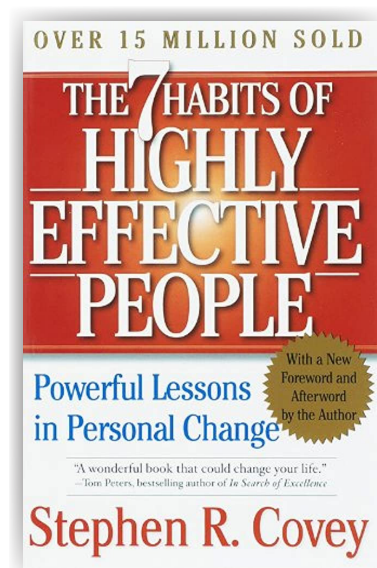


The 7 Habits of Highly Effective People

Powerful Lessons in Personal Change

Stephen R. Covey

©1989, 2004 by Stephen R. Covey
Adapted by permission of [Simon & Schuster](#)
ISBN: 978-0-743-26951-3
Estimated reading time of summary: 9 minutes



KEY TAKEAWAYS

Stephen R. Covey believes that committing to a principle-centered life will dramatically improve one's personal and professional relationships. To achieve unity and maximize success, a person should live in accordance with Seven Habits:

1. *Be proactive.* People are responsible for their own lives and have the capacity to change their futures.
2. *Begin with the end in mind.* People should live each day how they would want to be remembered at their funeral.
3. *Put first things first.* Everyone should practice effective self-management.
4. *Think win/win.* People need to seek mutually beneficial solutions to problems.
5. *Seek first to understand, then to be understood.* Empathetic listening will help people accurately diagnose problems before they suggest solutions.
6. *Synergize.* Synergy is a mind-expanding experience and a product of the first five habits.
7. *Sharpen the saw.* A person flourishes with a balanced renewal of his or her physical, mental, spiritual, and social/emotional nature.

OVERVIEW

Today's complex and interdependent world is plagued by numerous common human challenges. These include fear, insecurity, blame, hopelessness, selfishness, conflict, personal stagnation, and a lack of life balance. Permeating all aspects of life, these challenges have a profound impact on personal and professional effectiveness. In his renowned book **The 7 Habits of Highly Effective People**, Stephen R. Covey proposes a principle-centered approach for addressing such challenges. The Seven Habits are not a

“quick fix,” but a long-term commitment to universal principles with the potential to maximize personal and professional success and happiness. These habits, grounded in an “inside-out” approach to change, require mastering oneself (habits one through three) before mastering relationships with others (habits four through six). The seventh habit renews the first six and offers true independence and the capability for interdependence.

PARADIGMS AND PRINCIPLES

Covey distinguishes between two movements in the personal improvement and success literature: the *Personality Ethic* and the *Character Ethic*. The *Personality Ethic*, which has emerged over the past 50 years, is marked by superficial means of self-improvement. These “quick fixes” and “social band-aids,” although effective at temporarily disguising problems, ultimately prove ineffective at eliminating their root causes. *Personality Ethic* strategies are often effective for making favorable first impressions using charm and skill; however, success in long-term relationships relies on trust and a solid character. Using insincere strategies to motivate and befriend others will only breed distrust in the long run.

In stark contrast, the *Character Ethic* dominated the first 150 years of the personal improvement and success literature. This mentality espouses universal principles for successful living and happiness, such as integrity, humility, courage, and justice.

Character Ethic and *Personality Ethic* are examples of two distinct *paradigms* (theories or frames of reference, lenses through which people perceive the world). People assume they see the world objectively, but often fail to realize the impact paradigm and prior experience have on their perceptions. In a subjective world, no fact is truly separate from a person’s experience and paradigm. Individuals’ paradigms have a dramatic impact on interpersonal interactions and are a basis of their behaviors and actions. This marks a fundamental flaw of the *Personality Ethic*: It incorrectly assumes that one can change his or her attitudes and behaviors without examining the paradigm from which those attitudes and behaviors are conceived. It would be like trying to find one’s way through Chicago using a map of Detroit—no change in a person’s behavior or attitude will result in finding the destination. The only solution is to get the correct map, an analogy for a new paradigm.

Paradigm shift describes the transition of one way of seeing the world to another. For example, many people facing life-threatening illness suddenly shift their priorities. A paradigm shift can be quite sudden and instantaneous, or it can be a deliberate and lengthy process. In order to make a paradigm shift, a person must work on his or her basic paradigms rather than trying to alter attitudes and behaviors. A paradigm shift is necessary to sustain lasting positive change.

The *Character Ethic* is a principle-centered paradigm: It assumes that there are basic principles governing human effectiveness and that these principles are just as real as laws (e.g., the law of gravity). These principles, which surface repeatedly over the course of human history, appear to be natural laws that are a part of human consciousness, such as justice, integrity, honesty, human dignity, service, quality, excellence, potential, and growth. Although people’s definitions of these principles may differ, their existence appears to be universally accepted. Unlike practices, which are specific activities, principles refer to universal, unchanging truths.

Today, however, people are realizing the futility in using a “band-aid” approach to problems without seeking the underlying causes. Covey suggests that what people in today’s world need is an *inside-out approach* to achieve interpersonal and intrapersonal success and happiness. *Inside-out* methods are centered on the principle that *Private Victories* precede *Public Victories*. In essence, a person must

improve his or her character, motives, and paradigm before attempting to improve professional and interpersonal relationships. An inside-out approach, based on natural laws, results in an upward spiral of growth and enduring solutions to chronic problems.

THE SEVEN HABITS: AN OVERVIEW

Habits are powerful influences in humans' lives. Although it is possible to overcome undesirable habits, there is no quick fix. Covey defines a habit as "the intersection of knowledge, skill, and desire." By working to improve each of these three components, people can break free of restricting paradigms. This process must be motivated by the understanding that current sacrifice and hardship will be rewarded with later happiness. The Seven Habits progress individuals along a *Maturity Continuum* that ranges from dependence to independence to interdependence. Dependence, the paradigm of "you," is exhibited in infancy when individuals depend on others for everything. Independence, the paradigm of "I," results in self-reliance and inner-direction. Although independence is an achievement, the ultimate level is interdependence, where the continuum of "we" is the increasing awareness that it is possible to create greater outcomes if individuals pool talents and work collaboratively. Individuals who are independent but not interdependent will produce well individually, but will be ineffective leaders and team players. Due to the interdependent nature of the world, Covey suggests that, "To try to achieve maximum effectiveness through independence is like trying to play tennis with a golf club—the tool is not suited to the reality."

The Seven Habits are based on the *P/PC Balance*, a paradigm of effectiveness aligned with natural law. In this paradigm, *P* stands for production and *PC* for production capability. Effectiveness is a function of both components—what is produced (*PC*) and the producer or the capacity to produce (*P*). It is critical to maintain the *P/PC* balance within each of three types of assets: physical, financial, and human. Overreliance on *P* may result in poor health, broken physical assets, decreased bank accounts, and damaged physical relationships. In contrast, overreliance on *PC* may result in the eternal student syndrome or other such wastes of potentially productive time. The *P/PC* balance is the building block for effectiveness and the basis of the Seven Habits.

Grounded in an inside-out approach to change, the Seven Habits require mastering oneself (habits one through three) before mastering relationships with others (habits four through six). The first three habits, those of Private Victories, result in increased self-confidence and self-knowledge. The next three habits, those of Public Victories, result in rebuilding and healing damaged or broken relationships. The seventh habit renews the first six and offers true independence and the capability for interdependence.

HABIT 1: BE PROACTIVE

Covey distinguishes between three widely accepted theories of human determinism:

1. *Genetic determinism* posits that behavior is determined through genetic traits passed down through families.
2. *Psychic determinism* suggests that personal childhood experiences lay the foundation for later behaviors and character.
3. *Environmental determinism* assumes that people are conditioned by their environment to respond in particular ways to particular stimuli.

Each of these theories is missing one important component: human independent will. Covey illustrates this point with Viktor Frankl's experiences. Frankl, a Jewish psychiatrist imprisoned in Nazi death camps,

suffered torture, indignity, and inexplicable loss. One day, alone and naked in a room, he realized that although the Nazis could control his entire environment, they could not take away the last of his human freedoms—his freedom to determine how this environment would affect him. This moving example suggests that human behavior is not determined by conditioned responses; it is determined by chosen human reactions to the conditions. As Covey noted, “Between stimulus and response, man has the freedom to choose.” Three concepts within our freedom to choose make us uniquely human: *self-awareness*, *conscience*, and *independent will*.

Emerging from this example is the first habit: the habit of *proactivity*—that is, the realization that human beings have control over their own lives. Proactive people do not blame others for their behavior; they accept that behavior stems from conscious decision-making processes. These people are value-driven and are not affected by environmental changes. Conversely, *reactive* people are driven by external forces in their environment such as feelings and weather, and believe their behavior is due to external conditions and variables.

Covey illustrates the differences between proactive and reactive language. Proactive language is characterized by statements such as “I choose,” “I prefer,” “I will,” whereas reactive language touts, “I can’t,” “I must,” and “If only.” Why is this distinction important? Because reactive language results in a self-fulfilling prophecy whereby people produce evidence to support their beliefs, resulting in a cycle of victimization and blaming others.

The areas in which people focus their time and energy can shed light on their own degree of proactivity or reactivity. All humans have diverse and wide-ranging concerns in a variety of domains, which Covey places within a *Circle of Concern*. Within the Circle of Concern, some things are within one’s control, a smaller sub-circle called the *Circle of Influence*. Proactive people focus on changing things within the Circle of Influence, whereas reactive people focus on the Circle of Concern. By doing so, reactive people create negative energy, because they have minimal control over the Circle of Concern. As a result of this negative influence, their Circle of Influence shrinks.

“Anytime we think the problem is ‘out there,’ that thought is the problem.” This statement illustrates that change must come from within—as Covey calls it, “inside- out.” Although it is easier to take a reactive stance, blaming other people and conditions for one’s own circumstances, the only way to improve one’s situation is to work on the things in the Circle of Influence.

Although humans are free to choose their actions, the consequences for those actions are determined by natural law and cannot be changed. Therefore, natural consequences arise when mistakes are made. It is the response to these mistakes that is important: They can either be ignored or acknowledged and learned from. To be empowered, a person must do the latter.

HABIT 2: BEGIN WITH THE END IN MIND

Covey believes people should imagine attending their own funerals. There are four speakers: a family member, friend, co-worker, and someone a person became involved in through church or a community organization. What would each one say? What kind of character and integrity would the person want them to reflect upon? This exercise allows people to connect with their deep, core values. “Begin with the end in mind” suggests people should live each day how they would want to be remembered at the end of their lives. Many people’s daily lives involve meeting empty or unfulfilling goals. Beginning with the end in mind allows a person to define his or her own conception of success and live each day consistent with that value.

Three human endowments facilitate proactivity: self-awareness, imagination, and conscience. Imagination allows individuals to visualize their own potential, and conscience results in the realization of universal principals. Together, these processes empower individuals to “rewrite their scripts.” According to Covey, all people, whether they realize it or not, have a *center* or core paradigm that impacts all facets of their lives. These centers include “family centeredness,” “money centeredness,” “work centeredness,” “possession centeredness,” and “self-centeredness.” More often than not, a person’s center is a combination of these and other centers. However, it is ideal to build a solid and clear center from which to live proactively: *a principle-centeredness*.

What does it mean to be principled-centered? Principles are fundamental truths that are unchanging, even in the face of changing external circumstances. By being principle-centered, a person creates a foundation for developing security, wisdom, guidance, and power. Principle-centered people look at the balanced whole, taking all aspects of their lives into consideration when making decisions. They realize that decisions made proactively and consistent with their personal values will lead to long-term results.

Covey suggests that the most powerful way of beginning with the end in mind is to write a *personal mission statement*, which communicates the values and principals a person’s actions and character are centered on. A personal mission statement is a relatively changeless personal constitution. It becomes a basis for making daily and life-changing decisions.

A mission statement takes time, introspection, and analysis to write. It often needs to be drafted multiple times before its final form. Even then, it should be regularly reviewed, and minor changes should be made as additional insights or circumstances arise. The process of writing the mission statement is as important as the product, because it forces individuals to think about their priorities and beliefs in a meaningful way. In addition to a personal mission statement, Covey advocates creating family mission statements as well as corporate mission statements.

Conscience and imagination, which allow people to practice beginning with the end in mind, are primarily right-brain functions. Brain dominance research has suggested that the left- and right-brain hemispheres specialize in different functions. The left hemisphere, which is more local and verbal, specializes in analysis, sequential thinking, and “parts.” Contrastingly, the intuitive and creative right hemisphere deals with synthesis, simultaneous thinking, and “wholes.” The world tends to be left-brain dominant, and because of this many people find it difficult to strengthen their right-brain capacities. All people use both hemispheres; however, one hemisphere may exert more dominance than the other. Covey notes that people may view the world differently based on whether they are right- or left-brain dominant. Expanding one’s perspective, visualization, and affirmations are all methods for accessing one’s right-brain capacities.

HABIT 3: PUT FIRST THINGS FIRST

Putting first things first, the actualization of the first two habits, is achieved by practicing effective self-management. It is independent human will, however, that makes self-management possible. Covey outlines four generations, or “waves,” of time management theory and practice, each one building on the previous. The first three generations, which focus on maximizing efficiency, create paradigms that are not conducive to quality relationships and spontaneous endeavors. The emerging fourth generation, in contrast, realizes that people are more important than things and timelines. The fourth generation is an improvement over the past three generations in several ways: It is principle-centered, conscience-driven, defines unique missions and values, helps create balance in life, and provides greater context.

According to Covey, humans spend their time engaged in one of four types of activities. Quadrant I activities, such as crises and pressing problems, are both important and urgent. Activities such as prevention, planning, recreation, and relationship building are defined as important but not urgent Quadrant II activities. Quadrant III activities are not important but urgent, and include activities such as interruptions as well as some meetings and phone calls. Finally, Quadrant IV activities, such as trivia, busy work, and time wasters, are not urgent and not important.

Because of their pressing nature, Quadrant I activities often consume people. According to Covey, however, Quadrant I will continue to expand as long as it is focused on, leading to stress and burnout. People who focus exclusively in Quadrants III and IV tend to lead irresponsible lives with short-term focus. Quadrant II is essentially the essence of effective self-management, and it is important to increase Quadrant II time. However, how does one find time for Quadrant II activities? The key is learning to be proactive and say “no” to nonessential Quadrant III and IV activities. A Quadrant II organizer can help people meet time management needs. The organizer must be coherent, balanced, flexible, portable, and focus on people and Quadrant II. Quadrant II organizing also involves four key activities: identifying key roles, selecting one or two important goals for each role, scheduling, and daily adapting.

Another important concept related to putting first things first is delegation. According to Covey, “Delegating to others is perhaps the single most powerful high-leverage activity there is.” Whereas a worker can produce one unit of results with one hour of effort, a manager using effective delegation can produce hundreds of units with one hour of effort. In order to engage in effective delegation, an up-front understanding of five processes is needed: desired results, guidelines, resources, accountability, and consequences. Through effective delegation, workers become governed by a conscience to achieve the agreed upon results.

PARADIGMS OF INTERDEPENDENCE

Once independence is reached via the first three habits, the foundation exists for interdependence. Although interdependence is where increased productivity, contribution, learning, and growing are reached, it is also where the greatest level of frustration and roadblocks to success are noticed.

Covey describes the *Emotional Bank Account*, a poignant metaphor in relationship studies that illustrates levels of trust in a relationship. Just as with an actual banking account, deposits are made when one engages in courtesy, kindness, honesty, and keeping commitments. The trust level can accumulate and grow into a reserve. However, the opposite of these behaviors will result in withdrawals to the point where trust is nonexistent and the account is overdrawn. At that point, the tension level is high and each party has to carefully consider the littlest interactions. As Covey notes, “Our most constant relationships, like marriage, require our most constant deposits.” He describes six major deposits in the Emotional Bank Account:

1. Understanding the individual.
2. Attending to the little things.
3. Keeping commitments.
4. Clarifying expectations.
5. Showing personal integrity.
6. Apologizing sincerely when one makes a withdrawal.

The Emotional Bank Account is an important concept within the habits of Public Victory.

HABIT 4: THINK WIN/WIN

There are six paradigms of human interaction: Win/Win, Win/Lose, Lose/Win, Lose/Lose, Win, Win/Win or No Deal. In an interdependent environment, the most effective approach is Win/Win, where solutions benefit all parties and all are satisfied with the outcomes. A higher expression of Win/Win is Win/Win or No Deal, where all parties initially agree that if a Win/Win solution cannot be reached, no deal is made. Although this option is more realistic at the beginning of a business relationship and may not be viable in all situations, it facilitates openness and understanding rather than manipulation and hidden agendas.

According to Covey, "Anything less than Win/Win in an interdependent reality is a poor second best that will have impact in the long-term relationship." Personal character is essential to Win/Win. In particular, integrity, maturity, and an abundance mentality (belief that there is enough out there for everyone) are necessary. Relationships grow out of character, and the agreements flow from relationships. In the Win/Win agreement, it is critical that five concepts are explicitly determined:

1. Desired results.
2. Guidelines which determine the parameters for the results to be accomplished.
3. Resources available to accomplish the results.
4. Accountability outlining standards of performance and a timeline for evaluation.
5. Consequences as a result of the evaluation.

A critical note by Covey is that, "Win/Win can only survive in an organization when the systems support it." For example, if the mission statement reflects Win/Win, but the reward system is highly competitive, the philosophy will not take hold. Rather than promoting workers to compete against one another, Covey recommends creating systems in which teams of workers compete against external standards of performance, thus fostering interdependence and Win/Win.

It is only possible to achieve Win/Win solutions when Win/Win processes are used. Covey's process for achieving Win/Win involves the following four steps:

1. See the problem from the alternate viewpoint.
2. Identify the key issues and concerns.
3. Determine what results would be fully acceptable.
4. Identify new options to achieve those results.

HABIT 5: SEEK FIRST TO UNDERSTAND, THEN TO BE UNDERSTOOD

Just as a doctor would not provide a treatment without diagnosing the problem, so too should individuals not provide solutions to problems before accurately assessing them. Unfortunately, people do not often take the time to properly diagnose interpersonal or work-related problems before rushing in and attempting to fix things.

In order to properly diagnose a problem, a person must first be an effective listener. Despite formal training in other modes of communication, very few people have had training in listening skills. Most people listen with intent to reply as opposed to intent to understand. Covey believes people listen at one of four levels:

1. Ignoring.
2. Selective listening.
3. Attentive listening.
4. Empathetic listening.

Empathetic listening, the highest but least commonly utilized level of listening, means listening with the intent to understand. Empathetic listening allows one to see the world from another person's paradigm or frame of reference. It involves listening with the eyes, the ears, and the heart. According to Covey, only 10 percent of communication is represented by the words we say, but 60 percent is represented by our body language. Empathetic listening is a deposit in the Emotional Bank Account and can lead to further deposits once a person truly understand another's wants and needs.

Empathetic listening involves four steps:

1. Mimicking the content.
2. Rephrasing the content.
3. Reflecting feeling.
4. Rephrasing the content and reflecting the feeling.

Although empathetic listening takes time, it is more time efficient than correcting misunderstandings due to ineffective listening.

The first half of habit five is understanding; the other half is being understood. Win/win paradigms have high levels of both. Whereas understanding requires consideration, being understood requires courage. When trying to be understood, a person should consider three concepts derived from Greek philosophy: *ethos*, *pathos*, and *logos*. *Ethos* is the faith people have in someone's credibility, integrity, and competency. *Pathos* describes someone aligned with the emotional meaning of others' communication. *Logos* represents the logic or reasoning. People typically go straight to *logos* when making a presentation or trying to obtain understanding; however, *ethos* and *pathos* have to be equally considered. When people present their ideas with a deep understanding of others' paradigms and concerns, their credibility is significantly increased.

Once understanding is reached among all parties, the door is opened to creative and productive solutions. At this point, differences become a foundation for synergy rather than a stumbling block to effective communication.

HABIT 6: SYNERGIZE

Synergy is the highest activity in life, the manifestation of the interaction of the first five habits. Synergy, the idea that the whole is greater than the sum of the parts, is the essence of principle-centered leadership. Within a synergistic framework, differences are respected and built upon. Most people have not experienced the power of synergistic communication, and many of those who have did so minimally. However, once people have experienced synergy, they are forever changed because they have experienced a mind-expanding experience and know it could happen again. A high Emotional Bank Account in combination with a Win/Win philosophy creates the perfect breeding ground for synergy.

As Covey posits, "Synergy is almost as if a group collectively agrees to subordinate old scripts and to write a new one." Although it is impossible to completely control the synergistic process with others, it is possible to control one's own internal synergy; it is an extension of the first three habits and is within the Circle of Control.

HABIT 7: SHARPEN THE SAW

Habit seven encompasses the first six habits because it makes them possible. This habit involves preserving, improving, and balancing the four dimensions of one's own nature: physical, mental, spiritual, and social/emotional. According to Covey, "This is the single most powerful investment we can ever make in life—investment in ourselves." Sharpening the saw is a Quadrant II activity, and as such must be made time for.

The physical component of this habit includes caring for one's body, eating healthy foods, getting rest, and exercise. With regard to the spiritual component, it is a private area of life that may be manifested very differently between individuals. As far as the mental component, many people let their minds atrophy after they finish formal education. However, people must continue to educate themselves. This could be done through reading good literature, writing a journal, and organizing and planning. There is not a large time commitment in the social/emotional dimension. It is entirely possible to renew this dimension through normal interactions with others. However, activities such as service and anonymous service also facilitate and enhance renewal.

Although it is important to renew within each dimension, maximum effectiveness emerges when all four dimensions are renewed in a balanced way. If one dimension is neglected, it may create resistance, which will limit effectiveness and growth. Because the dimensions are interrelated, improvement in one dimension will have a positive influence on the other dimensions. Thus, balanced renewal is a synergistic process. Both individuals and organizations can embed a statement of balanced renewal within their mission statements. Covey recommends the Daily Private Victory—1 hour daily dedicated to renewing the four dimensions.

Balanced renewal allows one to move on an upward spiral of positive growth. Moving along this spiral requires people to learn, commit, and act on different levels.

ABOUT THE AUTHOR

Dr. Stephen Covey is an internationally renowned expert in leadership, organizational behavior, business management, education, and family studies. He has dedicated his life to teaching a principle-centered approach to families and organizations. A Harvard University MBA graduate, Covey earned his doctoral degree from Brigham Young University, where he served as a professor, director of university relations, and assistant to the president. Covey has authored several best-selling books, including *First Things First*, *Principle-Centered Leadership*, and *The 7 Habits of Highly Effective Families*. *The 7 Habits of Highly Effective People* has sold over 15 million copies and was named the #1 Most Influential Business Book of the Twentieth Century. Covey received the 2003 Fatherhood Award from the National Fatherhood Initiative, as well as countless professional awards and honorary doctoral degrees. He is the co-founder and vice chair of Franklin Covey Company, a global leader in professional services.

PURCHASE THE BOOK
