

Audio-Tech Business Book Summaries

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how you can become a more powerful and effective leader by applying the 21 Laws of Leadership to your life.
- **Understand...**
the truth behind five major myths about leadership:
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(4) the pioneer myth; and
(5) the position myth.
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the leadership growth process, which proceeds from *not* knowing what you don't know, through knowing what you don't know, to developing the ability to lead instinctively.
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The 21 Irrefutable Laws of Leadership

Follow Them and People Will Follow You
Revised & Updated 10th Anniversary Edition

by John C. Maxwell

A summary of the original text.

While times change and technology marches forward, the principles of leadership are constant and stand the test of time. There are four ideas to keep in mind as we explore *The 21 Irrefutable Laws of Leadership*:

1. **The laws can be learned.** Some are easier to understand and apply than others, but every one of them can be mastered.
2. **The laws can stand alone.** Each law complements all the others, but you don't need one in order to learn another.
3. **The laws carry consequences.** If you ignore them, you will be unable to lead well. If you implement them, people will follow you.
4. **These laws are the**

foundation of leadership. Once you learn the principles, you have to apply them to your life to achieve your full potential as a leader.

1. THE LAW OF THE LID: LEADERSHIP ABILITY DETERMINES A PERSON'S LEVEL OF EFFECTIVENESS

The ability to lead is the "lid" that determines a person's effectiveness. The lower an individual's ability to lead, the lower the lid on his potential. The better a person is at leading, the higher the lid on his potential for achievement.

For example, in the 1930s, Dick and Maurice McDonald opened one of the first fast food restaurants. By the mid-'50s, their annual revenue was \$350,000, and they

took home about \$100,000 each year. But despite their success, they were not true leaders. They tried to franchise their restaurants, but sold only 15 licenses, of which only 10 became actual restaurants.

In contrast, Ray Kroc joined them in 1954 and proved himself a powerhouse of leadership. He assembled a team of the sharpest people he could find, worked hard, and sacrificed for the business. In 1961, he bought the McDonald brothers out for \$2.7 million. Today, the company has 31,000 stores in 119 countries. The McDonald brothers' weak leadership put a lid on their ability to succeed.

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Everywhere you look you can find examples of success being limited by lack of leadership. For example, Steve Wozniak was the brains behind Apple in the 1970s, but his leadership lid was low. By contrast, Steve Jobs' leadership lid was high, and he built a world-class organization out of Apple.

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To apply the Law of the Lid, take four steps:

1. List some of your major goals — ones that require cooperation from others.
2. Assess your leadership skills.
3. Ask others to rate your leadership on a scale of 1 to 10.
4. Compare their scores to your own assessment. Then ask yourself how willing you are to grow in the area of leadership.



2. THE LAW OF INFLUENCE: THE TRUE MEASURE OF LEADERSHIP IS INFLUENCE — NOTHING MORE, NOTHING LESS

If you don't have influence, you will never be able to lead others. True leadership cannot be appointed or assigned. Titles are often meaningless in this sense. Leadership must be earned. The only thing a title can buy is a little time — either to increase your level of influence with others or to undermine it.

There are five major myths about leadership:

- First, *the management myth* holds that leading and managing are the same thing. However, leadership is about influencing people, while management is about maintaining systems and processes.
- Second, *the entrepreneur myth* holds that entrepreneurs are de facto leaders. Entrepreneurs are skilled at identifying opportunities and making money from them. The McDonald brothers were entrepreneurs. Ray Kroc was a leader.
- Third, *the knowledge myth* holds that those who possess knowledge and intelligence are

leaders. But you can visit any major university and meet brilliant research scientists who would not make good leaders.

- Fourth, *the pioneer myth* says that anyone who is out in front of the crowd is a leader. To be a leader, a person has to be out in front, but he must also have people who are willingly following him.
- Fifth, *the position myth* states that a person's title as top man — or woman — defines that person as a leader. When the board of directors at Saatchi & Saatchi forced Maurice Saatchi out in 1994, the talent and accounts followed him out the door, and the company's stock dropped by 50 percent. Saatchi lost his position but remained a leader.

To apply the Law of Influence, take three steps:

1. Ask yourself which of the five myths you have believed in the past. What must you change in your current thinking to make you more open to improving your leadership in the future?
2. What do you usually rely upon most to persuade people to follow you? Rate yourself on a scale of 1 (low) to 10 (high) for each of the following factors:
 - *Character* — who you are
 - *Relationships* — who you know
 - *Knowledge* — what you know
 - *Intuition* — or what you feel
 - *Experience* — or where you've been
 - *Past success* — or what you've done
 - *Ability* — or what you can do

Then ask yourself how you can optimize the ones with low scores.

3. Volunteer to work with an organization, such as a soup kitchen or a community project. Use that as a platform for practicing your leadership skills through influence.



3. THE LAW OF PROCESS: LEADERSHIP DEVELOPS DAILY, NOT IN A DAY

Becoming a leader is like investing in the stock market. If you try to make a fortune in a day, you won't succeed. What matters most is what you do day by day over the long haul. If you continually invest in your leadership development, letting your assets compound, the inevitable result is growth over time.

In a study of 90 top leaders, the capacity to develop and improve skills was what distinguished leaders from followers. Successful leaders are life-long learners who apply self-discipline and perseverance. They get a little better each day.

The leadership growth process proceeds in five phases:

- In the first phase, *you don't know what you don't know*. You are not even aware that you could become a leader.

- In the second phase, *you know that you need to know*. You realize that you need to learn to lead.
- In the third phase, *you know what you don't know*. As you discover the gaps in your knowledge about leadership, you understand what you need to learn.
- In the fourth phase, *you know and grow, and it starts to show*. When you begin the daily discipline of personal growth, exciting things start to happen.
- In the fifth phase, *you simply go because of what you know*. The ability to lead becomes automatic, and you develop great instincts that help you to lead effectively.

To apply the Law of Process, take three steps:

1. Formulate a personal plan for growth. Write it out. Then every month, read at least one book on leadership, attend one conference a year, and listen to a CD every week.
2. Apply your growth strategy to those you lead as well. Act as a mentor, recommend books, or bring in trainers. Make it your responsibility to provide opportunities for growth to those people you wish to lead.
3. Create a culture of growth. When people around you know that personal growth and leadership development are valued and rewarded, and when resources are devoted to them, then growth will explode.



4. THE LAW OF NAVIGATION: ANYONE CAN STEER THE SHIP, BUT IT TAKES A LEADER TO CHART THE COURSE

Leaders who navigate control the direction in which they and their people travel. But they do more than that. They see the whole trip in their minds before they leave the dock. They have a vision for getting to their destination, they understand what it will take to get there, they know who they'll need to take along to be successful, and they recognize the obstacles long before they appear on the horizon.



Good navigators draw on past experience. Success teaches you what you're capable of doing and gives you confidence, but failure often teaches a greater lesson. Failure reveals wrong assumptions, character flaws, errors in judgment, and poor working methods.

Good navigators listen to what others have to say. They recognize that they don't have all the answers. They gather information from many sources.

Good navigators also make sure their conclusions represent both faith and fact. They have faith that they can take their people all the way. But they also face facts realistically. They balance optimism and realism.



To apply the Law of Navigation, take three steps:

1. Make it a regular practice to reflect on your positive and negative experiences. Build a time for reflection into your schedule. Write down what you learn.
2. Do your homework. Hold conversations with experts and team members to gather information and examine current conditions that could have an impact on your success.
3. Determine if you lean more on faith or facts. Ask trusted friends and colleagues. Then add someone with the opposite inclination to your team and try to achieve a balance.



5. THE LAW OF ADDITION: LEADERS ADD VALUE BY SERVING OTHERS

Leadership is about advancing others, not about advancing yourself.

The critical question is this: Are you making things better for the people who follow you? Leaders who add value to others do so intentionally.

Jim Sinegal, founder and CEO of Costco, treats his employees very well. They make 42 percent more than the company's chief rival. They pay a fraction of the national average for health care. And Costco has the lowest employee turnover rate in retailing. As a result, Costco makes handsome profits.

There are four guidelines for adding value. They are:

- First, leaders add value to others when they truly value others. Good leaders believe in their people before their people believe in them, and serve others before they are served.
- Second, leaders add value to others when they make themselves more valuable to others. Adding value to others depends on having something of value to add, such as skills, wisdom, opportunities, and insight.
- Third, leaders add value to others when they know and relate to what others value. Good leaders listen, learn, and then lead.
- Fourth, they add value to others when they do things that God values. God desires that we treat people with respect and to reach out to them and serve them. That standard can influence everything a good leader does.

To apply the Law of Addition, take three steps:

1. Have the attitude of a servant when it comes to leadership. Make it a practice to perform small acts of service for others without seeking credit or recognition for them.
2. Make a list of the most important people in your life and then write what each of them values most. Then rate yourself on a scale of 1 to 10 on how well you relate to that person's values.
3. Make adding value part of your way of life. Begin with those closest to you. Then do the

same with all the people you lead.



6. THE LAW OF SOLID GROUND: TRUST IS THE FOUNDATION OF LEADERSHIP

Trust is the most important thing a leader must engender. A leader builds trust by consistently exemplifying competence, connection, and character. People will tolerate honest mistakes. People will also give leaders a grace period for connecting with others. However, they won't forgive lapses in character.

Character communicates consistency. Everything around a good leader may be changing — even his own strategy — but his character must remain consistent.



Character also communicates potential. When a leader's character is strong, people trust him, and they trust in his ability to release their potential.

Character also communicates respect. By making sound decisions, admitting mistakes, and putting what's best for their followers ahead of their personal agendas, leaders earn that respect.



To apply the Law of Solid Ground, take three steps:

1. Assess how trustworthy your followers think you are. Do they openly share their opinions with you? Do they give you bad news as readily as good news? If not, then you need to find out whether they doubt your character.
2. Spend time focusing on three areas of character: integrity, authenticity, and discipline. Be scrupulously honest, even when it hurts. Be yourself with everyone. Do the right things every day, regardless of how you feel.
3. If you have broken trust, first apologize. If you can make amends, do so. Then commit to earning trust once more.



7. THE LAW OF RESPECT: PEOPLE NATURALLY FOLLOW LEADERS STRONGER THAN THEMSELVES

There are six ways that leaders gain the respect of others:

- First, they possess natural leadership ability. Those who don't possess it naturally will work hard to develop it.
- Second, they have respect for others. They understand that all leadership is voluntary.
- Third, they have courage. A leader's courage gives followers hope.

- Fourth, a leader is successful. People respect the accomplishments of others and are drawn to success.
- Fifth, leaders are loyal. In a culture of constant upheaval, loyalty is a great asset.
- Sixth, leaders engender respect by being dedicated to adding value to others.

If you want to measure how much respect you have as a leader, look at whom you attract. Then see how people respond when you ask for commitment or a change. When a leader is respected, people are ready to take risks, put in long hours, and do whatever is necessary to get the job done.

To apply the Law of Respect, take three steps:

1. Think about the last time you asked employees, followers, or volunteers for a commitment to do something you were leading or to changing something they were doing. What was their response? That can be used as a gauge of leadership.
2. Take a look at the qualities that help a leader to gain respect:
 - Leadership ability
 - Respect for others
 - Courage
 - Success
 - Loyalty
 - Value added to others

Evaluate yourself on a scale of 1 to 10 on each quality. In one sentence for each, write a practice, habit, or goal that will help you to improve in that area. Then work for a month on each to make it a regular part of your life.

3. Ask the people who are closest to you what they respect most about you. Also ask them to tell you in which areas you most need to grow. Then challenge yourself to improve based on their honest feedback.



8. THE LAW OF INTUITION: LEADERS EVALUATE EVERYTHING WITH A LEADERSHIP BIAS

Leaders look at the world in an unusual way. They possess leadership intuition that informs everything they do.

In all kinds of circumstances, leaders pick up on details that might elude others. They "tune in" to leadership dynamics. They can sense people's attitudes. They can detect the chemistry of a team. They can tell when things are humming and when they're winding down.

Leaders are also readers of trends. Most followers are focused on their current work. But leaders look years, even decades ahead. They have the ability to step back from what's happening in the moment and see where the organization is headed. Their intuition tells them that something is happening, that conditions are changing, and that trouble or opportunity is coming.



Leaders are also readers of people. They can sense what's happening in a room — whether there's curiosity, doubt, reluctance, anticipation, or relief. Reading people is perhaps the most important intuitive skill a leader can possess.



To apply the Law of Intuition, take three steps:

1. Determine which is your strongest natural talent. Participate in that talent, paying attention to your feelings, instincts, and intuition. Keep track of when you know something is right or wrong before you have all the facts. Get to know your aptitude for intuition.
2. Work on improving your ability to read people by reading books on relationships, engaging more people in conversation, and becoming a people watcher.
3. Train yourself to think in terms of mobilizing people and harnessing resources. Think about current projects. Then imagine how you can accomplish them *without* doing any of the work yourself. Ask:
 - Who is the best person to take this on?
 - What resources do we possess that can help us?
 - How can I encourage my team to achieve success?



9. THE LAW OF MAGNETISM: WHO YOU ARE IS WHO YOU ATTRACT

Effective leaders are always on the lookout for good people. They carry around a mental list of what kind of people they would like to have in their organization.

However, whom you attract is not determined by what you *want*, but by who you *are*. You must have the same qualities as the people you're seeking. That's the law of magnetism: People are drawn to those who share qualities with them.

For example, most organizations reflect the characteristics of their leaders, and that includes their age. During the dot-com boom, for example, many companies were founded by people in their 20s and 30s. Naturally, they hired other young people to work with them.

Likewise, positive people tend to attract people with a positive attitude. Attitude is one of the most contagious qualities a human being can possess.

People also gravitate toward those with similar backgrounds. People with education tend to respect and value others who are well educated.

Leaders will also attract employees with similar energy levels, values, and leadership qualities.

If you're dissatisfied with the kind of people you're attracting, then use the Law of Process (Law #3) to increase your leadership skill.

To apply the Law of Magnetism, take three steps:

1. Write down a list of the qualities that you desire in your followers. Then put a checkmark by those that you share and an X where you think you're weaker.
2. Find mentors to help you grow in each area of deficit. This could be your pastor or spiritual advisor, a colleague whose ability you respect, or a professional coach. Ideally, your leadership mentor should work in a similar field and be several steps ahead of you in his or her career.
3. If you are already attracting the kind of people you desire, take your leadership to the next level. Work at recruiting people who will complement your leadership skills. Write a list of your five greatest strengths when it comes to those skills. Then write a list of your five greatest weaknesses. Now it's time to create a profile of who you're looking for. Start with strengths that offset your weaknesses. Add to that values and attitudes that are similar to yours. Finally, consider whether you want someone with a similar or different age, background, and education.



10. THE LAW OF CONNECTION: LEADERS TOUCH A HEART BEFORE THEY ASK FOR A HAND

You can't move people to action unless you first move them with emotion. The stronger the connection you forge with followers, the more likely they will be to want to help you.

Here's how to connect with people:

- First, *connect with yourself*. You must know who you are and have confidence in yourself if you desire to connect with others.
- Second, *communicate with openness and sincerity*. People can readily tell when someone is disingenuous. Be authentic.
- Third, *know your audience*. You want to speak to what *they* care about, not just what you care about.
- Fourth, *live your message*. Practice what you preach.
- Fifth, *go where they are*. Be attuned to others' culture, background, and education. Adapt to others. Don't expect them to adapt to you.
- Sixth, *focus on them*, not yourself.
- Seventh, *believe in them*. Other people's opinions of you have less to do with what they see in you than it does with what you can help them see in themselves.
- Eighth, *offer direction and hope*. When you give people hope, you give them a future.

To apply the Law of Connection, take three steps:

1. To connect with yourself, measure your level of self-awareness by asking the following questions:
 - How would I describe my personality?
 - What is my greatest character strength?
 - What is my greatest character weakness?
 - What is my single greatest asset?
 - What is my single greatest deficit?
 - How well do I relate to others?
 - How well do I communicate with others?
 - How likable am I?
2. When you are out among your employees or coworkers, make relationship building a priority.
3. Improve your communication skills. Read books on communication, take a class, or join Toastmasters.



11. THE LAW OF THE INNER CIRCLE: A LEADER'S POTENTIAL IS DETERMINED BY THOSE CLOSEST TO HIM

Although there are 21 laws of leadership, no one leader can do all 21 things well. That's why every leader needs a team of people. To pick the right people for your team, ask the following questions:

- Do they have high influence with others?
- Do they bring a complementary gift to the table?
- Do they hold a strategic position in the organization?
- Do they add value to me and to the organization?
- Do they have a positive impact on other members of the inner circle?

You'll also want to make sure that your candidate displays excellence, maturity, and good character in everything he or she does.

To apply the Law of the Inner Circle, take three steps:

1. List the names of the members of your inner circle. Next to each name write what that person contributes. If they don't have a clear role, then write what you believe that individual has the *potential* to contribute. Look for holes and duplications. Then begin looking for people to fill the holes and consider how you might eliminate redundancies. Be prepared to challenge current members with potential to rise to your expectations.
2. Spend extra time with the members to mentor them and develop relationships. Give them extra responsibility and place higher expectations on them. Give them more credit when things go well and hold them accountable when things don't. Use this strategy with a pool of new potential inner circle members as well.

3. Keep your inner circle manageable. Transition to a smaller team when your immediate staff numbers more than seven or when you can no longer directly lead everyone.



12. THE LAW OF EMPOWERMENT: ONLY SECURE LEADERS GIVE POWER TO OTHERS

To lead others well, you have to help them to reach their potential. That means encouraging them, giving them power, and helping them to succeed. Leadership is about making others win.

There are three main barriers to empowerment:

- The first is ***the desire for job security***. Weak leaders worry that if they help their subordinates, they will become dispensable. But the truth is that if you truly empower others, you will become so valuable that you'll be indispensable.
- The second barrier is ***resistance to change***. Empowerment brings constant change, because it encourages people to grow and innovate. Change is the price of progress, so good leaders embrace it.
- The third barrier is ***a lack of self-worth***. Insecure people worry about what others think of them. They can't give power to others, because they don't feel that they really have it themselves. By contrast, the best leaders believe in themselves and are secure in giving power to others.

To apply the Law of Empowerment, take three steps:

1. Rate yourself in terms of your own self-worth. Ask:
 - Are you confident?
 - Do you believe you have value?
 - Do you assume that you have positive things to offer people?
 - Are you willing to take risks?

If you rate yourself low, take steps to add value to yourself and explore why your self-worth is low.

2. Make a list of the people who work for you. Then rate each person's potential on a scale of 1 to 10. If the numbers are low, then your belief in people is not very high. Until you change that, you will have difficulty granting them power. Imagine what they could become if they made the most of their gifts and opportunities. Then help them do so.
3. Select your best people and set them up for success. Train them, give them resources, and then help them accomplish goals that will help both you and your organization.



13. THE LAW OF THE PICTURE: PEOPLE DO WHAT PEOPLE SEE

Great leaders must communicate their vision of a better future. But they must also *model*

the vision. When times are tough and uncertainty is high, followers need a clear picture from their leaders. There are three ideas to keep in mind while striving to improve yourself as an example:

- First, *remember that followers are always watching you*. Employees do what their bosses do, not what they say.
- Second, *it's easier to teach what's right than to do what's right*. There is nothing more *convincing* than people who give good advice and set a good example.
- Third, *work on changing yourself before trying to improve others*. Avoid the temptation to try to change others without first making changes in yourself.

To apply the Law of the Picture, take three steps:

1. Give yourself a character audit. Make a list of your core values, such as integrity, hard work, and honesty. Then, think about your actions of the last month. What stands out as inconsistent with those values? These items will show you where to work on yourself.
2. Ask a trusted colleague to watch you for a month to compare what you teach with how you act. Ask him to record any inconsistencies. Then plan to change either your actions or your philosophy to make them line up.
3. List the five things you wish your people to do better. Then grade your own performance for each one. If your scores are low, then you need to change. If your scores are high, then you need to make your example more visible to your people.



14. THE LAW OF BUY-IN: PEOPLE BUY INTO THE LEADER, THEN THE VISION

Unfortunately, most leaders have it backwards. They believe that if the cause is good enough, people will automatically buy into it. But people don't follow causes. They follow people.

The leader and the cause always go together in one of four combinations:

- When followers don't like the leader or the vision, they look for another leader.
- When followers don't like the leader but do like the vision, they look for another leader.
- When followers like the leader but don't like the vision, they change the vision.
- When followers like the leader and the vision, they get behind both.

Your success as a leader is measured by your ability to actually take people where they need to go. But you can do that only if the people first buy into you as a leader.

To apply the Law of Buy-In, take three steps:

1. Write a vision statement, laying out your goals for your organization, why you lead, and what you are trying to accomplish. Consider whether or not you are willing to devote a

significant portion of your life to this. If not, rethink what you are doing and why.

2. List the members of your team who must buy into your vision. Rate each person's buy-in on a scale of 1 to 10. If your people don't buy into you, they will not help you execute your vision.
3. Think about ways that you can earn credibility with individuals:
 - By developing a good relationship with them.
 - By being honest and authentic and developing trust.
 - By holding yourself to high standards and setting a good example.
 - By giving them the tools to do their jobs better.
 - By helping them to achieve their personal goals.
 - By developing them as leaders.

Develop a strategy for each person. If you make it your primary goal to add value to all of them, your credibility will rise rapidly.



15. THE LAW OF VICTORY: LEADERS FIND A WAY FOR THE TEAM TO WIN

When the pressure is on, great leaders are at their best. Whatever is inside them comes to the surface. The best leaders feel compelled to rise to a challenge and do everything in their power to achieve victory for their people. In their view:

- Leadership is responsible
- Losing is unacceptable
- Creativity is essential
- Quitting is unthinkable
- Commitment is unquestionable
- Victory is inevitable

With that mind-set, leaders embrace the vision and approach the challenges with the resolve to take their people to victory.

The three components of victory are:

- First, *unity of vision*. Teams succeed only when the players have a unified vision, no matter how much talent there is.
- Second, *diversity of skills*. Every organization requires diverse talents to succeed.
- Third, *a leader dedicated to victory and to raising players to their potential*. Diversity and talent don't come together on their own. It takes a leader to make these things happen.

To apply the Law of Victory, take three steps:

1. Take responsibility for the success of your team. Your passion should be high, and your dedication unquestioned. If you are unable to convince yourself to make that kind of commitment, one of three things is probably true: Either you're pursuing the wrong vision, you're

in the wrong organization, or you're not the right leader for the job. Adjust accordingly.

2. If you are dedicated to leading your team to victory, you'll need the right people with you. Write down all the skills necessary to achieve your goal. Now compare that list with the names of the people on your team. If there are functions for which no one is suited, you need to add new people or train existing team members.
3. Do informal research to find out what's important to your team members. Ask them what they want to achieve personally. Ask them to describe the mission of the team. If you get a diversity of answers, you need to work on communicating a single vision clearly so that there is unity of vision.



16. THE LAW OF THE BIG MO: MOMENTUM IS A LEADER'S BEST FRIEND

Momentum is often the only thing that makes the difference between winning and losing. When you have momentum on your side, obstacles appear small. Here are seven truths about momentum that every leader needs to know:

- First, *momentum is the great exaggerator*. It makes things look bigger than they really are. Success is exaggerated by momentum. When you have momentum, you don't worry about small problems, and many larger ones seem to work themselves out.
- Second, *momentum makes leaders look better than they are*. When leaders have momentum on their side, people think they're geniuses.
- Third, *momentum helps followers perform beyond their actual abilities*. When there is momentum, people are motivated to perform at higher levels.
- Fourth, *momentum is easier to steer than to start*. Getting started is a struggle, but once you're moving forward, you can really start to do some amazing things.
- Fifth, *momentum is the most powerful agent of change*. Given enough momentum, nearly any kind of change is possible, because people like to get on a winning bandwagon.
- Sixth, *momentum is the leader's responsibility*. Creating momentum requires someone who has vision, who can assemble a good team, and who can motivate others.
- Seventh, *momentum begins inside the leader*. It starts with his vision, passion, and enthusiasm, and spreads from there.

To apply the Law of the Big Mo, take three steps:

1. Model the attitude and work ethic that you would like to see in others. Take responsibility for the momentum in your area of leadership. Be passionate about your vision. And display enthusiasm at all times.
2. Build motivation to develop momentum. First, remove any obstacles that might cause people to lose their passion and enthusiasm. Then identify and put into play specific elements that will motivate your followers.

3. Help people celebrate their accomplishments. Make it a regular practice to honor people who move the ball forward. Praise effort, but *reward* success.



17. THE LAW OF PRIORITIES: LEADERS UNDERSTAND THAT ACTIVITY IS NOT NECESSARILY ACCOMPLISHMENT

Leaders never advance to a point where they no longer need to prioritize. In setting priorities, use the Pareto Principle: If you concentrate your efforts on the most important 20 percent of activities, you will realize an 80 percent return on your effort.

Also, use the power of the three Rs — requirement, return, and reward — to set priorities.

- First, what is *required* of me? Ask: What must I do that nobody else can or should do for me?
- Second, what gives the greatest *return*? You should spend most of your time working in your areas of greatest strength. If someone else can do a task 80 percent as well as you can, then delegate it.
- Third, what brings the greatest *reward*? This relates to personal satisfaction. Make time for those things in life that you love. That will energize you and keep you passionate.

To apply the Law of Priorities, take three steps:

1. Identify something in your life that is working so poorly that you know it will require a major revision in how you do things. Describe how and why it is not working. Can you think outside the box to solve the issue and realign your priorities?
2. If you have never done so before, take the time to write out your answers to the three R questions. Be sure to include family and other responsibilities, not just career. Ask:
 - What is *required* of me?
 - What gives the greatest *return*?
 - What brings the greatest *reward*?

Create a list of the things you are doing that don't fit solidly into one of the three Rs. Then delegate or eliminate those activities.

3. Carve out specific time on a regular basis to revisit priorities for your area of responsibility. Help your organization, department, or team to live according to the Law of Priorities.



18. THE LAW OF SACRIFICE: A LEADER MUST GIVE UP TO GO UP

There is a common misperception among people who aren't leaders that leadership is all about position, perks, and power. But the reality is that leadership requires sacrifice.

Here are four rules to keep in mind:

- First, there is no success without sacrifice. Many working people dedicate four or more years to attend college so they will have the tools they need before embarking on their career. Athletes sacrifice countless hours of practice to perform at a high level. Life is a series of sacrifices.
- Second, leaders are often asked to give up more than others. The heart of leadership is putting others ahead of yourself. It's doing what is best for the team. The more responsibility you accept, the fewer options you have.
- Third, you must keep giving up to stay up. Leaders often run into trouble when they feel as if they've earned the right to stop making sacrifices. But sacrifice has to be an ongoing process. It's not a one-time payment.
- Fourth, the higher the level of leadership, the greater the sacrifice. The higher you go, the more it's going to cost you.

To apply the Law of Sacrifice, take three steps:

1. Think about how willing you are to make sacrifices. How willing are you to give up your rights for the sake of the people you lead? Create two lists. First, list the things you are willing to give up in order to go up. Then, second, list the things that you are *not* willing to sacrifice to advance. Be sure to consider which list will contain items such as your health, marriage, relationships with children, and finances.
2. Ask yourself what you have to give up in order to gain something more valuable to you. What do you currently have to offer? And what are you willing to trade your time, energy, and resources for that may give you greater personal worth?
3. Ask yourself if you are prone to the idea that you can sacrifice for a season and then "arrive" at a place where sacrifice is no longer necessary. Write down the areas in which you may be susceptible to this fallacy. Then for each area, create a statement of ongoing growth that will be an antidote to such thinking.



19. THE LAW OF TIMING: WHEN TO LEAD IS AS IMPORTANT AS WHAT TO DO AND WHERE TO GO

Timing often makes the difference between success and failure.

When a leader makes a move, there are four possible outcomes:

- The first possibility is that the wrong action at the wrong time leads to disaster.
- The second possibility is that the right action at the wrong time brings resistance.
- The third possibility is that the wrong action at the right time is a mistake.
- The fourth possibility is that the right action at the right moment results in success.

When the right leader and the right timing come together, incredible things happen. An

organization achieves its goals, reaps remarkable rewards, and gains momentum. Success becomes almost inevitable.

To apply the Law of Timing, take three steps:

1. Review the major actions you've initiated in the recent past and think about how much attention you've given to timing. In your approach to leadership, does timing play an important part in your strategy? Do you think about the appropriateness of the timing as much as you do the rightness of the action?
2. Spend some time analyzing recent failed initiatives for your organization. Determine whether they were caused by the wrong action or the wrong timing.
3. As you prepare to engage in future plans, ask these questions to prepare for the timing of your actions:
 - Do you have a firm grasp on the situation?
 - Do you believe in what you're doing?
 - Can you initiate action with confidence and win people's trust?
 - Have you drawn upon wisdom from others to inform your strategy?
 - Have you taken into account the intangibles, such as momentum and morale?
 - Have you done everything you must do to set your team up for success?



20. THE LAW OF EXPLOSIVE GROWTH: TO ADD GROWTH, LEAD FOLLOWERS — TO MULTIPLY, LEAD LEADERS

Leaders are naturally impatient. They want to move fast. They want to see their vision fulfilled. They delight in progress. Good leaders quickly assess where an organization is, project where it needs to go, and have strong ideas about how to get there.

How do you relieve that tension between where the organization is and where you want it to be? The answer can be found in the Law of Explosive Growth:

- If you develop yourself, you can experience personal success.
- If you develop a team, your organization can experience growth.
- If you develop leaders, your organization can achieve explosive growth.



Leading leaders takes time, energy, and resources. There are three reasons for this:

- First, leaders are hard to find. Leaders are like eagles — they don't flock. They are few and far between.
- Second, leaders are hard to gather. They are entrepreneurial and want to go their own way. What you're doing has to be more compelling than what they're already doing.

- Third, leaders are hard to keep. Only if you continue to grow and stay ahead of them can you keep adding value to their own growth and hold their attention.



To apply the Law of Explosive Growth, take three steps:

1. List specific actions you have taken to develop yourself, develop a team, and to help specific individuals improve their leadership. If you haven't begun to develop leaders, identify what steps to take to get started.
2. Ask what you are doing now to find and gather leaders. Look for places to go, events to attend, and networks to contact where you can find potential leaders.
3. List what you are doing to gather and hold leaders. Assess how you are becoming a better leader to attract them. Create an environment where leaders can thrive. Clear away the red tape so that they have room to move.



21. THE LAW OF LEGACY: A LEADER'S LASTING VALUE IS MEASURED BY SUCCESSION

If you desire to make an impact on a future generation, then start thinking about your legacy.

- First, *know the legacy you want to leave*. Some day people will summarize your life in a single sentence. Write it now.
- Second, *live the legacy you want to leave*. Become what you desire to see in others and what you wish others to see in you.
- Third, *choose who will carry on your legacy*. Your legacy can only truly be carried on by a person, not by a building or an organization.
- Fourth, *make sure you pass the baton*. Invest in leaders who can carry your legacy forward and then give them the power to do it.

To apply the Law of Legacy, take three steps:

1. Take time to consider the big picture of why you lead. The idea of legacy is closely related to your sense of purpose in life. Ask yourself what you want your legacy to be.
2. Based on your ideas of legacy, write a list of what things must change in the way you conduct yourself so that you truly live that legacy. Only by changing the way you live will you be able to create the legacy you want to leave.
3. Choose people in whom you'll invest to carry on your legacy. Pick people with greater potential than your own; ones who will be able to "stand on your shoulders" and do more than you did. Then begin investing in them today.



Now that you've learned the 21 Irrefutable Laws of Leadership, you must take them to heart, and apply them to your life. If you follow them, people will follow you. Everything rises and falls on leadership. The more you try to do in life, the more you will find that leadership makes the difference.

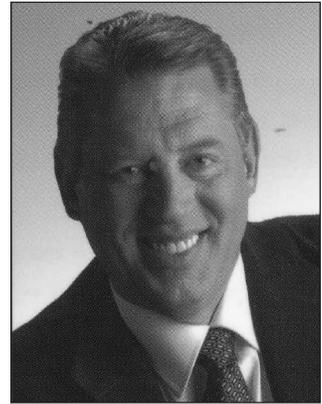
As you work to build your organization, remember these five points:

1. Personnel determine the potential of the organization.
2. Relationships determine the morale of the organization.
3. Structure determines the size of the organization.
4. Vision determines the direction of the organization.
5. Leadership determines the success of the organization.



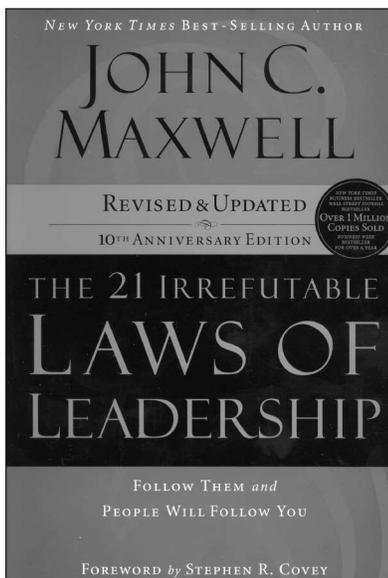
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John C. Maxwell is an internationally recognized leadership expert, speaker, and author who has sold over 3 million books. His organizations have trained more than 2 million leaders worldwide. Dr. Maxwell is the founder of EQUIP and INJOY Stewardship Services. Every year he speaks to Fortune 500 companies, international government leaders, and organizations as diverse as the United States Military Academy at West Point and the National Football League.



A *New York Times*, *Wall Street Journal*, and *BusinessWeek* bestselling author, Maxwell was named the World's Top Leadership Guru by Leadershipgurus.net. He was also one of only 25 authors and artists named to Amazon.com's 10th Anniversary Hall of Fame.

Three of his books, *The 21 Irrefutable Laws of Leadership*, *Developing the Leader Within You*, and *The 21 Indispensable Qualities of a Leader* have each sold over a million copies.



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