did its people. 1 + 1 > 2
  + Habit 5: Walks in with curiosity not saying that he knows about social impact because he has a successful business
  + Habit 7: He took to reading biographies, even when very busy, he would set a week aside to reflect and read
* Level 5 leaders: Great humility and professional will, channel their energy, drive, creativity and discipline into something larger and more enduring than themselves
  + They are ambitious but for a purpose beyond themselves, improve the world, not about them
* One of the most important variables in determining if an enterprise remains great: what is the truth about the inner motivations, character and ambitions of those who hold power. It **will** show.

**A Covey Family Tribute to a Highly Effective Father**

* “Common sense isn’t always common practice”
* He never taught anything without striving to live it first
* Don’t make excuses or blame circumstances, friends, or teachers for your problems.
  + Make it happen or choose another response
* Make decisions based on your values and not how you feel in the moment
* “Leadership is communicating others’ worth and potential so clearly that they are inspired to see it in themselves.”
* The story about the man that grew in rough circumstances and, after Mr.Covey’s death sent a message to their family saying he still had the tape Mr. Covey had sent 30 years ago telling him that God loved him, that he would go to college and have a happy family.

**Foreword to the 2004 Edition:**

* **If you want to achieve your highest aspirations and overcome your greatest challenges, *identify and apply the principle or natural law that governs the results you seek.***
  + Success is always derived from acting in harmony with the principles to which success is tied.
* But the principled solution stands in stark contrast to the common practices and thinking of our popular culture. Examples:
  + **Fear and insecurity:**
  + **“I want it now”:** The real mantra of success is sustainability and growth
  + **Blame and victimism:**
  + **Hopelessness:**
  + **Lack of life balance:**
  + **What’s in it for me?**
  + **The hunger to be understood:** Influence comes as others see you are being influenced by *them*, when they feel understood by you, that you have listened deeply
  + **Conflicts and differences:** compromises are wastes, work together to make something better than both parties’ original notions
  + **Personal stagnation:**
    - Body:
    - Mind:
    - Heart:
    - Spirit:
* How many, on their deathbed, wish they had spent more time at the office or watching TV?
* “To learn and not to *do* is really not to learn. To know and not to *do* is really not to know.”

The 7 Habits of Highly Effective People

**Part One: Paradigms and Principles**

* The example of their son who did poorly academically, in sports and was immature. They tried positive mental attitudes and feedback but it didn’t work.
  + Looked into perceptions and how they’re formed, by these attitudes, realized that they were communicating that he wasn’t capable and that he needed to be protected

**The Personality and Character Ethics**

* **Personality Ethic:** teaches quick fixes that seem to solve the problem but leave the underlying, chronic issue there
  + Two paths: human public relations, Positive Mental Attitudes (PMA)
  + Sometimes manipulative and deceptive
  + Their son: Problem was in *the way they saw* their son, it was their view of *themselves* as good, caring parents. Needed to improve their *perception* of him, not *behaviors*
    - Began appreciating him instead of comparing/judging him, he was adequate and able to cope on his own, don’t need to protect him
* **Character Ethic:** Focuses on integrity, humility, fidelity, temperance, courage, justice, patience, industry, simplicity, modesty and the Golden Rule

**Primary and Secondary Greatness**

* Human manipulation characteristics used when your character is ultimately flawed will only breed distrust
  + If there is no trust, there is no foundation for permanent success
* It’s like cramming throughout school instead of working day in, day out
  + Think about cramming on a farm, you can’t forget to plant and procrastinate
  + The same is true in human relationships
* Secondary traits can help with short term success and recognition, but a lack of character will always reflect
* There are people we trust absolutely because of their character, regardless of other things

“What you are shouts so loudly in my ears I cannot hear what you say.” – Emmerson

**The Power of Paradigm**

* A paradigm is a perception of some aspect of the world
* Imagine trying to get around Chicago after having been given a wrong map, of Detroi
  + You could work on your *behavior* or *attitude* but, even if you’re supper efficient and positive, you’ll still be lost. Even if you get there faster and are so happy that you don’t care
  + If you have the right map, *then* these things become important
* Everyone has lots of these maps, they can be broken down into these two categories that we never question, we just assume to know:
  + *The way things are (realities)*
  + *The way things should be (values)*
* The Harvard Business school experiment about the picture of the old lady and the young lady
  + Illustrates issues with personality ethic, your behaviors flow out of your paradigms, you must evaluate them correctly!
* We see things not as *they are* but as *we are*, the more we become aware of our paradigms, the more we can get an objective view

**The Power of a Paradigm Shift**

* Introduced by Thomas Kuhn
* The example of the man on the train with boisterous kids, whose mother had just died
* These shifts happen when people take on new roles: parent, husband, manager, etc.

**Seeing and Being**

* We see because of what we *are*, we must change that to better our perception
* Not all shifts are instantaneous, like with his son

**The Principle-Centered Paradigm**

* The Character Ethic is based on the idea that there are principles that govern human effectiveness – natural laws like gravity, the laws of nature.
* The example of the warship and the lighthouse
* There is a *subjective reality*, how you attempt to describe the territory and there is the *objective reality*, the territory, the lighthouse, which are the principles that govern human growth and happiness
* Examples of principles: fairness, integrity, honesty, human dignity, service, potential
* Principles are not *practices*
  + A practice that works in one circumstance may not work in another
  + Practices are situationally specific
  + Principles are the truth from which practices can be developed for all siuations
* Principles are not *values*
  + A gang of thieves can hold the same values but are in violation of the principle
  + Principles are the territory, values are the map
  + When we value the principle we hold the truth – a knowledge of things as they are
* Correct maps will impact our personal and interpersonal effectiveness more than any amount of effort expanded into changing our attitudes and behaviors

**Principles of Growth and Change**

* The Personality Ethic pretends there is some quick and easy way to achieve quality of life without going through the natural process of work and growth
* In all of life, there are sequential stages of growth and development, like a baby learning to turn over, situ up, crawl, walk
  + Each step is important
  + This is true in all phases of life, not just the physical
* You can’t shortcut this, ever. Every step is important, don’t pretend to be a professional if you’re a beginner
  + If you don’t let a teacher know your true level and reveal your ignorance, you will be found out. This is the first step toward growth
* We must learn to listen.
  + Listening involves **patience, openness and the desire to understand – highly developed qualities of character**
* In something like piano or tennis, you can’t pretend, but when it comes to character and emotional development, it’s too easy to “put on”
* The example of his three year old girl who didn’t want to share her birthday presents
  + Perhaps she needed the experience of possessing them before sharing them (“unless I possess something, can I ever really give it?”)
* I was unable to give *patience* and *understanding* so I expected her to give *things*
  + “In an attempt to compensate for my deficiency, I *borrowed strength* from my position and authority and forced her to do what I wanted her to do.”
  + Borrowing strength builds weakness:
    - In the borrower because it reinforces dependence on external factors
    - In the person force to acquiesce because it stunts development of independent reasoning, frowth and internal discipline
    - It builds weakness in the relationship, fear replaces cooperation, both people become more arbitrary and defensive
  + What happens when the source of borrowed strength is no longer there?
* There are times to teach and times not to teach
* The same can be said of people who refuse to share in their marriages or families and never having possessed themselves and their idea of identity and self-worth

**The way We *See* the Problem *Is* the problem**

* Look back at some of the problems presented at the start:
* The manager who doesn’t senses loyalty from his employees despite treating them well:
  + He could make heads roll, shake things up, find a motivational training program or hire new people
  + But is it possible that the employees question whether I really act in their best interest? Or do they feel like I’m treating them as mechanical objects?
* The guy who’s always out of time and tried time management seminars etc:
  + Personality Ethic tells you there is some new planner or seminar that could help you hangle it all
  + But could *efficiency* not be the answer? Won’t that just increase the pace at which I react to the people and circumstances in my life?
  + Could there be some deeper paradigm within myself about how I see my time, life, nature that I need to look into?

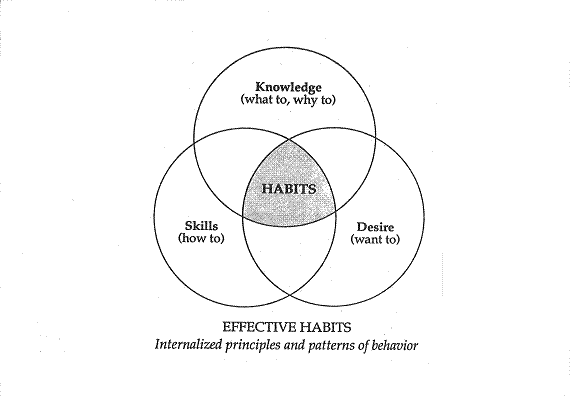
**A New Level of Thinking**

* “The significant problems we face cannot be solved at the same level of thinking we were at when we created them.”
* This deeper level is the Character Ethic, it works “inside-out”, inside you
  + If you want to *have* a happy marriage, *be* the kind of person who generates positive energy and sidesteps negative energy **rather than empowering it**
  + If you want to *have* a more pleasant cooperative teenager, *be* a more understanding, empathic consistent, loving parent
  + If you want to *have* more freedom, more latitude in your job, *be* a more responsible, a more helpful contributing employee
  + If you want to be trusted, *be* trustworthy
  + **If you want the secondary greatness of recognized talent, focus first on primary greatness of character**
* Private victories precede public victories
* Making and keepring promises to ourselves precedes making and keeping promises to others
* It is futile to put personality ahead of character, to try to improve relationships with others before improving ourselves

“*We must not cease from exploration and the end of all our exploring will be to arrive where we began and to know the place for the first time.*” – T. S. Eliot

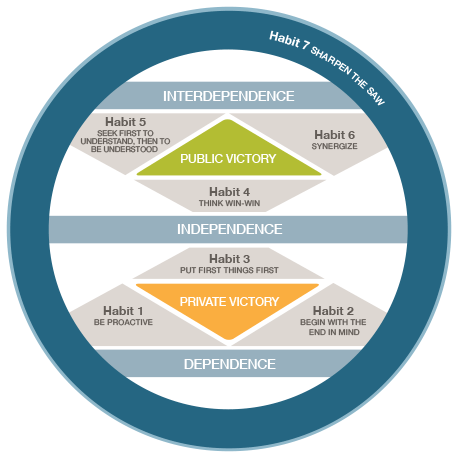
**The 7 Habits – An Overview**

* Our character is a composite of our habits
* “Sow a thought, reap an action; sow an action, reap a habit; sow a habit, reap a character; sow a character, reap a destiny”
* During “lift off” of the Apollo mission, more energy was spend in the first few miles to escape gravity than in the next half a million.
  + Habits are similar, hard to take off but then have a strong pull.

**“Habits” Defined**

* A habit is the intersection of
  + **Knowledge:** *What to do* and *why*
  + **Skill:** *how to do*
  + **Desire:** *Want to do*
* You need the three to progress

**The Maturity Continuum:**

* We progress through life from *dependence* to *independence* and to *interdependence*
  + This is physically, mentally, emotionally and financially
  + All of nature is *interdependent*, including society
* There are many dimensions to growth, reaching one type of maturity does not guarantee another.
* **Dependence** is the paradigm of *you* – *you* take care of me, *you* come through for me; *you* didn’t come through; I blame *you* for the results
* **Independence** is the paradigm of *I* – *I* can do it; *I* am responsible; *I* am self-reliant; *I* can choose
* **Interdependence** is the paradigm of *we* – *we* can do it; *we* can cooperate; *we* can combine our talents and abilities…
  + If I were physically dependent, I would need you to help me
  + If I were emotionally dependent, my sense of worth and security would come from your opinion of me.
  + If I were intellectually dependent, I would count on you to do my thinking for me.
* Independence is a major achievement in and of itself, but it is not supreme.
* The current social paradigm enthrones independence
  + **Much of our current emphasis on independence is a reaction to dependence –** having others control us, define us, use us and manipulate us
  + People misinterpret interdependence as dependence, so people leave their m marriages, abandon their kids, forsake social responsibility in the name of “independence”
  + That kind of reaction reveals more fundamental dependencies that cannot be run away from because they are internal, not external
    - E.g letting the weaknesses of other people ruin our emotional lives, feeling victimized by people
  + That is a change of circumstance, true independence of character frees us from our dependence on circumstances and other people.
* Independent thinking alone is not suited to interdependent reality
  + **Independent people who do not have the maturity to think and act interdependently may be good individual producers but they won’t be good leaders or team players.**
  + It is part of the terrain, understanding interdependence is the map
* “You and I working together can accomplish far more than, even at my best, I could accomplish alone.”
* “Interdependence is a choice only independent people can make. Dependent people cannot choose to become interdependent. They don’t have the character to do it; they don’t own enough of themselves.”
* The first three habits deal with self mastery, moving a person from dependence to independence. They are the “private victories”
  + *Private victories precede public victories*
* As you become independent, you have the foundation for interdependence. You can work on “Public victories” of team, cooperation and communication. Habits 4, 5, 6
* Habit 7 is the habit of renewal, continuous improvement of all

**Effectiveness Defined**

* The principles are effective because they are based on principles that bring the maximum long-term beneficial results possible
  + In harmony with natural law
* The story of the goose that produced golden eggs
* Most people see effectiveness from the golden egg paradigm: the more you produce, the more you do, the more effective you are
* True effectiveness is a function of two things
  + What is produced (golden eggs)
  + The producing asset/capacity to produce (the goose)
* If you adopt a pattern of life that focuses on the golden eggs, you will loose your asset that produces them.
* If you only take care of the goose with no aim toward the golden eggs, you won’t have the werewithal to feed yourself or the goose
* Effectiveness lies in the P/PC Balance
  + P: Production of desired results (golden eggs)
  + PC: Production capability, ability or asset that produces golden eggs (goose)

**Three Kinds of Assets**

* The three kinds of assets: Physical, financial and human
* The example of the power lawnmower, he did not take care of it and only used it
* Our most important financial asset is our own capacity to earn
* If we don’t continually invest in improving our own PC, we severly limit our options
  + We lock ourselves into present situations
* When two people in a marriage are more concerned about getting the golden eggs, the benefits, than in preserving the relationship that makes them possible, they become insensitive and inconsiderate
  + They begin to use control levers to manipulate each other, to focus on their own needs and look for evidence in the wrongness of the other
  + The goose gets sicker
* Same with a parent’s relationship with a child
  + When children are young, dependent, it is easy to neglect the PC work – training, communicating, relating, listening – and to take advantage to get what you want now!
  + You can intimidate them because you’re bigger, smarter and right
  + Or you can go for the golden egg of popularity, of pleasing them, indulge them
  + Then they grow up without a personal commitment to being disciplined or responsible

**Organizational PC**

* When people fail to respect the P/PC Balance in their use of physical assets in organizations, they decrease organizational effectiveness and leave others with dying geese
* *Always treat your employees exactly as you want them to treat your best customers*
* Effectiveness lies in the balance (P/PC balance)
  + It balances short term with long term
* The P/PC balance is the principle, the light house, it’s there whether we work with or against it

**How to Use this Book**

* Don’t “see” the material in this book as something you read once and then put down, it is something to be continuously revisited
* **Shift the paradigm of your own involvement from the role of learner to that of teacher**
  + **Read with the purpose in mind of sharing or discussing what you learn with someone else within 48 hours after you learn it**
  + For example, if you had read about the P/C balance knowing that you would be teaching it to someone else within 48 hours, would you have read it the same way?

**What you can expect**

* Marylin Ferguson: “No one can persuade another to change. Each of us quards a gate of change that can only be opened from the inside. We cannot open the gate of another, either by argument or by emotional appeal.”
* Talks about the benefits you will get from this book…
* Thomas Paine: “That which we obtaintoo easily, we esteem to lightly. It is dearness only which gives everything its value. Heaven knows how to put a proper price on its good.”

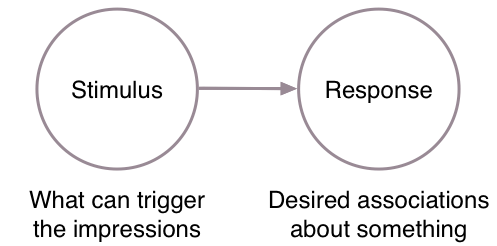
**Part 2: Private Victory**

**Habit 1: Be Proactive**

* Man’s “self-awareness” is what gives him the ability to learn from others’ experiences as well as his own
  + It is why we can make or break our habits
  + It is why we can make significant advances from generation to generation
* It enables us to stand apart and examine the way we “see” ourselves, our self-paradigm
  + The most fundamental paradigm of effectiveness
* Until we take how we see ourselves (and how we see others) into account, we will be unable to understand how others see and feel about themselves and their world
  + Unaware, we project our intentions on their behaviors and call ourselves objective

**The Social Mirror**

* If the only vision we have of ourselves comes from the social mirror – the current social paradigm/opinions/perceptions of others – then our view of ourseves is just a distorted reflection
  + Disjointed and out of proportion
  + The are projections of people giving input more than reflections of what we are
* Conditioning and conditions have a lot of power in our lives, but we are not *determined* by it
  + Saying we have no control creates a different map
* There are three social maps to explain the nature of man:
  + *Genetic determinism*: It’s all hereditary, “you have a short temper because your grandparents did”
  + *Psychic determinism*: It’s your upbringing and childhood experiences
    - You feel very guilty when you make mistakes because you remember the emotional scripting from when you were very vulnerable
  + *Environmental determinism*: Your surroundings and the people around you are responsible for your situation
* The basic idea is that we are conditioned to respond in a particular way to a particular stimulus



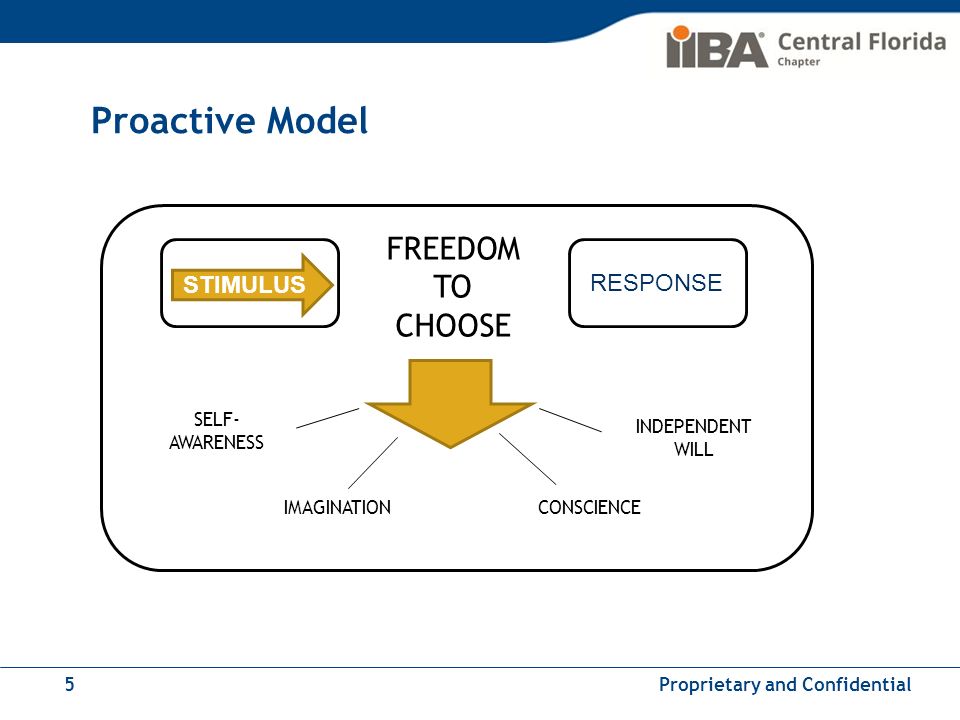
* But how clearly do these mirrors reflect the true nature of man?

**Between Stimulus and Response**

* The story of **Victor Frankl**: A psychiatrist and Jew who was imprisoned in the death camps of Nazi Germany, where he suffered torture and many other indignities
  + His parents, brother, and wife perished in the camps, only his sister and him survived in his family
  + One day, naked and alone in a small room, he began to become aware of “*the last of the human freedoms*”, that his Nazi captors could not take away even with complete control of his environment
  + He was a self-aware being, and realized that his basic identity was intact
  + *He could decide within himself how all of this was going to affect him*
  + Between what happened to him (stimulus) and his response, was his freedom to choose that response
  + He would project himself lecturing to his students after being released from the camp during his torture
* He developed this until he had more freedom than his Nazi captors
  + **They had more *liberty*, more options to choose from in their environment, but he had more *freedom*, more internal power to exercise his options**
  + He helped others find meaning through their suffering
* *Between stimulus and response, man has the freedom to choose*
* Within that freedom are the endonments that make us uniquely human:
  + Self awareness
  + Imagination: Ability to create in our minds beyon our present reality
  + Conscience: Deep inner awareness of right and wrong
  + Independent will: Ability to act based on our self-awareness, free of other influences
* Other animals can’t do that, they can’t take responsibility for their training and reprogram themselves becaeuse they’re not even aware of it
  + If we live out of our conditioning and conditions, we are limited
* The deterministic paradigm comes primarily from the study of animals and neurotic or psychotic people, it is not the underlying map

**“Proactivity” Defined**

* The first and most basic habit (falls out from the basic principle of the nature of man) of a highly effective person in any environment: *proactivity*
* *Proactivity* means that as human beings, we are responsible for our own lives
  + **Our behaviors are a function of our decisions, not our conditions**
* *Responsibility* – “response-ability” – the ability to choose your response



* Highly proactive people recognize responsibility and don’t blame circumstances for their behavior
* We are by nature proactive, if our lives are function of conditioning and conditions it is because we chose (by conscious decision or default) to empower those things to control us
* We become *reactive* – affected by our environment
  + Build their emotional lives around behaviors of other, empowering the weaknesses of other people to control them
* **We can subordinate feelings and impulses to values**
* **Reactive people are driven by feelings/circumstances/conditions/environment**
* **Proactive people are driven by values – carefully thought about, selected and internalized**
* They are still influenced by stimuli but their response is a value-based choice

*“No one can hurt you without your consent.”* – Eleanor Roosevelt

*“They cannot take away our self respect if we do not give it to them.”* – Gandhi

* Until a person can say deeply and honestly “I am what I am today because of the choices I made yesterday” that person cannot say “I choose otherwise”
* What hurts us is our response to what happens to us, not what actually happens

**Taking the Initiative**

**Act of Be Acted Upon**

**Listening to Our Language**

**Circle of Concern/Circle of Influence**

**Direct, Indirect, and No Control**

**Expanding the Circle of Influence**

**The “Have’s” and the “Be’s”**

**The Other End of the Stick**

**Making and Keeping Commitments**

**Proactivity: The Thiry-Day Test**

**Application Suggestions**

# Habit 2: Begin with the End in Mind

## TWO WAYS TO TAP THE RIGHT BRAIN

…

## Expand Perspective

Actually write out your own eulogy

## Organizational Mission Statements

…

* Without involvement, there is no commitment