

THE SEVEN HABITS OF HIGHLY EFFECTIVE PEOPLE

By:

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Inside-Out

Personality Versus Character Ethics

Personality Ethic. Success is a function of personality, of public image, of attitudes and behaviors, skills and techniques, that lubricate the processes of human interaction.

Character Ethic. Success depends on things like integrity, humility, fidelity, temperance, courage, justice, patience, industry, simplicity, modesty, and the Golden Rule.

Primary Versus Secondary Greatness

Primary Greatness. Goodness of character.

Secondary Greatness. Social recognition for talent.

Paradigm

A model, theory, perception, assumption, or frame of reference. In a more general sense, it is the way we see the world in terms of perceiving, understanding, interpreting.

Paradigm Categories:

- Realities. The way things are
- Values. The way things should be.

The Principle-Centered Paradigm

The Character Ethic is based on the fundamental idea that there are principles that govern human effectiveness.

Principles Defined

- Principles are natural laws that can't be broken.
- Principles are not esoteric, mysterious, or "religious" ideas.
- Principles are self-evident and may be validated.
- Principles are part of the human condition, part of human consciousness, and part of the human conscience.
- Principles are not practices.
- Principles are not values.

Principles Enumerated

- Fairness
- Integrity/honesty
- Human dignity
- Quality/excellence
- Potential
- Growth
- Patience
- Nurturance
- Encouragement

A New Level of Thinking

Seven Habits of Highly Effective People is a

- principle-centered
- character-based
- inside-out

approach to personal and interpersonal effectiveness.

THE SEVEN HABITS OF HIGHLY EFFECTIVE PEOPLE

The Seven Habits -- An Overview

Habits Defined

- A habit is the intersection of knowledge, skill and desire.
- Knowledge is the *what to do* and *why*.
- Skill is the *how to do*.
- Desire is the motivation, the *want to do*.
- Happiness is the fruit of the desire and ability to sacrifice what we want *now* for what we want *eventually*.

The Maturity Continuum

- The seven habits move us progressively on a continuum from dependence to independence to interdependence.
- The current social paradigm enthrones independence.
- Habits 1, 2 and 3 deal with self mastery. Private victories precede public victories.
- Habits 4, 5 and 6 deal with teamwork, cooperation and communication.
- Habit 7 is the habit of continuous improvement.

Effectiveness Defined

- P symbolizes *production* of desired results.
- PC symbolizes *production capacity*.
- Effectiveness is the **focus** on both P and PC, balancing the two or optimizing P by optimizing PC.

Organizational PC

The PC principle is to always treat your employees exactly as you want them to treat your best customers.

How to Use This Book

- First, this material is not something to read once and then lay aside.
- Second, shift your paradigm from that of learner to that of teacher.

THE SEVEN HABITS OF HIGHLY EFFECTIVE PEOPLE

Habit 1 -- Be Proactive Principles of Personal Vision

Self-awareness enables us to stand apart and examine the way we see ourselves. It is our map of the basic nature of mankind.

The Social Mirror

There are three widely accepted theories of determinism:

- Genetic determinism holds that you inherit your personal tendencies and character.
- Psychic determinism holds that your upbringing and childhood experiences mold you.
- Environmental determinism holds that environmental factors are responsible.

Between Stimulus and Response

Frankl, a psychologist in the Freudian tradition, recognized that "between stimulus and response, man has the freedom to choose."

- Imagination -- the ability to create in our minds beyond our present reality.
- Conscience -- an inner awareness of right and wrong.
- Independent will -- the ability to act based on self-awareness.

Proactivity Defined

Proactivity. As human beings we are responsible for our own lives.

- Reactive people are driven by feelings, circumstances, conditions, the environment.
- Proactive people are driven by carefully considered, selected and internalized values.

Taking the Initiative

Taking the initiative does not mean being pushy, obnoxious, or aggressive. It does mean recognizing our responsibility to make things happen.

Circle of Concern/Circle of Influence

Where do you focus your time and energy?

- Proactive people focus their efforts in the Circle of Influence.
- Reactive people focus their efforts in the Circle of Concern.

Direct, Indirect, and No Control

Problems fall in one of three areas:

- Direct control: problems involving our own behavior.
- Indirect control: problems involving the behavior of others.
- No control: problems we can do nothing about, e.g., our past.

Changing our habits, changing our methods of influence and changing the way we see our no control problems are all within our Circle of Influence.

Odds and Ends

- Distinguish between *have's* and *be's*.
- Understand consequences and mistakes.
- The ability to make and keep commitments and promises is at the heart of our Circle of Influence.

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Habit 2 -- Begin with the End in Mind

Principles of Personal Leadership

What it Means

- To begin with the end in mind is to begin with the image of the end of your life as the frame of reference by which everything else is measured.
- We may be busy, we may be efficient, but we will only be effective if we begin with the end in mind.

All Things are Created Twice

- Habit 2 is based on the principle that all things are created twice:
 - a mental or first creation
 - a physical or second creation
- Most endeavors that fail, fail with the first creation.

By Design or Default

There is a first creation to every part of our lives. We are either the second creation of our own proactive creation, or we are the second creation of other people's agendas, of circumstances, or of past habits.

Leadership and Management

- Habit 2 is based on principles of personal leadership, which means that leadership is the first creation. Management is the second creation.
- Management is doing things right, leadership is doing the right things.
- Often people get into managing with efficiency, setting and achieving goals before they have even clarified values.

Rescripting: Becoming Your Own First Creator

Proactivity is based on the endowment of self-awareness. Two additional endowments enable us to expand our proactivity and to exercise personal leadership in our lives:

- imagination allows to visualize our potential
- conscience allows us to develop our talents within the context of principles and personal guidelines.

A Personal Mission Statement

- The most effective way to begin with the end in mind is to develop a personal mission statement.
- The key to the ability to change is a changeless sense of who you are, what you are about, and what you value.
- Once you have a sense of mission, you have the essence of your own proactivity; the vision and values which direct your life, the basic direction from which you set your goals.

At the Center

- Whatever is at the center of our life will be the source of our security, guidance, wisdom, and power.
- What is at the center of your life?

Alternative Centers

- Spouse centeredness
- Family centeredness
- Money centeredness
- Work centeredness
- Possession centeredness
- Pleasure centeredness
- Friend/enemy centeredness
- Church centeredness
- Self centeredness

A Principle Center

- Our lives need to be centered on correct principles -- deep, fundamental truths, classic truths, generic common denominators.
- As a principle centered person, you try stand apart from the emotions of situations and from other factors to evaluate options.

Assignment

Write a mission statement for your life.

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Habit 3 -- Put First Things First Principles of Personal Management

Summary

- Habit 1 is based on imagination, conscience, independent will, and self awareness.
- Habit 2 is based on imagination and conscience.

Habit 3 Defined

- Habit 3 is the second or physical creation.
- Habit 3 is the exercise of **independent will** toward becoming principle centered.

The Power of Independent Will

- The degree to which we have developed our independent will is measured by our personal integrity.
- Integrity is the value we place on ourselves.
- Effective management is putting first things first.

Four Generations of Time Management

- Notes and checklists
- Calendars and appointment books
- Prioritization, clarifying values, comparing the relative of worth of activities
- Preserving and enhancing relationships and accomplishing results

Quadrant II

- Urgent matters are usually visible, they insist on action, they are easy and fun to do.
- Important matters contribute to our mission.
- Effective people stay out of Quadrants III and IV.
- Quadrant II is the heart of effective personal management.

What It Takes to Say "No"

The only place to get time for Quadrant II in the beginning is Quadrants III and IV. If you were to fault yourself in one of three areas, which would it be?

- The inability to **prioritize**
- The inability or desire to **organize** around those priorities.
- The lack of **discipline** to execute around them.

The Quadrant II Tool

A Quadrant II organizer will meet six criteria:

- Coherence. Harmony, unity, and integrity between vision and mission, priorities and plans, and desires and discipline.
- Balance. Success in the various roles of our life.
- Quadrant II Focus. Organize your life on a weekly basis. Schedule your priorities don't prioritize what's on your schedule.
- A "People" Dimension. Focus on people not just the schedule.
- Flexibility. The planning tool should be tailored to you.
- Portability. You should be able to carry your tool with you.

Becoming a Quadrant II Manager

- Identify roles
- Select goals
- Schedule
- Adapt

Advances of the Fourth Generation

- Principle centered
- Conscience directed
- Defines your unique mission
- Helps balance your life by identifying roles
- Greater context through weekly organizing

Delegation: Increasing P and PC

Stewardship delegation involves expectations in five areas:

- Desired results
- Guidelines
- Resources
- Accountability
- Consequences

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Paradigms of Interdependence

Self-mastery and self-discipline are the foundation of good relationships with others.

Six Major Deposits

- Understanding the other person
- Showing little kindnesses and courtesies
- Keeping commitments
- Clarifying expectations
- Showing personal integrity
- Apologizing sincerely

The Laws of Love and the Laws of Life

When we truly love others without condition, without strings, we help them feel secure and validated and affirmed in their essential worth, identity, and integrity. We make it easier for them to live the laws of life -- cooperation, contribution, self-discipline, and integrity.

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Habit 4 -- Think Win/Win
Principles of Interpersonal Leadership

Six Paradigms of Human Interaction

- | | |
|------------|----------------------|
| - Win/Win | - Lose/Lose |
| - Win/Lose | - Win |
| - Lose/Win | - Win/Win or No Deal |

Win/Win

- Agreements or solutions are mutually beneficial
- A belief in the Third Alternative -- a *better* way

Win/Lose

- Use of position, power, credentials, possessions or personality to get one's way.
- The win/lose mentality is dysfunctional to interdependence.

Lose/Win

- Lose/Win people are quick to please or appease.
- Capitulation -- giving in or giving up.

Note. Many executives, managers and parents oscillate between Win/Lose and Lose/WIN.

Lose/Lose

- Result of encounters between two Win/Lose individuals.
- Also the philosophy of highly dependent people.

Win

- Win at all costs. Other people don't matter.
- The most common approach in everyday negotiation.

Which Option is Best?

- Most situations are part of an interdependent reality.
- Win/Win solutions are synergistic.

Win/Win or No Deal

- If we can't find a solution that would benefit both parties, we agree to disagree.
- Most realistic at the beginning of a relationship or enterprise.

Five Dimensions of Win/Win

- **Character.** The foundation of Win/Win
 - Integrity. The value we place on ourselves.
 - Maturity. The balance between courage and consideration.
 - Abundance Mentality. There is plenty out there for everybody.
- **Relationships.** Courtesy, respect and appreciation for the other person and his point of view.
- **Agreements.** Cover a wide scope of interdependent action.
 - Desired results
 - Guidelines
 - Resources
 - Accountability
 - Consequences
- **Supportive Systems.** Reward systems must reflect the values of the mission statement.
- **Processes.** The route to Win/Win:
 - See the problem from another point of view.
 - Identify the key issues and concerns involved.
 - Determine what results would constitute a fully acceptable solution.
 - Identify possible new options to achieve those results.

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Habit 5 -- Seek First to Understand, Then to be Understood
Principles of Empathic Communication

Character and Communication

- Communication is the most important skill in life
- If you want to interact effectively with me, to influence me, you first need to understand me.
- You have to build the skills of empathic listening on a base of character that inspires openness and trust.

Empathic Listening

- Most people listen with the intent to reply.
 - When another person speaks, we are usually 'listening' at one of four levels:
 - ignoring
 - pretending
 - selective listening
 - attentive listening
- Very few of us ever practice the highest form of listening -- empathic listening.
- Only 10 percent of our communication is represented by the words we say, another 30 percent by our sounds, and 60 percent by body language.
 - Empathic listening is risky.

Diagnose Before You Prescribe

- Diagnose before you prescribe is a correct principle in many areas of life.
- It is the mark of all true professionals
- The amateur salesman sells products, the professional salesman sells solutions to needs and problems.

Four Autobiographical Responses

- Because we listen autobiographically (from the perspective of our own paradigms), we tend to respond in one of four ways:
 - We evaluate
 - We probe
 - We advise
 - We interpret
- The language of logic is different from the language of sentiment and emotion.
- As long as responses are logical, we are at liberty to ask questions and give counsel. The moment responses become emotional, empathic listening is necessary.

- Empathic listening involves four developmental stages
 - mimic content
 - rephrase the content
 - reflect feeling
 - rephrase the content and reflect the feeling
- Empathic listening enables us to turn transactional opportunities into transformational opportunities.
- The key to empathic listening is to genuinely seek the welfare of the individual to whom you are listening.

Understanding and Perception

- As you learn to listen deeply to other people, you will discover tremendous differences in perception.
- Habit 5 is the first step in the process of Win/Win.

Then Seek to Be Understood

- Knowing how to be understood is the other half of Habit 5 and is crucial in reaching Win/Win solutions.
- The essence of making effective presentations:
 - Ethos -- your personal credibility.
 - Pathos -- the empathic side.
 - Logos -- the logic.
- When you can present your own ideas clearly, specifically, visually and in the context of the paradigms of your audience, you significantly increase the credibility of your ideas.

One on One

- Habit 5 is right in the middle of your circle of influence. You can always seek first to understand.
- Spend time with your spouse and children, one on one.

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Habit 6 -- Synergize

Principles of Creative Communication

Synergy

- The exercise of all the other habits prepares us for the habit of synergy.
- Synergy. The whole is greater than the sum of its parts.
- Few people experience synergy in their lives because most people have been scripted into defensive or protective communications.
- Synergy can be unnerving unless one has a high tolerance for ambiguity and gets security from integrity to principles and inner values.

Synergy in the Classroom

- Many truly great classes teeter on the very edge of chaos.
- Synergy is possible in the classroom when the group collectively agrees to subordinate old scripts and to write a new one.

Synergy in Business

- To achieve synergy in business requires that people become open and authentic.
- When we open ourselves up to the influence of others, we gain new insights and facilitate the generation of new options.

Synergy and Communication

- The lowest level of communication coming out of low trust situations is characterized by defensiveness, protectiveness, and legalistic language which covers all the bases and spells out qualifiers and escape clauses in the event things go sour.
- The middle level of communication is respectful communication -- where fairly mature people communicate.
- The highest level of communication is synergistic (win/win) communication.

Fishing for the Third Alternative

- In many compromise situations there is usually a third alternative.
- Synergistic third alternatives are often better for both parties than their original alternatives.
- Seeking the third alternative is a major paradigm shift from the dichotomous either/or mentality.

Negative Synergy

- Most highly dependent people are trying to succeed in an interdependent reality.
- Many people don't realize that the real strength of any relationship is having alternative points of view.

Valuing the Differences

- Valuing the differences is the essence of synergy.
- The truly effective person has the humility and reverence to recognize his own perceptual limitations and to realize the rich resources available through interaction with the hearts and minds of other people.
- If two people have the same opinion, one person is unnecessary.

Force Field Analysis

Any current level of performance or being is a state of equilibrium between the driving forces that encourage upward movement and the restraining forces that discourage it.

- Driving forces generally are positive, reasonable, logical, conscious, and economic.
- Restraining forces are often negative, emotional, illogical, unconscious, and social/psychological.

Conclusion

- You don't have to take insults personally.
- You can sidestep negative energy.
- You can look for the good in others.
- You can express ideas, feelings, and experiences in a way that will encourage others to be open also.

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Habit 7 -- Sharpen the Saw Principles of Balanced Self-Renewal

Overview

- Habit 7 is taking the time to sharpen the saw.
- This is definitely a Quadrant II activity.

Four Dimensions of Renewal

- Physical
- Spiritual
- Mental
- Social

The Physical Dimension

- Involves caring effectively for our physical body.
- Exercise is a Quadrant II, high-leverage activity that most of us don't do consistently because it isn't urgent.
- Three areas are necessary:
 - Endurance comes from aerobic exercise
 - Flexibility comes through stretching
 - Strength comes from muscle resistance exercises.

The Spiritual Dimension

- The spiritual dimension is your core, your center, your commitment to your value system.
- Spiritual renewal is a Quadrant II investment of time that we really can't afford to neglect.
- A personal mission statement enables us to have an understanding of our purpose which we can review frequently.

The Mental Dimension

- Surveys indicate that the television is on in most homes thirty-five to forty hours per week.
- Reading good literature on a regular basis is a good way to renew your mind.
- Keeping a journal of our thoughts, experiences, and insights is also beneficial.

Daily Private Victory

- Sharpening the saw in the first three dimensions.
- Spend one hour a day in activities in these areas.

The Social Dimension

- This area of our lives is primarily developed in our relationships with others.
- We can help script others as principle-centered, value-based, independent, worthwhile individuals.

Balance in Renewal

- The self-renewal process must include balanced renewal in all four dimensions of our lives.
- This is true for organizations as well as for individuals.

Synergy in Renewal

- Renewal in any dimension increases our ability to live at least one of the Seven Habits.
- Improvement in one habit synergistically increases our ability to live the rest.
- The Daily Private Victory is the key to the development of the Seven Habits and it is completely within your Circle of Influence.

THE SEVEN HABITS OF HIGHLY EFFECTIVE PEOPLE

Inside-Out Again

Deep Communication

- The first rule for deep communication is no probing.
- The second rule is stop when it becomes painful.
- Seemingly trivial things often have roots in deep emotional experiences. To deal only with the superficial trivia without seeing the deeper, more tender issues is to trample on the emotional ground of another's heart.
- The key to staying in love is to talk, particularly about feelings.

Intergenerational Living

- There is transcendent power in a strong intergenerational family.
- There are two lasting bequests we can give our children -- one is roots, the other is wings.

Becoming a Transition Person

- A transition person is one who changes negative scripts rather than passing them to the next generation.
- Achieving unity -- oneness -- with ourselves, with our loved ones, with our friends and working associates, is the highest and best and most delicious fruit of the Seven Habits.