

HOW WILL YOU MEASURE YOUR LIFE?

Finding fulfillment using lessons from some of the world's greatest businesses.

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(Rob—Clayton man of faith and comes from this perspective. Study resume.)

Fulfillment/Happiness

Prologue

2—Many people unhappy despite much success and \$\$.

3—Notice the trajectory of bad decisions. “Wrong Direction.” Jeffrey Skilling example.

--Draw this out: best self vs bad decisions. Enron CEO

3—Stories—Personal dissatisfaction, family failures, professional struggles, criminal behavior. VS. Those who have led exemplary personal lives.

4—We are all vulnerable to the forces and decisions that have derailed to many.

4—Bad money decisions.

5—Organizations and individuals.

6—How can I be sure that: I will be successful and happy in my career? My relationships with my spouse, children, extended family, and close friends become an enduring source of happiness, I live a life of integrity—and stay out of jail.

7—Cancer for him (same as killed his father).

Chapter 1: Just Because You Have Feathers

9—The difference between what to think and how to think.

12—I don't have an opinion, the theory has an opinion. (14)—Don't rely on the past only. Sometimes not an option. You can go through multiple marriages to be a good spouse or wait until your last child is grown to master parenthood. Theory can explain what will happen.

14-15—Early researchers learned there was a correlation between having wings and flying.

16—This book uses research done at HBS.

17—Theories can be powerful tools.

Section 1—Finding Happiness In Your Career

Steve Jobs quote.

22—Don't compromise doing what you want to do. “Too many start down the path of compromise and never make it back.

23—What truly motivates people? This book seeks to answer.

24—Priorities, balancing plans with opportunities, allocating resources—combine to create your strategy.

Chapter 2: What Makes Us Tick

25—It's impossible to have a meaningful conversation about happiness without understanding what makes us tick. When we find ourselves stuck in unhappy careers—and even unhappy lives—it is often the result of a fundamental misunderstanding of what really motivates us.

26—Turf battles (discouraging when this becomes preponderance of your work).

28—Do incentives make all the difference in the world? (No, there are other factors.)

29—A Better Theory of Motivation.

30—Agency theory vs. Incentive theory.

32—Two Factor Theory or Motivation Theory. Not everyone works for incentives. Some work out of motivation. Diff from incentive theory. Getting people to do what they want to do because they want to do it.

32—Hygiene factors—compensation, job security, work conditions, company policies, and supervisory practices.

33—The opposite of job dissatisfaction is the absence of job dissatisfaction.

34—The balance of motivators and hygiene factors. Motivators are the things that truly, deeply, satisfy us. Cause us to love our jobs. Motivation factors include challenging work, recognition, responsibility, and personal growth. More intrinsic than extrinsic.

37—Understand what truly motivates people.

40—The theory of motivation suggests you need to ask yourself a different set of questions than most of us are used to asking. Is this work meaningful to me? Is this job going to give me a chance to develop? Am I going to learn new things? Will I have an opportunity for recognition and achievement? Am I going to be given responsibility? These are the things that will truly motivate you. Once you get this right, the more measurable aspects of your job will fade in importance.

Chapter 3: The Balance of Calculation & Serendipity

43—Honda story. Failing big bike strategy (44) leads to smaller dirt bike and off-road market.

45—Strategy formulation and process spring from 2 sources:

a) Anticipated opportunities.

b) Unanticipated problems and opportunities.

45-6—Anticipated opportunities lead to a “deliberate” strategy. Unanticipated opportunities (or problems) lead to an emergent strategy. And when a company’s leadership makes a clear decision to pursue a new direction (Honda), the emergent strategy becomes the new deliberate strategy.

46—The process of strategy is not static, but dynamic (Rob words). It is ever-evolving through various iterations.

46—Interesting Walmart illustration on the strategy of opening stores in small towns vs large.

47—Balancing the emergent and the deliberate—have a focused plan is good, but you need to be able to adjust, adapt, and recalibrate where it makes good sense. Alternate plans sometimes make more sense than the original. Ad word to add here—advance. Adjust, adapt, advance. Key words—write lesson.

Where do you need to adjust, adapt so you can advance. (Dream, Decisions.)

48—Career—matching hygiene factors and motivator (factors) is key.

53—Discovery-Driven Planning—“What has to be proven true for this to work?” (Illus of Disney Paris—lost a billion \$ in the first two years. Built to support larger numbers when larger numbers were not realistic (11 million guests staying 3 days projected—but stayed only 1 day). (In other parks, 45 rides, took three days. In Paris, 15 rides, could do in one day.) DDP—tests the validity of assumptions. (Rob application—apply to youth, kids, connect 4-I—need how many in the door?, \$\$, ministries vs volunteer rations, small groups and adult classes, and more. Not just focusing on large gatherings which is our history. Focus on KGSS. What are the numbers for each—team K, team G, team S, team S.)

60—Key summary from this chapter—master the idea of emergent and deliberate strategy.

Chapter 4: Your Strategy is Not What you Say it Is

62—Real strategy—in companies and in our lives—is created through hundreds of everyday decisions about where we spend our resources. As you’re living your life from day to day, how do you make sure you’re heading in the right direction? Watch where your resources flow. If they’re not supporting the strategy you’ve decided upon, then you’re not implementing that strategy at all.

63—Getting the measure of success wrong—Seattle-based SonoSite (ultrasound equipment) example. Commission sales vs best products/customer need.

65—Paradox of resource allocation and the illustration of incentivizing commission sales in accurately (resulting in the sales of the wrong stuff).

67—Apple illustration—when Jobs fired—employees working on what they wanted vs. what Apple needed. When Jobs came back he fixed that.

71—Andy Grove—“To understand a company’s strategy, look at what they actually do rather than what they say they will do.”

71—Resource allocation works pretty much the same way in our lives and careers. “We can tell our values by looking at our checkbook stubs.”

71—Our resources include—personal time, energy, talent, and wealth—and we use them to grow our personal lives.

72—Unless you manage it mindfully, your personal resource allocation process will decide investments for you according to the “default” criteria that essentially are wired into your brain and your heart.

73—Sad reality, many choose poorly (cites classmates). They somehow spend their resources on paths and byways that dead-ended in places that they had not imagined.

73—“They prioritized things that gave them immediate returns—such as a promotion, a raise, or a bonus—rather than the things that require long-term work, the things that you won’t see a return on for decades, like raising good children.”

73—And when those immediate returns were delivered, they used them to finance a high-flying lifestyle for themselves and their families: better cars, better houses, and better vacations. The problem is, lifestyle demands can quickly lock in place the personal resource allocation process. I can’t devote less time to my job because I won’t get that promotion and I need that promotion.

74—Intending to build a satisfying personal life alongside their professional life, making choices specifically to provide a better life for their family, they unwittingly overlook their spouse and children.

74—Summary: A strategy—whether in business or life—is created through hundreds of everyday decisions about how you spend your time, energy, and money.

75—Because if the decisions you make about where you invest your blood, sweat, and tears are not consistent with the person you aspire to be, you’ll never become that person. (direction, destination, destiny—Rob)

Section 2: Finding Happiness in Your Relationships

Thomas Jefferson—“The happiest moments of my life have been the few which I have passed at home in the bosom of my family.”

79—Use the strategy process to find fulfillment in your career—and also your relationships. For example:
1) Decide what truly motivates you. What priorities will lead us to experience happiness in what we do at work.

2) Balance a deliberate plan for dining a career that delivers you those motivations alongside the unexpected opportunities that will always arise along the way.

3) allocate resources in a manner consistent with all these concepts

Get these three parts of the strategy process right and you’ll be on track to a career that you truly love.

79-80—Many of us are wired for a high need for achievement. But there is much more to life than your career.

80—“In my experience, high-achievers focus a great deal on becoming the person they want to be at work—and far too little on the person they want to be at home.”

80—similarly, the way you balance your plans with unanticipated opportunities, and allocate your resources—your time and energy—does not stop when you walk out the door of your office. You’re making decisions about these every moment of your life.

81—You have to make sure that your own measures of success are aligned with your most important concern.

83—Nothing can promise you perfect results. What I can promise you is that you won’t get it right if you don’t commit to keep trying. Family and priorities are worth fighting for.

Chapter 5: The Ticking Clock

84—Putting the importance of building strong family relationships on the back burner is an enormous mistake. Family is a primary source of happiness. (see 100-year Harvard study).

84—By the time serious problems arise in those relationships, it is often too late to repair them. This means almost paradoxically, that the time when it is most important to invest in building strong families and close friendships is when it appears, at the surface, as if it's not necessary.

85—A spectacularly big failure—The Iridium Satellite Network (mobile phones). After \$6bil in investment and less than a year after that first phone call was placed, the company was forced to admit defeat and declare bankruptcy. Why did Motorola and its co-investors fuel so much capital into such a risky venture?

86—Good money and bad money illustration. When investment not going well...pivot needed and change must be made. A new and viable strategy must be found fast and with as little investment as possible so investors don't spend a lot of money in pursuit of the wrong strategy.

87—Interesting quote: "93% of all companies that ultimately become successful had to abandon their original strategy—because the original plan proved not to be viable.

87—The winning strategy is not always clear in the initial stages. Companies need to pivot and find the right path.

88—Patient for growth and impatient for profit MUST BECOME impatient for growth and patient for profit.

88—Planting saplings when you decide you need shade. (Not possible for saplings to grow fast enough overnight. You must plan ahead.)

92—Examples of not planning ahead and investing in family—marriage, kids, etc, all suffers. Prioritize correctly, prioritize differently.

93—Movie: It's a Wonderful Life is so popular because it shows a poor man who is rich in relationships.

94—Rob—neglect, regret, reflect, protect...

95—The number of words spoken to a child had a strong correlation between the number of words that they heard in their first thirty months and their performance on vocabulary and reading comprehension tests as they got older. (2100 vs. 600 words, 48mil vs. 13mil first 3 years, etc). The most important time for children to hear the words, the research suggests, is the first year of life. (Research by Risely and Hart)

96—effect on brain for child is exponential.

97—amazing that such a minor investment can pay such amazing dividends. Enormous returns require early investing. To wait...it to be too late. (Rob)

98—Summary—The theory of good money, bad money explains that the clock of building a fulfilling relationship is ticking from the start. If you don't nurture and develop these relationships, they won't be there to support you if you find yourself traversing some of the more challenging stretches of life, or as one of the most important sources of happiness in your life.

Chapter 6: What Job Did You Hire That Milkshake For?

99—The importance of changing perspectives when necessary.

99—IKEA illustration. The created a business model where people can "hire products" to do a job.

106—Milkshakes story—hired in the morning to pass the long commute and give nourishment eventually since it takes time to drink. In the afternoon, to bless kids (and their parents).

112—What jobs are you being hired for? Marriage—what jobs to our spouses need us to do and then do it reliably well.

115—Key to marriage—not just finding someone who will make you happy. But finding someone who you want to make happy. Someone whose happiness is worth devoting yourself to.

116—USMarines—Semper Fi—Always faithful. Sacrifice and commitment to others.

117—Sacrifice deepens commitment (missionary illustration—Mongolia no less). Sacrifice is an essential foundation to deep friendships and fulfilling, happy families and marriages.

117-8—Story of parents in law, Edward and Joan Quinn. His wife oldest of 12 kids, little money, lots of love, and a compelling need to help each other succeed. Supreme loyalty for one another.

118—Story of his father dying of cancer. Went to work for his dad.

119—Thinking about your relationships from the perspective of the job to be done is the best way to understand what's important to the people who mean the most to you. It allows you to develop true empathy. Asking yourself, "What job does my spouse most need me to do?" And then do the job... devoting time and energy to the effort.

119—In sacrificing for the something worthwhile, you deeply strengthen your commitment to it.

Chapter 7: Sailing Your Kids on Theseus's Ship

120—The Greek-Tragedy of Outsourcing.

120—Dell story. Taiwanese component supplier Asus.

121—RONA—Return on Net Assets. (Divide company income by net assets).

123—Decisions...poor. Dell started out as one of the most exciting computer companies around, but over the years, it has slowly outsourced its way to mediocrity in the consumer business.

124—Dell outsourced something far more critical than it might have realized.

124—Understand your capabilities. Three buckets—Resources, Processes, Priorities.

126—Never outsource the future.

129—The Resources, Processes, and Priorities model of capabilities can help us gauge what our children will need to be able to do. Resources (like money) Processes (what he does with resources—way he thinks, how he asks insightful questions, whether he can solve problems of various types, how he works with others). Priorities (how they will make decisions in life).

130—The Greek Tragedy Inside our Families. Parents must train their kids and help them navigate resources, processes, and priorities.

131—Parents must not solve all their kids problems but help them navigate them successfully. (Such as achieving something that is hard—sports, projects, grades, etc). Teach life lessons.

137—When children are ready to learn, we need to be there. We need to be found displaying through our actions, the priorities and values that we want our children to learn.

138—Plutarch writes of Theseus's ship, kept seaworthy in the harbor of Athens. As the parts of the boat decayed, they were replaced, until every last piece had been replaced. So the question arose, since it was all new, was it still the ship of Theseus? And if our kids gain their priorities and values from other people...whose children are they?

139—They are still our children, of course, but what about the danger of outsourcing? Do not outsource your role as a parent, for you will lose more and more of the precious opportunities to help your kids develop their values—which may be the most important capability of all.

139—Children need to do more than learn new skills. The theory of capabilities suggests they need to be challenged. They need to solve hard problems. They need to develop values. Be with them and help them shape their priorities and their lives.

Chapter 8: The Schools of Experience

140—Helping your children learn how to do difficult things is one of the most important roles of a parent. It will be critical to equip them for all the challenges that life will throw at them down the line. But how do you equip your kids with the right capabilities?

140—Screening potential fighter pilots to see if they have the right stuff. Intense program.

141—But why do some company executives excel on one company but fail in the next? Is "right stuff" foolproof?

142—Typical manager has a 25% “defect” rate in picking the right people. (considered to be their most important responsibility.)

143—Right stuff—skills correlated with success. (Fighter pilots with “right stuff” because they had honed skills along the way, by having experiences that taught them how to deal with setbacks or extreme stress in high-stakes situations. (McCall research, USC)

144—McCall research—great leaders are not born ready to go. Rather their abilities are developed or shaped over time by experiences in life. (persevere, overcome, dealing with failure)

144—Right stuff model (McCall research)—leaders abilities are developed and shaped by experiences in life. A challenging job, a failure in leading a project, an assignment in a new area of the company—all those things become “courses” in the school of experience. The skills that leaders have—or lack—depend heavily on which “courses” so to speak, they have and have not taken along the way.

144—I have made mistakes with assessing managers over the years by not using McCall’s thinking.

149—Be wary of hiring folks with inadequate experience.

152—Learning the hard way is necessary many times (for our kids, too—(rob) teaching critical skills important such as overcoming failure).

156—Create experiences for your kids to learn hard lessons and more.

156—Hiring—look at what folks have done...in the school of hard knocks.

157—Enroll your kids in the school of hard knocks—learning real life experiences—real life development skills.

Chapter 9: The Invisible Hand Inside Your Family

158—Family culture (shaping kids into successful people)—need to be prepared to put in the hard work to influence how this happens.

159—Worry—(parents)—that our kids will not make the right decisions.

159—The best tool we have to help our children do this is through the culture we build in our families.

160—Culture quote—Culture is a way of working together toward common goals that have been followed so frequently and so successfully that people don’t even think about trying to do things another way. If a culture has formed, people will autonomously do what they need to do to be successful.

161—A culture is the unique combination of processes and priorities within an organization.

163—Culture—Management doesn’t need to dive into the details of every decision, because the culture—almost as an agent of management—is present in the details of every decision.

164—Culture formed through repetition.

165—Enron—“Vision and Values” statement—Respect, Integrity, Communication, Excellence. “We treat others as we would like to be treated ourselves. We do not tolerate abusive or disrespectful treatment. Ruthlessness, callousness, and arrogance don’t belong here.” Yikes!!!

166—What is your family culture? Teach kids to love each other, support each other, obey God, love work.

Rob notes—RISE—Respect (loyalty, appreciation, value), Integrity (character, ethics, virtues), Sacrifice (time, talent, treasure), Excellence (hard work, preparation, outcomes). (What about creating a symbol for each value? 3 circles, LLL, etc)

169—Make no mistake: a culture happens, whether you want it to or not. The only question is how hard you are going to try to influence it. (Create a culture or one will emerge not of your choosing.)

169—There will be many days when enforcing the rules is harder on a parent than it is on a child. With good intentions, many exhausted parents find it too difficult to stay consistent with their rules early on—and inadvertently, they allow a culture of laziness or defiance to creep into their family.

172—If you are consistent (parents), your culture will stay with them even when they are away. But if you don’t, left unchecked, a new culture emerges and becomes hard to change.

172—All parents aspire to raise the kind of children that they know will make the right choices—even when they themselves are not there to supervise. One of the most effective ways to do that is to build the right family culture. It becomes the informal but powerful set of guidelines about how your family behaves.

Section 3: Staying Out of Jail

The safest road to Hell is the gradual one—the gentle slop, soft underfoot, without sudden turnings, without milestones, without signposts. C. S. Lewis

Chapter 10: Just This Once...

179—Blockbuster vs. Netflix story. And the danger of marginal thinking (or Rob...hardening of the categories thinking)

185—Henry Ford—“If you need a machine and don’t buy it, then you will ultimately find that you have paid for it and don’t have it.”

186—On the choosing of right and wrong. Dangerous thinking—“it’s okay to do wrong just this once.”

187—Nick Leeson, 26 yo trader who famously brought down the British merchant bank Barings in 1995 after racking up \$1.3 billion in trading losses before being detected. It all started with one small step: a relatively small error. But he didn’t want to admit to it. Instead, he covered it up by hiding the loss in a little scrutinized trading account. It led him deeper and deeper down the path of deception. He made a series of bets in order to pay the losses back—but rather than paying off, they made the problem worse. He lied to cover lies; he forged documents, misled auditors, and made false statements to try to hide his mounting losses. Eventually, he arrived at his moment of reckoning. He was arrested at the airport in Germany, having fled his home in Singapore. As Barings realized the extent of Leeson’s debt, it was forced to declare bankruptcy. The bank was sold to ING for just 1 pound. 1200 employees lost their jobs, some of them his friends. And Leeson was sentenced to 6.5 years in Singaporean prison.

189—100% of the time is easier than 98% of the time. Many fall into the “just this once” mindset. But the first step down this road...seemingly a small decision...begins to distance one over time and small decisions and small steps create a large and growing integrity gap.

191—What is your personal boundary—your personal moral line? Decide what you stand for. And then stand for it. All the time.

Epilogue

Peter Drucker—*The business purpose and the business mission are so rarely given adequate thought is perhaps the most important cause of business frustration and failure.*

196—3 parts--likeness, commitment, metrics—comprise a company’s purpose. Purpose must be deliberately conceived and chosen, and then pursued.

198—Likeness: Who is the person you want to become? (Management is among the most noble of professions, if it’s practiced well.) Commitment: What commitment and to what are you will to make. Metric: How will you measure your life.

204—The most important thing you’ll ever learn is the knowledge of purpose.