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Semester - II

MBA – I

Generic Elective Course- University level

207 – Contemporary Frameworks in Management

2 Credits

Unit-1
Emotional Intelligence

Course Objective - Unit 1

- DEFINE Emotional Intelligence (EQ), IDENTIFY the benefits of emotional intelligence and RELATE the 5 Dimensions of Trait EI Model to the practice of emotional intelligence.

Emotions

- An **emotion** is defined as a intense feeling resulting from some event. Not everyone reacts to the same situation in the same way

- Emotions are biological states associated with the nervous system brought on by neurophysiological changes variously associated with thoughts, feelings, behavioural responses, and a degree of pleasure or displeasure.

- **Positive emotion** may be considered as any feeling where there is a lack of negativity, such that no pain or discomfort is felt. These **positive emotions** feel good.

- **Negative emotions** can be described as any feeling which causes you to be miserable and sad. These can be difficult, even painful at times.

Emotional Intelligence (EI)

- Dr. Goleman described emotional intelligence as a person's ability to manage his feelings so that those feelings are expressed appropriately and effectively. According to Goleman, emotional intelligence is the largest single predictor of success in the workplace.

- Google says it's "the capacity to be aware of, control, and express one's emotions, and to handle interpersonal relationships judiciously and empathetically."

- What this essentially means is that Emotional intelligence is the ability to recognize your feelings, as well as being able to control them and express them appropriately. It also means that you can empathize with people, and recognize their emotions as well as your own.

Benefits of EI in the Workplace

There are many benefits to Emotional intelligence, but here are just a few…

1. It allows for better team work

- Teams with emotionally intelligent members are great at working together. They have good communication, trust each other, and value each other's input. When someone makes a suggestion, they're able to respond in a positive and productive way.

2. You can deal with change

- Not many people like change, but Emotional intelligence gives you the tools you need to deal with any change that comes your way. In the workplace, many people often face change with a negative attitude and crossed arms; but an emotionally intelligent person will be much more positive and can inspire other team members to feel the same way.

3. You can handle those tough conversations

- Whether it's an angry customer or an upset employee, difficult conversations can stir up all sorts of emotions. If you have the right skills, you can handle those conversations by emotionally connecting with the other person before finding a resolution.

4. It's an essential people skill

- Emotional intelligence allows you to quickly build trust with people, as well as a rapport. You'll be able to understand their feelings and empathise with them – fantastic for any role that involves working in teams!

5. It's a key feature of a strong leader

- Great leaders understand people; they know how they work, how to influence them, and how to inspire them. Emotional intelligence will help you to achieve this understanding in order to be a brilliant leader and guide your team in the right direction.

Some more other Benefits of EI in the Workplace

- Better Team-Work
- Better Office Environment
- Adjustments Can Be Made Easier
- More Self-Awareness
- More Self-Control
- Compassion
- There's More Motivation
- Leadership Capabilities
- Better Professional Relationships Are Able to Form
- You Are One Step Ahead of Other Companies
- Time's Managed Better

Understand the difference between Trait EI and Ability EI

- Trait EI is "a constellation of emotional self-perceptions located at the lower levels of personality. In lay terms, trait EI refers to an individual's self-perceptions of their emotional abilities.

- The ability-based model views emotions as useful sources of information that help one to make sense of and navigate the social environment. The model proposes that individuals vary in their ability to process information of an emotional nature and in their ability to relate emotional processing to a wider cognition. This ability is seen to manifest itself in certain adaptive behaviors.

- **Trait EI** is defined as a constellation of self - perceptions located at the lower levels of personality hierarchies (Petrides, Pita, & Kokkinaki, 2007), whereas **ability EI** is defined as " the **ability** to perceive and express emotion, assimilate emotion in thought, understand and reason with emotion, and regulate in social environment

5 Dimensions of Trait EI Model

1. Self Awareness

- Self awareness is the ability to evaluate yourself socially, and understand how your behavior is being perceived by others. If you're self aware, you know how you're feeling, how you're acting, and how you appear. You likely have a strong grasp on your own strengths and weaknesses, which means that you know where and how you'll be most useful. This knowledge can make you a great leader, because you have an understanding of what skills you may be missing and therefore where and how you need others to apply their skills.

- Self awareness can also help you train yourself to think about your emotions in a productive way. It requires self reflection and interpretation, so if you're self aware, when you get upset you might start to think about why you feel as you do and find that the feeling is momentary, misplaced, or a catalyst for positive action. Doing this allows you to think of your emotions as part of a larger picture, so you don't become consumed by them. Knowing the reasoning behind your emotions can also give you a greater sense of control over them, improving self-efficacy.

5 Dimensions of Trait EI Model

2. Managing Emotions-Self regulation

Self regulation is the ability to remain calm in emotionally trying situations. While many factors influence how you feel and may be beyond your control, if you're highly self regulated, you're good at controlling your reactions. You can make clear-headed decisions even if the world is falling apart around you. Also, if you're highly self-regulated, you can easily adapt, because the discomfort that often comes from change won't make you stumble. Self-regulation is a necessary skill for people planning to go into jobs that are fast-paced and dangerous. For example, you would want to be self-regulated as a firefighter. If you panicked you could hyperventilate and pass out, endangering yourself and those you were trying to save.

5 Dimensions of Trait EI Model

3. Motivation

- Internal motivation is the ability to make yourself work with little to no pressure from others. Some sources of internal motivation include curiosity, a desire to fulfill your potential, and/or a desire to see your vision come to life. If you're highly internally motivated, you might want rewards like money or praise, but they aren't the driving force behind your behavior. This means you have more control over your productivity, because your motivation is self-generated.

5 Dimensions of Trait EI Model

4. Empathy

- Empathy is the ability to understand how others feel and put yourself "in someone else's shoes." While no one can completely know for sure if they're feeling what someone else is, If you're highly empathetic, you're good at intuiting what their feelings might be. If you're highly empathetic, you're also likely to feel pain when you see others in pain and pleasure when you perceive others' pleasure, allowing you to connect with others emotionally.

5 Dimensions of Trait EI Model

5. Social Skills

Goleman explains, your social skills affect everything . Social competence takes many forms—it's more than just being chatty. These abilities range from being able to tune into another person's feelings and understand how they think about things, to being a great collaborator and team player, to expertise at negotiation. All these skills are learned in life. We can improve on any of them we care about, but it takes time, effort, and perseverance. It helps to have a model, someone who embodies the skill we want to improve. But we also need to practice whenever a naturally occurring opportunity arises

Seeing the other side

- The skill of influencing others is a valuable asset to have. It can help us sell products and ideas, convince people and institutions to assist us, and even affect change in the world! We may not have the power to control other people, but we can always do our best to persuade them. This skill is particularly critical for managers. How you go about influencing and successfully communicating your message determines the results you will achieve.

- To be a successful influencer, some critical skills to possess include the ability to see "the other side," build bridges, and give in without giving up.

- You must be able to "enter another person's world" in order to influence them. This means setting aside your own point of view, and looking at a situation from that person's perspective. How they see the world becomes their reality. Don't assume that what's clear to you is clear to your partner in communication.

- Seeing the other side involves knowing what is important to the other person: their values, interests, and preferences. Do you understand their SOCIAL STYLE — their preferred way of communicating and behaving? Ask questions and ask for feedback to make sure you "hear" them and understand where they are coming from. Another way to approach this is to answer this question, on their behalf, *"what's in it for me?"*

- The key to all of the above is understanding and recognizing the others point of view and the only way to do that is to be open, ask lots of open-ended and clarifying questions and to be an active listener.

Giving in without giving up

- Giving up means you've accepted you will not do something, and you stop trying.
- Giving in means you have decided to let someone or something else dominate and control the situation, you are no longer attempting to do that.
- Giving way means the same kind of thing but usually with an image of something pushing you out of the way, physically or metaphorically, or replacement.
- "Realizing that studying just wasn't going to get him a good grade, Tom just gave up and stopped trying."
- "Even though Tom thought studying was pointless, he was tired of arguing with his mom over it, so he finally gave in to her and agreed to do it."
- "A generation that does not take school seriously will eventually give way to one that does."

Life Positions – you and only you can choose your mindset

- Your beliefs become your thoughts, your thoughts become your words, your words become your actions, your actions become your habits, your habits become your values, your values become your destiny." — Mahatma Gandhi

- Mindsets shape the lives we lead, the actions we take and the future possibilities of the world we live in.

- In people with a **fixed mindset**, the brain is most active when they are being given information about **how well they have done**, for example, test results or grades.

- In people with a **growth mindset**, the brain is most active when they are being told **what they could do to improve**.

- Neuroplasticity:
  Did you know your brain can change?

- The good news is that you *can* change your mindset.

- **Neuroscience shows that our brains continue to develop and change even as adults. Old dogs really can learn new tricks.**

- The brain is actually quite like plastic, and can be reshaped over time, forming new neural pathways. This has led neuroscientists to call this tendency *neuroplasticity.*

- These neural pathways are developed by doing or thinking particular things. The things that we do or say more often become hard-wired into our brains as habits. These form defined 'routes' in our brain, which become easier to use.

- But you can still change them. The first step is to realise that you need to, then to train your brain in the new skill. It may help to think about this learning

- Mindsets in Life
- **Mindsets are not just important for learning new skills. They can affect the way that we think about everything.**
- **For example**, a growth mindset can help you recover from illness because you believe that you can do something about the illness. They can help you achieve in sport, at work and can also help you grow and develop in relationships.
- Cultivating a growth mindset could be the single most important thing you ever do to help you achieve success.

# Managing Emotions (ME) - Self-Regulation

- Our emotions are driven by biological impulses. These biological impulses are beyond our control, but the resulting emotions are not. When emotions are running high, they certainly cannot be ignored – but they can be carefully managed

- Self-regulation can be defined in various ways. In the most basic sense, it involves controlling one's behavior, emotions, and thoughts in the pursuit of long-term goals.

- More specifically, emotional self-regulation refers to the ability to manage disruptive emotions and impulses. In other words, to think before acting. It also reflects the ability to cheer yourself up after disappointments and to act in a way consistent with your deepest held values.

- Your ability to self-regulate as an adult has roots in your development during childhood. Learning how to self-regulate is an important skill that children learn both for emotional maturity and later social connections.

Managing Emotions

- The ability to realize, readily accept, as well as successfully control feelings in oneself (and sometimes others) is known as the emotion management skill. Very simply, emotion management skills refer to the ability to master your own emotions.

- For developing emotion management skills, being open to one's thoughts and feelings is not enough. You must have complete authority over changing your thoughts and feelings that are generated whenever your values are touched by the actions of a person or an event. This is important because the change in your thoughts and feelings is what helps change your emotions, preventing from reactive outbursts.

- One can try to control emotions by following ways:

- 1. Label Your Emotions
  2. Reframe Your Thoughts
  3. Engage in a Mood Booster

The 'EQ brain' and how it works

- The next thing we need is a brief overview of how the brain works.
- As you can see in the photo, three layers control different aspects of human functioning.
- The two regions we are most interested in when it comes to EQ are the **limbic region** (where our emotions live) and the **neocortex region** (where our high-order thinking operates).
- The goal in EQ is to have these two regions work in tandem with one another. The challenge is that the limbic region can easily hi-jack the neocortex region because it is processing data before if reaches the neocortex. In his book, Emotional Intelligence, Dan Goleman puts it this way:
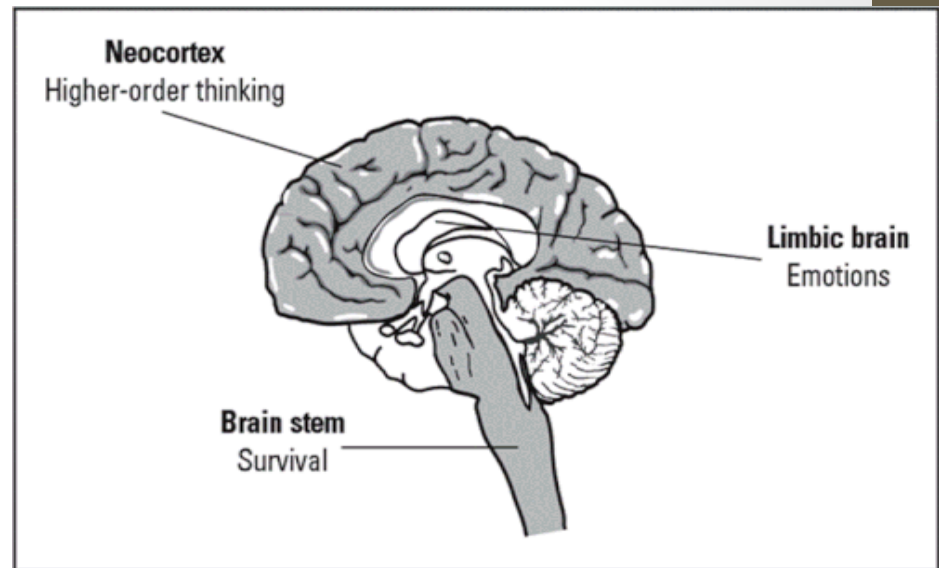
- These two minds, the emotional and the rational, operate in tight harmony for the most part, intertwining their very different ways of knowing to guide us through the world.
- Ordinarily there is a balance between emotional and rational minds, with emotion feeding into and informing the operations of the rational mind, and the rational mind refining and sometimes vetoing the inputs of the emotions.
- Still, the emotional and rational minds are semi-independent faculties, each reflecting the operation of distinct, but interconnected, circuitry in the brain

The science of emotions

- Emotion can be defined as a feeling that is expressed through physiological functions such as facial expressions, faster heartbeat, and behaviors such as aggression, crying, or covering the face with hands.

- Based on discoveries made through neural mapping of the limbic system, the neurobiological explanation of human emotion is that emotion is a pleasant or unpleasant mental state organized in the limbic system of the mammalian brain.

- Defined as such, these emotional states are specific manifestations of non-verbally expressed feelings of agreement, amusement, anger, certainty, control, disagreement, disgust, disliking, embarrassment, fear, guilt, happiness, hate, interest, liking, love, sadness, shame, surprise, and uncertainty.

- If distinguished from reactive responses of reptiles, emotions would then be mammalian elaborations of general vertebrate arousal patterns, in which neurochemicals (e.g., dopamine, noradrenaline, and serotonin) step-up or step-down the brain's activity level, as visible in body movements, gestures, and postures.

Unit 2

The 7 habits of highly effective people

-by Stephen R. Covey

Paradigms and Principles

- Cover Paradigms are the mental maps that we use to describe the world around us. They are the lens that each of us uses to understand everyone and everything. The key of a paradigm isn't as much in the true nature of a thing as much as our perception of the thing. They also deal with our views and our mental perspective due to the actions done around us.

- A paradigm shift is the change in one's perspective concerning the way we perceive things. They are two different things: changing the way we see things around us and changing the things around us. Covey describes how once he was frustrated in the subway to see the very bad behavior of a man's children, but when he found out that they were coming from the hospital where the mother had just died an hour before, his perspective changed completely.

- The key to maintaining a good paradigm(s) is to keep an open mind, be optimistic and realize that however much we see. There is always more to the picture than just the painting, depending on the audience.

Principles

- Principles are time-tested values that have worked through the ages regardless of social context. Values such as "seek first to understand, then to be understood" or "the golden rule: do unto others what you would have done unto you" are the values that effective people of all ages have embraced. They are not quick fixes, not something that you learn and execute over night. They are values that you must work on and master in order to become effective.

Inside-out

- Attempts to change one's attitude and behavior will not be successful unless one's perception of the situation is in tune with reality.

- "True success and enduring happiness" are a result of "basic principles of effective living." These principles are referred to as the Character Ethic. The Character Ethic is universal and includes traits such as humility, integrity, justice, patience, courage, and trustworthiness. One's Character Ethic defines who a person is on the inside.

- Since the early 20th century the Character Ethic has often been overlooked in favor of the Personality Ethic, which emphasizes the superficial over the internal. The Personality Ethic encompasses public relations, influencing techniques, and power moves, as well as self-motivational maxims. People's choices are driven by what looks good, not what is right.

- Leaders who rely on Personality Ethic may succeed in the short term but will not build the lasting, trusting relationships of those who lead with the core values of character.

- The Character Ethic and the Personality Ethic are examples of social paradigms. A paradigm is a theory, model, or frame of reference; it is the way an individual perceives and understands the world. Personal paradigms can include a person's values or understanding of how things are and the way they should be. They "are the source of our attitudes and behaviors."

Inside-out

- Covey likens paradigms to maps. Trying to drive in Chicago with a map of Detroit doesn't work. Neither does using the wrong paradigm to address a situation. Sometimes paradigms must be adjusted before success can be achieved. This adjustment requires looking at a situation from a different point of view, not merely a change in attitude or behavior.

- Paradigm shifts often occur during or after a life-changing experience; they are not necessarily instantaneous.

- Principle-centered paradigms follow unbreakable natural laws; they are an "objective reality," like a lighthouse that can't move out of the way of an oncoming ship. These principles include fairness, integrity, honesty, human dignity, service, potential, growth, patience, nurture, encouragement, quality, and excellence. They can't be argued. One's own life and views are like the maps; they are not the real "territory" and exemplify "subjective reality."

- Principles are different from practices; principles are "deep, fundamental truths that have universal application" whereas practices are "situationally specific." "Principles are guidelines for human conduct."

- Aligning one's personal paradigms with principle-centered paradigms is far more effective than trying to change one's behaviors and attitudes.

The seven habits - an overview - Private victory

- Covey's seven habits follow the Maturity Continuum, the first stage of which is dependence. People are born dependent on others. Habits 1, 2, and 3 establish one's independence. Covey calls these the "Private Victory." Habits 4, 5, and 6, which Covey calls the "Public Victory," build on the first three habits to establish interdependence, or the acceptance that everyone and everything are interconnected. When one succeeds, all succeed. The seventh habit, "Renewal," helps one improve in all areas of life and leads to greater effectiveness at work and at home.

- Covey defines effectiveness as the "balance between production (P) and production capability (PC)." When these elements are out of whack, relationships sour, goals go unmet, and happiness plummets.

Habit 1. Be proactive: principles of personal vision

- Self-awareness, or the ability to think about one's thought process, is uniquely human.
- People are affected by three separate "social maps" that define them as individuals: genetics, experience, and environment.
- Because they have imagination, conscience, and independent will, humans can choose to change their social maps. Animals, however, respond to stimuli on the basis of instinct or training.
- The first habit of success is proactivity. Covey defines the term as taking responsibility for one's own life. Proactive people make value-based choices that result in contentment and/or success. They choose to be happy.
- The opposite of proactivity is reactivity. Reactive people allow their happiness and success to be determined by outside influences.
- Part of being proactive is taking initiative or taking action without being asked to do so. People who take initiative are less likely to be acted upon by others and therefore less likely to be emotionally reactive to negative situations.
- Language plays an important role in how people view their ability to handle a situation. Reactive language, such as "There's nothing I can do," turns into a self-fulfilling prophecy. People who say this eventually believe they can't do anything to change the situation. On the other hand, proactive people would say, "Let's look at our alternatives."
- Reactive people are "driven by feelings," thereby abdicating responsibility for their actions. "Proactive people subordinate feelings to values."
- The things people care about fall within their Circle of Concern. Inside the Circle of Concern is a smaller circle, the Circle of Influence. Proactive people worry only about their Circle of Influence, or the things they can control. Doing this makes their Circle of Influence expand.

Habit 1. Be proactive: principles of personal vision

- Reactive people focus on things within their Circle of Concern but outside their Circle of Influence. Concentrating on things one cares about but can't control causes the "Circle of Influence to shrink."

- Every problem falls within one of three areas: direct control, indirect control, and no control. Direct-control problems, caused by one's own behaviors, can be solved by Habits 1, 2, and 3. Indirect-control problems, caused by other people, "are solved by changing [one's] methods of influence," explained in Habits 4, 5, and 6. Areas of no control, like the past or things that can't be changed in the present, require a change of attitude from distress to acceptance.

- To determine which circle a concern falls within, look for the "haves" versus the "bes." The Circle of Concern contains "haves"; the Circle of Influence contains "bes," meaning the things a person can do or can be. For example, a person who is having a difficult time at work might say, "If I had a better boss." The person cannot change the boss's personality or character, so they are speaking about something outside their Circle of Influence. A proactive approach to the same problem would be "I can be a leader in my department." This response focuses on things one can control.

- Even proactive people make mistakes. They acknowledge them, correct them, and learn from them. They do not blame others or rationalize/justify the actions and thoughts that led to the mistake.

- Proactive people make and keep commitments to themselves and to others

Habit 2. Begin with the end in mind: principles of personal leadership

- People should always act in accordance with the image of themselves they wish to leave at the end of their lives. This goal helps ensure day-to-day actions do not violate people's most important values.

- Covey says "all things are created twice," first as a mental image, then as a reality. The first creation is one's blueprint, or plan for the future. The first creation can be established through outside forces—outside the Circle of Influence, like other people's opinions—or it can be established by the individual. Effective people do the latter.

- Covey explains further, "Habit 1 says, 'You are the creator.' Habit 2 is the first creation."

- Habit 2 is all about leadership. A leader asks, "What are the things I want to accomplish?"

- Leadership is the precursor to management. Without leadership, managers cannot succeed. This quotation explains the difference: "Management is doing things right; leadership is doing the right things."

- Becoming self-aware means getting rid of the old "scripts," or paradigms, and using "imagination and creativity to write new ones that are more effective" and in line with one's values.

- Writing a personal mission statement is a good way to record a person's values and what that person wishes to do in life. Mission statements can vary widely depending on the individuals, their values, and their goals. A mission statement springs from the center of a person's Circle of Influence, which encompasses the most important values.

- Core values, forming the center of a person's life, affect one's security, or identity, and personal strength; guidance, or direction in life; wisdom; and power, or ability to accomplish things. Security, guidance, wisdom, and power are interdependent. As one element grows stronger, so do the others.

Habit 2. Begin with the end in mind: principles of personal leadership

- People knowingly or unknowingly focus on eight commonly held centers, or paradigms: spouse, family, money, work, possessions, friend/enemy, church, and self.
- To be truly effective, one must shift focus from one of the eight categories and focus instead on principles. Principles are unchanging "deep, fundamental truths, classic truths, generic common denominators." A principled center allows the other categories (spouse, family, money, work, possessions, friend/enemy, church, self) equal stature in one's Circle of Concern. No one person or entity holds more power than another.
- If one's life were a computer, "Habit 1 says, 'You are the programmer.'" Habit 2 says, "Write the program." The program is one's mission statement.
- Affirmations and visualizations can help change behavior and reactions to work in harmony with one's values.
- Covey explains basic left brain/right brain theory: the left brain governs logic and verbal activity, or analysis; the right brain governs intuition and images, or synthesis.
- The creative right brain and its capacity to visualize are important in creating a mission statement.
- Naming personal and professional goals—outcomes rather than activities—will help an individual achieve desired outcomes. Goals can also help lay the foundation of a personal mission statement.
- Families and organizations can benefit from mission statements, too

Habit 3. Put first things first: principles of personal management, Public victory. Paradigms of interdependence

- Effective interdependence can exist only "on a foundation of true independence." This means one needs to practice Habits 1, 2, and 3 successfully before moving to Habits 4, 5, and 6.

- Every relationship has what Covey calls an "Emotional Bank Account," or an accumulation of goodwill. Positive interactions, whether lending a helping hand or just listening, make deposits in the account. Withdrawals stem from negative interactions, such as overreactions and disrespect.

- Relationships with more withdrawals than deposits lack trust, intimacy, and understanding; these types of relationships soon disappear from one's Circle of Influence.

- Deposits can be made in six ways: understanding the individual, being mindful of "little kindnesses and courtesies," keeping commitments, clarifying expectations, showing personal integrity, and apologizing for withdrawals.

- Deposits of unconditional love—love that expects nothing in return—help people feel secure and validate their worth, identity, and integrity.

- Every problem is an opportunity to build a relationship.

Habit 4. Think win/win: principles of interpersonal leadership

- There are six paradigms of human interaction: Win/Lose, Lose/Win, Lose/Lose, Win, Win/Win, and Win/Win or No Deal.

- With Win/Lose one party succeeds at the expense of another; it is an authoritarian approach. As Covey says, people who advocate Win/Lose methods of leadership are saying, "'I get my way; you don't get yours."

- Lose/Win is the style of the peacemaker. One party is willing to "be the nice guy" and give up their desires so someone else can be successful. This method can lead to resentment on the part of the "loser." Over time resentment can lead to emotional and physical health problems, not to mention strained relationships.

- With Lose/Lose two Win/Lose parties butt heads. Focused on harming one another, they forget their initial goal. Covey says this "is the philosophy of adversarial conflict, the philosophy of war." Lose/Lose is also the mindset of "the highly dependent person without inner direction who is miserable" and wants everyone else to feel the same way.

- Win may be the most common form of negotiation: what happens to the other party is unimportant.

- Win/Win is the goal of effective leaders. Based on the cooperative desire for everyone to succeed, it ensures both parties come to a mutually beneficial agreement. In this scenario everyone wins, though the outcome may not look exactly like the initial goals.

Habit 4. Think win/win: principles of interpersonal leadership

- Win/Win or No Deal is a "higher expression" of Win/Win. Both parties agree ahead of time to walk away with no hard feelings if they can't come to a mutually beneficial solution. This approach allows transparency and openness between the parties and thus builds trust.

- Win/Win employs character, relationships, and agreements, which are built on a foundation of support systems and processes.

- Character is comprised of integrity, maturity, and an "abundance mentality"—the concept there is enough success to go around.

- Relationships rely on positive balances in the Emotional Bank Account. The positive balance enhances the credibility and trust necessary for a Win/Win outcome.

- Agreements specify guidelines, resources, desired results, accountability measures, and consequences if goals aren't met. Like stewardship delegation (Part 2, Habit 3: Put First Things First), Win/Win performance agreements should focus on results, not methods.

- Supporting systems must reward only Win/Win. Sales contests, popular in retail avenues, reinforce a Win/Lose mentality. It is better for people to compete against goals they set for themselves than against each other. Covey emphasizes, "the spirit of Win/Win cannot survive in an environment of competition and contests."

Habit 5: Seek first to understand, then to be understood: principles of empathetic communication

- Covey says communication is "the most important skill in life," but most people don't know how to do it well, particularly when it comes to listening. Listening is the first skill in Habit 5.

- Good listeners are empathic, meaning they vicariously experience the thoughts and feelings of someone else. They are doing more than simply waiting for their turn to speak; they want to understand what the other person is saying and feeling.

- Many people fall into the habit of projecting their own experiences onto the other person. This isn't helpful because it makes the speaker feel misunderstood.

- Empathic listening is one of the best ways to make deposits in one's Emotional Bank Account. It gives the speaker what Covey refers to as "psychological air," which is the understanding and acceptance that are key to psychological survival.

Habit 5: Seek first to understand, then to be understood: principles of empathetic communication

- An empathic listener reiterates the other person's point of view aloud to make sure the listener understands. Only then does the listener offer suggestions or advice, but in many cases, it won't be necessary. Hearing one's views restated by another party can help clarify an idea and help the person figure out what to do.
- The second skill in Habit 5 is to "be understood." According to Covey "seeking to understand requires consideration; seeking to be understood takes courage."
- Being understood is all about one's presentation of ethos, pathos, and logos, in that order. Ethos is one's "personal credibility," which determines how much trust the other party has in the presenter. Pathos is the "alignment with the emotional thrust of another person's communication." Logos is logic and reasoning.
- Covey argues it is impossible to make an effective presentation if one party mistrusts the integrity and intentions of the other. This is why character and openness are so important. Showing vulnerability is the part of being understood that requires courage.

Habit 6. Synergize: principles of creative cooperation, Renewal

- Covey defines *synergy* as the whole being greater "than the sum of its parts." It means "one plus one equals three or more."
- In practice synergy is creative cooperation between two or more parties to come to a mutually beneficial arrangement and is the "essence of principle-centered leadership."
- Synergistic relationships embrace and build on different ideas and viewpoints.
- Trust and cooperation are necessary for synergy to occur.
- When levels of trust and cooperation between two parties are low, such as in Win/Lose or Lose/Win situations, the relationship is defensive. Each party is worried only about its own interests.
- When levels of trust and cooperation are at a respectful, middling level, compromise occurs. Compromise may be acceptable, but it's not the best solution; it's a low-level Win/Win. The hallmark of a higher Win/Win mindset is high levels of trust and cooperation.
- Successful synergistic relationships start with two or more conflicting goals in mind. Parties work together to find the "third alternative," which is "a solution that is mutually beneficial and is better than what either [party] originally proposed" and is more of a transformation than a transaction.

Habit 6. Synergize: principles of creative cooperation, Renewal

- Covey believes "the key to interpersonal synergy is intrapersonal synergy," or the synergy within oneself. Having intrapersonal synergy requires the foundation of Habits 1–5.

- Synergy is particularly helpful in breaking through "force fields." A force field is a state of equilibrium caused by "the driving forces that encourage upward movement and the restraining forces that discourage it." Driving forces are positive, like reason and logic. Restraining forces are often negative, like emotions and unconscious biases. They are the cause of the common lament that things can't be changed: it's just the way they are.

- A synergistic relationship breaks down these barriers by allowing people to talk about restraining forces and turn them into driving forces. The key is open, honest communication and a willingness to be vulnerable, as taught in Habit 5.

Habit 7. Sharpen the sword: principles of balanced self-renewal

- Habit 7 is about taking care of one's physical, spiritual, mental, and social/emotional needs. Caring for oneself is at the center of the Circle of Influence and must be done by the individual.

- The physical dimension is about the physical body and includes regular exercise, proper nutrition, and adequate sleep. This dimension prompts one to be proactive in the care of one's body, thereby boosting self-esteem and self-confidence, both of which are necessary for Habits 1–3.

- The spiritual dimension "provides leadership to your life"; it is the core of a person's existence. This need can be met through organized religion, independent practice of religion, or even music, literature, or nature. The point is to connect regularly with core values and motives; such connection brings a sense of inner peace, which is necessary to achieve the public victories of Habits 4–6.

Habit 7. Sharpen the sword: principles of balanced self-renewal

- The mental dimension encourages continued education outside of school. "Quality literature" expands the mind and hones critical thinking skills. Covey recommends classic novels, National Geographic, and autobiographies.

- The social/emotional dimension helps with the interpersonal relationships of Habits 4–6. Covey recommends "helping other people in a meaningful way" to develop one's own sense of personal security. Investing in other people's Emotional Bank Accounts is a source of fulfillment for the investor and a self-confidence boost for the investee.

- "Sharpening the saw" is a Quadrant II activity, important but not urgent, and therefore should be done every day. Covey recommends dividing one's attention among the four dimensions equally.

- All four dimensions are interconnected. When one improves in one area, improvements are simultaneously seen in another, thus creating an "upward spiral" of growth and change.

Glossary

- Character Ethic: (n) the idea of basic principles as the key to effective living. The Character Ethic is formed by integrity, humility, fidelity, justice, patience, industry, and other similar virtues.

- conscience: (n) one's inner sense of right and wrong

- determinism: (n) the belief all events happen outside the will of an individual, often leading to the implication that because they cannot control events, individuals are not responsible for their actions

- empathic: (adj) capable of understanding or vicariously experiencing the feelings of another person

- initiative: (n) a beginning step of action

- integrity: (n) one's adherence to a code of moral values

- Maturity Continuum: (n) a series of life stages that begins with dependence, moves to independence, then reaches interdependence

- Mormon: (adj) pertaining to members of The Church of Jesus Christ of Latter-day Saints.

- P/PC: (n) the relationship between production of desired results (P) and production capability (PC). Covey says effectiveness lies within the balance of these related forces.

Glossary

- paradigm: (n) a philosophical and theoretical framework or model
- Pareto Principle: (n) a maxim describing the unequal relationship between input and output. Named after economist Vilfredo Pareto, and known also as the 80/20 Rule, it states 80 percent of output stems from just 20 percent of input.
- Personality Ethic: (n) the notion that success is a function of personality. Adherents to this model believe attitude and outward behavior are more influential than inner character.
- proactive: (adj) acting in advance to resolve future problems or meet needs
- Pygmalion effect: (n) the notion that positive expectations positively influence performance whereas negative expectations negatively influence performance
- self-fulfilling prophecy: (n) a prediction that becomes true because of an expectation that it will
- success literature: (n) 18th-century term for nonfiction texts that provide guidelines for improving one's inner character.
- synergy: (n) an interaction of two or more elements with the outcome greater than the mere combination of its parts

Unit-3
Five dysfunctions of a team

COURSE OUTCOME – Unit 3

EXAMINE the fundamental causes of organizational

politics and team failure.

About book

- The Five Dysfunctions of a Team is a business book by consultant and speaker Patrick Lencioni first published in 2002. It describes the many pitfalls that teams face as they seek to "grow together".

- This book explores the fundamental causes of organizational politics and team failure. Like most of Lencioni's books, the bulk of it is written as a business fable. This book has appeared on American best-seller lists including: The New York Times Best Seller List, Business Week, Wall Street Journal and USA Today.

- The issues it describes were considered especially important to team sports. The book's lessons were applied by several coaches to their teams in the National Football League in the United States

Dysfunctional of Team

Dysfunctional Means:

- not operating normally or properly.

- unable to deal adequately with normal social relations.

Dysfunctional of Team means:

When teams in the organizations are not operating normally or properly or are unable to deal adequately with normal social relations in the team.

The five dysfunctions according to the book are:

- Absence of trust—unwilling to be *vulnerable* within the group

- Fear of conflict—seeking *artificial harmony* over constructive passionate debate

- Lack of commitment—feigning buy-in for group decisions creates *ambiguity* throughout the organization

- Avoidance of accountability—ducking the responsibility to call peers on counterproductive behavior which sets *low standards*

- Inattention to results—focusing on personal success, *status and ego* before team success

-

The above pyramid, the model described in the book, explains how one dysfunction leads to another and in the end, results in a negative morale of the team.

1 -Absence of Trust

Absence of trust—unwilling to be vulnerable within the group

- Bottom of the pyramid is the absence of trust, when team members are unable to show their weakness, resulting in being reluctant to be vulnerable and being open with one another.

- Team members will be afraid of admitting their mistakes and will be unwilling to ask for help.

- The members of a dysfunctional team lack clarity and are constantly worried about being wrong.

- Lack of clarity prevents them from making decisions in a definitive and timely manner.

- At the same time, committing to decisions becomes difficult for the team members. Over a period of time, it may leave employees feeling discontented and compelled to change their team or department.

The following characteristics to look for:

Members of teams with an absence of trust…

- Conceal their weaknesses and mistakes from one another
- Hesitate to ask for help or provide constructive feedback
- Hesitate to offer help outside their own areas of responsibility
- Jump to conclusions about the intentions and aptitudes of others without attempting to clarify them
- Fail to recognize and tap into one another's skills and experiences
- Hold grudges
- Dread meetings and find reasons to avoid spending time together
- **Members of trusting teams…**
- Admit weaknesses and mistakes
- Ask for help
- Accept questions and input about their areas of responsibility
- Give one another the benefit of the doubt before arriving at a negative conclusion
- Take risks in offering feedback and assistance
- Appreciate and tap into one another's skills and experiences
- Focus time and energy on important issues, not politics
- Offer and accept apologies without hesitation
- Look forward to meetings and other opportunities to work as a group

- **So what do you do if your team is dealing with a lack of trust?**

- Personal Histories – This helps team members relate to each other on a more personal basis. The core of empathy and understanding is seeing each other as humans.

- Team Effectiveness Exercise – This one requires a higher level of trust than the personal histories exercise, but is effective. It gives team members a forum for providing each other with direct and actionable feedback on how their individual performance can improve the performance of the team.

2 - Fear of Conflict

Fear of conflict— seeking artificial harmony over constructive passionate debate

- Lack of trust results in fear of conflict which in turn results in team members incapable of engaging in debates or openly voicing their opinions. The team completely avoids conflicts which results in inferior results.

- Dysfunctional teams fear conflict to an extent that they feel more comfortable working in artificial harmony. Team members pretend to be on board with ideas they don't even agree with just to avoid heated discussions and conflict.

- However, they don't realize that healthy conflict is necessary for producing great results.

The following characteristics to look for:

Teams that fear conflict…

- Have boring meetings
- Create environments where back-channel politics and personal attacks thrive
- Ignore controversial topics that are critical to team success
- Fail to tap into all the opinions and perspectives of team members
- Waste time and energy with posturing and interpersonal risk management

Teams that engage in conflict…

- Have lively, interesting meetings
- Extract and exploit the ideas of all team members
- Solve real problems quickly
- Minimize politics
- Put critical topics on the table for discussion

- **How do you overcome fear of conflict?**

Simply identifying what is positive conflict and acknowledging that it is productive can go a long way. It is also important to look for buried disagreements and try to bring them to light. This forces the team to start working through them.

3- Lack of Commitment

Lack of commitment—feigning buy-in for group decisions creates ambiguity throughout the organization

- When there is a lack of trust and conflict, it ultimately leads to lack of commitment among the team members.

- It is a dangerous problem as non-committed team members don't feel compelled to discuss critical tasks which ultimately leads to delay in the decision-making process.

- They may also feel that nobody cares about their opinions and hence may not want to contribute to discussions at all.

- Lack of commitment creates greater problems when even after the team has decided upon a particular course of actions, the individuals in the team seem to be working according to their own will.

- Fear of conflict results in lack of commitment.

- As team members have not bought into the decisions, they don't feel committed to the same which resulting in an environment where ambiguity prevails.

The following characteristics to look for:

- **A team that fails to commit...**
- Creates ambiguity among the team about direction and priorities
- Watches windows of opportunity close due to excessive analysis and unnecessary delay
- Breeds lack of confidence and fear of failure
- Revisits discussions and decisions again and again
- Encourages second-guessing among team members
- **A team that commits...**
- Creates clarity around direction and priorities
- Aligns the entire team around common objectives
- Develops an ability to learn from mistakes
- Takes advantage of opportunities before competitors do
- Moves forward without hesitation
- Changes direction without hesitation or guilt

How do you overcome lack of commitment?

- The primary technique here is cascading communication. This means leaders must go out and communicate the results to their teams. When forced to explain something to employees, they'll make sure all concerns are aired (healthy conflict). It also ensures everyone is on the same page. When leaders are on the same page and all go out and communicate the same message, it sends a powerful message to employees.

- Setting deadlines for decisions and creating worst-case scenario contingencies also helps create commitment to decisions. The biggest challenge for a leader in this situation is being okay with making a decision that may ultimately be wrong.

4- Avoidance of Accountability

Avoidance of accountability—ducking the responsibility to call peers on counter productive behavior which sets low standards

- Another positive trait of a dysfunctional team is that it lacks accountability. When people lack accountability they lose sight of team goals. Pushing back deadlines becomes a common phenomenon among such teams.

- In worst cases, you may even find team members preoccupied with things not relevant to the task at hand and work without any clarity on goals.

- Lack of commitment results in team members not making each other accountable. If one has not bought into the decision, they won't make their peers too accountable.

- Identifying the dysfunctional traits affecting the performance of the concerned team early and taking immediate corrective actions can help you build a more cohesive team. Watch out for the above-mentioned signs before it gets late.

The following characteristics to look for:

- **A team that avoids accountability…**
- Creates resentment among team members who have different standards of performance
- Encourages mediocrity
- Misses deadlines and key deliverables
- Places an undue burden on the team leader as the sole source of discipline
- **A team that holds one another accountable…**
- Ensures that poor perfromers feel pressure to improve
- Identifies potential problems quickly by questioning one another's approaches without hesitation
- Establishes respect among team members who are held to the same high standards
- Avoids excessive bureaucracy around performance management and corrective action
-

- **How do you create a culture of accountability?**

- The enemy of accountability is ambiguity. Publishing clear goals and standards is vital to set expectations. Setting team goals and team rewards helps here as well. People are less likely to watch someone fail if the entire team has a stake.

5 - Inattention to Results

Inattention to results—focusing on personal success, status and ego before team success

- The biggest sign of a dysfunctional team is that its team members put their own needs ahead of the team's collective goals.

- If the team members don't feel accountable, they put their own needs [ego, recognition, career development etc.] ahead of the team goals. This results in team loosing sight and the company suffers.

- For them, their ego, personal growth, and recognition are more important than working together as a team to achieve common goals.

- This desire for individual credit takes away the focus of team members from the collective success. They lose sight of the ultimate goal which ultimately hinders the growth of the company.

The following characteristics to look for:

- **A team that is not focused on results…**
- Stagnates/fails to grow
- Rarely defeats competitors
- Loses achievement-oriented employees
- Encourages team members to focus on their own careers and individual goals
- Is easily distracted
- **A team that focuses on collective results…**
- Retains achievement-oriented employees
- Minimizes individualistic behavior
- Enjoys success and suffers failure acutely
- Benefits from individuals who subjugate their own goals/interests for the good of the team
- Avoids distractions

- **How do teams stay results focused?**

One important tool is having a scoreboard of some sort. Have some kind of metrics that people can look at and quickly understand whether or not the team is succeeding. Publicly declare the goals, and reward the team based on achieving those results.

Here 3 principles this book taught:

- As a group, be open about weaknesses and mistakes to facilitate trust.
- Everybody needs to be committed to decisions, no matter what the consensus is.
- Hold a common goal instead of looking for individual results.

Unit-4
The 21 Irrefutable Laws of Leadership
John C. Maxwell

#1 The Law of the Lid

- Leadership ability is the lid that determines a person's level of effectiveness.

- Your leadership ability will determine the impact that you have on an organization.

- The lower your ability to lead, the lower the lid on your potential.

#2 The Law of Influence

- The power to influence lies in the ability to get people to participate.

- If no one is following, you are not a leader.

- Management is part of being a leader, just because you can manage something well does not mean you can lead.

#3 The Law of Process

- This law shows that what matters most is what you do over the long haul.

- It requires a lifetime of perseverance and dedication to become a good leader.

- If you want to see how someone becomes a champion look at their daily routine.

#4 The Law of Navigation

- "Anyone can steer the ship, but it takes a leader to chart the course."
- Good navigators count the cost *before* making commitments for themselves and others.

#5 The Law of E.F. Hutton

- When real leaders speak people listen.
- How to see the way a person became a leader:
  – Who they are
  – Who they know
  – What they know
  – What they feel
  – Where they've been
  – Past successes
  – What they can do

#6 The Law of Solid Ground

- Good character builds trust, it's the foundation of leadership.
- To build trust a leader must show three qualities: competence, connection and character.

#7 The Law of Respect

- People naturally follow leaders who are stronger than themselves.

- If people do not have trust in you as a leader, they will not respect you nor want to follow you.

#8 The Law of Intuition

- Leadership intuition separates the greatest leaders from the ones who are merely good.

- Leaders see everything with leadership bias, and as a result they instinctively know what to do.

- Everyone is capable of developing a degree of leadership intuition. No one starts at the same place.

3 Major Intuition Levels

- Those who naturally see it.
- Those who are nurtured to see it.
- Those who will never see it.

#9 The Law of Magnetism

- Who you are is who you will attract, thus the saying "Birds of a feather flock together."

- You will probably find that you and the people who follow you share common ground in several of these key areas:
  - Attitude
  - Generation
  - Background
  - Values
  - Life experience
  - Leadership ability

#10 The Law of Connection

- True leaders touch a heart before they ask for a hand.
- The stronger the relationship and connection between individuals, the more likely the follower will want to help the leader.
- Six keys to connection:
  - Personal authenticity
  - Relationship
  - Approachability
  - Mutual respect
  - Belief in people
  - Meaning and depth

#11 The Law of the Inner Circle

- A leader's potential is determined by those closest to him.
- Look for the greatness in the group and form alliances with the stronger members.
- Five types of people you should bring to your inner circle are:
  - Potential value: Those who raise up themselves
  - Positive value: Those who raise morale
  - Personal value: Those who raise up the leader
  - Production value: Those who raise up others
  - Proven value: Those who raise up people who raise up other people

#12 The Law of Empowerment

- Only secure leaders give power to others.

- If a leader is able to give power away, the organization will become more powerful.

- Only empowered people can reach their full potential. Maxwell said, "I believe the greatest things happen only when you give others the credit. That's the Law of Empowerment in action."

#13 The Law of Reproduction

- It takes a leader to help others become leaders.
- Leaders who develop other leaders are able to:
  - See the big picture
  - Attract potential leaders
  - Create an "eagle" environment

#14 The Law of Buy-In

- People follow worthy leaders who promote worthwhile causes.

- The leader and the vision always go together. The two can not be separated.

- A leader must get his/her people to buy into them first if the vision has any chance of becoming a reality.

#15 The Law of Victory

- Leaders find a way for the team to win.
- 3 Components to achieve victory:
    - Unity of Vision
    - Diversity of Skills
    - Leader that is dedicated to victory and to raising players to their potential

#16 THE LAW OF THE BIG MO

- Developing momentum = creating forward progress
- Concentrate on what you can do, not what you can't
- Celebrate victories no matter how small
- "If you can't take some heat, get out of the kitchen."

#17 THE LAW OF PRIORITIES

- Importance of organization
- Activity versus accomplishment
- The Pareto Principle
- The 3 R's-required, return, reward
- John Wooden

#18 THE LAW OF SACRIFICE

- You have to give up to go up

- The true nature of leadership is sacrifice

- "When you become a leader, you lose the right to think about yourself."

    --Gerald Brooks

#19 THE LAW OF TIMING

- When to lead is just as important as what to do and where to go

- Only the right action at the right time will bring success

#20 THE LAW OF EXPLOSIVE GROWTH

- The ability to develop the RIGHT leaders

- leaders math vs. followers math

- Leaders who develop leaders vs. leaders who develop followers (*First Break All the Rules*)

#21 THE LAW OF LEGACY

- A leader's lasting value is measured by succession
- A team of good leaders is needed in order to succeed
- Develop your successor
- Know when to walk away

CONCLUSION

- Personnel determines the potential of the organization
- Relationships determine the morale of the organization
- Structure determines the direction of the organization
- Vision determines the direction of the organization
- Leadership determines the success of the organization

Unit-3
Five dysfunctions of a team

About Book

- '*Good is the enemy of Great*'. This is how the author sets off a riveting journey explaining the findings from his and his team's half a decade of research in the conquest of how to make good companies great. Essentially, 'Good to Great' happens very rarely and it is because it is damn difficult. In his research, Jim Collins (the author), has found out systematic phases through which any great company goes through and lays out a framework
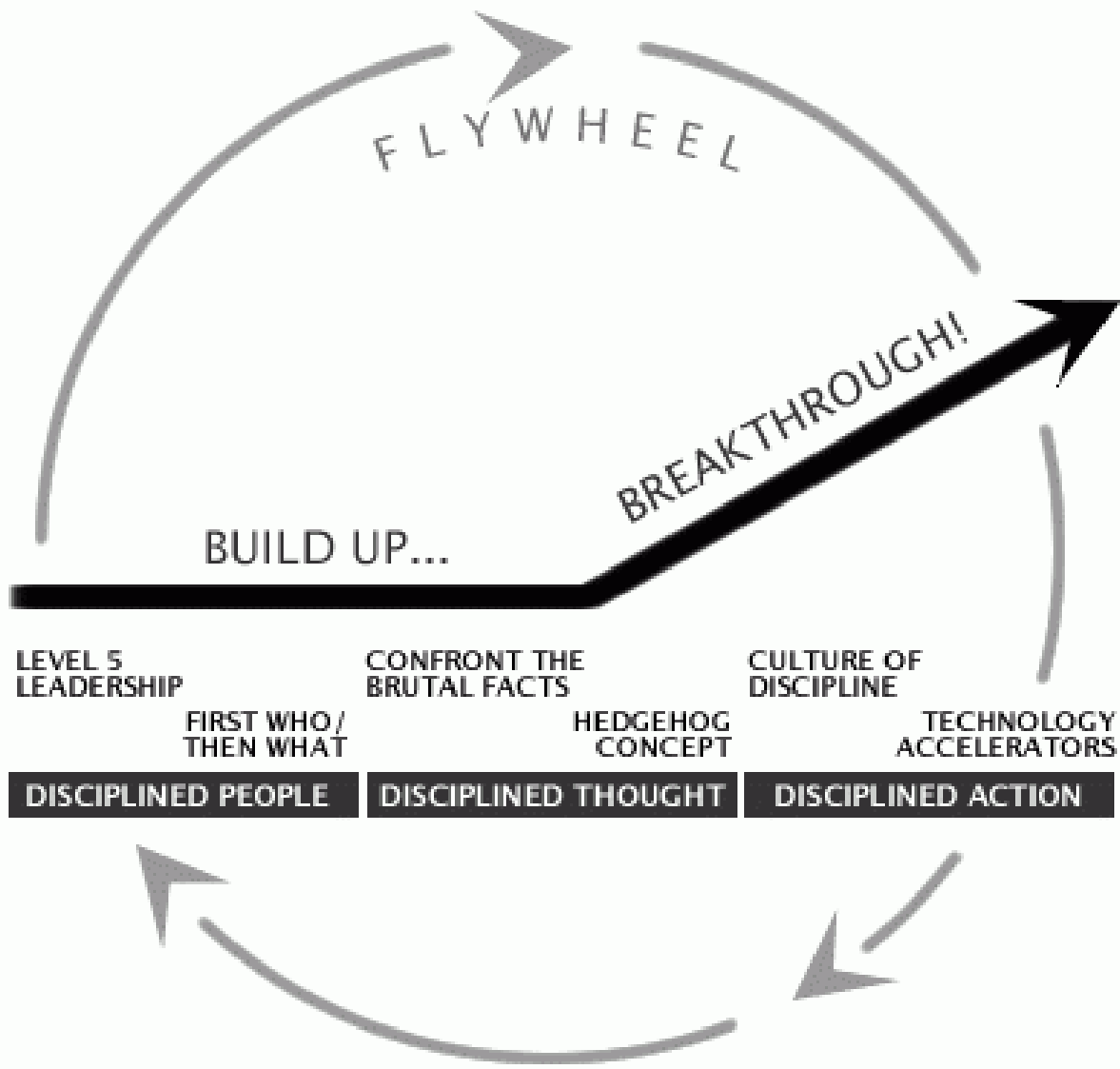
The framework has got three main components:

- Process: From setting up yourselves towards greatness (aka Build Up) to achieving an inflection point that takes you to greatness (aka Breakthrough)
- 2. Phases: There are three different phases in the 'Good to Great' journey.

- *Disciplined People: Involves getting the right leader and the right team*

- *Disciplined Thought: Involves understanding of brutal facts and creating a set of core values*

- *Disciplined Action: Creating a robust culture where the right people will work within the defined core values with the appropriate freedom*

3. Flywheel: A quiet and deliberate process of figuring out what needs to be done for best future results and taking those step one by one, pushing the flywheel in a consistent direction until it achieves a breakthrough point.

- Research has shown that leaders who have brought the 'Good to Great' transformation are not the one's who are charismatic or big personalities but are rather quiet, shy, deliberate. They are the one's who have the combination of humility and professional will. Organisations that strive to become great need to have a Level 5 leader.

Author explains leadership in terms of 5 different levels with Level 5 being the highest level in the hierarchy. Following are the traits of a Level 5 leader:

- They first and foremost think about the success of their organisation and then personal riches
- These are the leaders who are shy but show extreme fierceness in getting the job done
- These people think about the future of their companies without them and plan about their succession
- They are modest and rarely like to talk about themselves or their achievements.They prefer to share the credit with others as opposed to other "good" company leaders who are self obsessed and egalitarians
- Level 5 leaders always apportioned the credit of success to others and if there were no one to credit they credited towards 'Luck'
- In times of failures they took the responsibility. This was exactly the opposite in case of leaders of 'good' or failed organisations

First who ..then what (Process stage: Buildup; Phase: Disciplined People)

- It is a known fact that the right team is needed to achieve the success but what is even more important is to build the right team even before you know what and which path to take towards greatness and hence it is '*first who..then what*'.

- It is important to assemble a team of great people first and then decide on the strategy or vision for the company to make it great.

- The main reason is that when people join you for the strategy or the direction of the company then there is no guarantee that they will stick around or be equally motivated when the company changes its path.

- But those who are on the team because of someone else on the team will always be there to make the company great regardless of its direction.

- The author uses a phrase 'getting right people **on** the bus AND getting wrong people **off** the bus' and it is the 'wrong people off the bus' that is equally important.

- The only way to deliver to the people who are achieving is not to burden them with people who are not achieving.

- Many companies adopt a 'genius with thousand helpers' model: where there is a genius & visionary leader who sets the strategy for the company and hires people to help achieve that vision/strategy.

- Author suggests this model most likely fails when that visionary departs and hence is not a sustainable one for making a company great.

It is also important to be rigorous in the people decisions. There are 3 practical ways:

- *When in doubt, do not hire*
- *When you know you need to make a people change, act !*
- *Put your best people on biggest opportunities, not on biggest problems*

3. Confront the brutal facts (Process Stage: Buildup; Phase: Disciplined Thought)

- One of the important recipes towards becoming a great company is to make a series of good decisions and good decisions cannot be made unless you confront with brutal facts first.

- Companies need to create a climate wher e the truth is heard. There is a difference between 'having your say' and 'being heard of'. It is the 'being heard of' culture that enables companies to confront the brutal facts from their own people and then take appropriate right decisions.
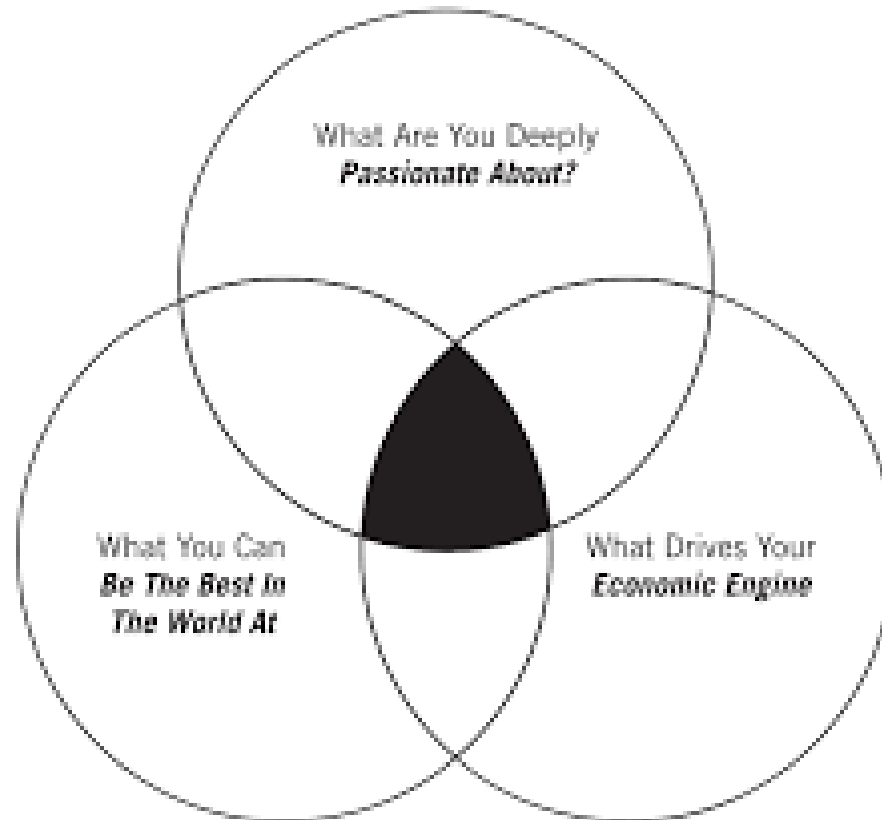
Creating a climate where truth is heard:

- *Lead with questions, not answers*. Constantly probe until you have a clear picture.

- *Engage in dialog and debate, not coercion*. It is important to get involved in intense discussions because they have the capability to evolve into a successful conclusion rather than just being amicable to maintain relationships

- *Conduct autopsies, without blame.* The climate of truth prospers when you analyze the debacles without blaming anyone for it. Consider these debacles as learnings and move on to build robust systems to avoid similar debacles in the future.

4. The Hedgehog Concept (Process Stage: Buildup; Phase: Disciplined Thought)

- 'The Hedgehog Concept' essentially is the strategic difference between Good and Great companies. Great companies have a deep understanding across three major dimensions (as shown in the 3 circles below) and they use this understanding to create a clear and concise concept called 'The Hedgehog Concept' which they imparted in every aspect of their decision making.

Three Circles of the Hedgehog Concept

What Are You Deeply *Passionate About?*

What You Can *Be The Best In The World At*

What Drives Your *Economic Engine*

The three key dimensions (or three circles) which enable great companies to have deep understanding about themselves are:

- *What can you be the best in the world at ?*
- *What drives your economic engine ?*
- *What you are deeply passionate about ?*

- It is important that the organisations not only know what they can be best in the world at but also know what they cannot be best in the world at. You need to be the best in your core business.

- The idea is to find the competency at which you can truly be best in the world and then discard any other competencies (even if that competency is currently your core competency).

- Just because something is core to your business and you have been doing it for years does not always mean that you can be best at it.

- Hence only those things in which you can truly be best at makes it into the hedgehog concept.

- To understand the driver of your economic engine, it is important to know the 'economic denominator'.

- It is the single most important ratio that has the single biggest impact to the company.

- Ask the question, if you were to pick only one ratio that would have the greatest impact, then what would that be ? This leads to great insight about the economics of the organisation and hence better decisions.

- The last part of the three circles is having a deep understanding of what you are passionate about.

- Only when the companies indulge on things that they are really passionate about, they can produce results that exceed expectations. It is not always necessarily a passion about what you do as business but it can equally be about what you stand for as a business.

5. Culture of Discipline (Process stage: Breakthrough; Phase: Disciplined Action)

- Now that you have a Level 5 leader, the right people on the bus, confronted brutal facts about you and business and gained deep understanding of your hedgehog concept, it is now time to create a culture that is self-disciplined to take actions within the desired framework of your hedgehog.

- A culture of discipline requires people to strongly adhere to the defined hedgehog concepts but at the same time provides much needed freedom to take disciplined actions within that framework.

- Other thing that involved within culture of discipline is saying NO to all the opportunities that do not fit the hedgehog concept.

- There needs to be a fanatical adherence to hedgehog concept that requires companies to only focus on things that they have determined they can be best at.

6. Technology Accelerators (Process stage: Breakthrough; Phase: Disciplined Action)

- Technology is certainly important in the growth of future businesses but what is more important is not to blindly follow the new technologies but rather being diligent of knowing what technology can accelerate the existing momentum.

- The great companies do not start with what technology to use but start what technology fits best to our defined hedgehog concept.

- They are not attracted to the fads of new technologies but rather give deep thought on the application of the right technology that will propel them to another level.

- The transformation from good to great does not happen with a pioneering technology but by realising the right technology and becoming a pioneer in the application of that technology.

- Good to great companies are motivated by inner compulsion of excellence for its own sake.

- They are not motivated by he fear of being left behind due to the technological changes because they know that after mindful thought and adherence to their core concepts will lead them to eventual success in technological transformation.

Conclusion

- In conclusion, the research showed that all the Good to Great transformation happened with the consistent application of all the mentioned phases. It showed that great companies did not emerge due to a dramatic or a revolutionary event but rather years or decades of adhering to their core tenets, building up in the process, gaining momentum slowly as turn-by-turn of the flywheel and ultimately reaching an inflection point of breakthrough.