

TAX TALKS

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119 | Four Quadrants of Success

The four quadrants of success or time management are a helpful way to think about your practice.

Four Quadrants of Success

In this episode John Stephenson of Best Practice will focus on why you need to focus on quadrant A and B for your practice.

Stephen Covey

In the international best-selling book called 'The Seven Habits of Highly Effective People', Dr Stephen Covey writes about his insights studying highly successful business leaders and entrepreneurs.

What Stephen found was an uncanny ability of successful people to demonstrate outstanding time management skills and an ability to prioritise their work and life tasks based on importance. And his theory of the four quadrants of success and time management was born.

Quadrant A – Important and Urgent (the Cheese Wheel)

This is the quadrant where most of us spend most of their time. There are hundreds of ways to make money and there are hundreds of ways to 'stay on the cheese wheel'.

Most businesses rely heavily on the business owner to 'get things done'. The less systemised the business is, the less skilled and trained employees are, the more reliant the business will be on the owner himself. So the business owner is forced to stay in Quadrant A.

Let's use an example: In the middle of winter, you don't need to water the garden. You know you should install a watering system for summer (quadrant B), but there are more urgent things to attend to. And so you don't.

Summer hits at full force. You are constantly watering. There is no time anymore to install a watering system. And so you stay in quadrant A.

Quadrant B – Important But Not Urgent (The Change Agent)

This is the quadrant where you should be spending most of your time. In quadrant B you find ways to scale. This is where you install the watering system.

It takes time to create systems and train employees. But if you don't invest that time, you'll always have to 'do it yourself' and spend your days in Quad A until you smarten up. You should spend all your time in Quad B and no time in any of the other quadrants.

Quadrant C – Urgent But Not Important (The Distractor)

Your business will spend time in this quadrant when there is no clear vision. When there is no clear definition what business you are actually in. What you and your people should focus on.

Quadrant D – Not urgent and Not Important (The Time Waster)

Very few business owners will admit that they spend any time in this quadrant. But are you sure your employees don't either? The role of the employee is to 'do the work'. Their role is to be a 'grinder' role and grinders are not looking upwards at how to make money. They're heads are down doing the work. Only we can get them out of this quadrant.

Moral of the Story

The moral of the story is: Moving you to quadrant B will probably hurt your short term cash flow. But every minute you spend in quadrant B will have a cumulative benefit on your business.

Attributes of Success

In addition to these four quadrants there are certain attributes that most successful leaders display.

1 Mindset

If you assume that you'll succeed, you will strive higher. Focus on the end game, no matter what challenges you hit along the way.

2 Self-belief

Your self-belief will pull you up or push you down. What you believe will influence what others believe you are capable of.

3 Philosophy

Have an uncomplicated philosophy about business, people and life. And translate this into a clear and concise message that guides your leadership and workplace culture.

4 Discipline

Show dedication and discipline to ensure you stay the course. Do the little things every day that keep the entire business focused and on track.

5 Planning

Pursue a clear and concise master plan as a primary objective long before you worry about generating any income or raising an invoice for a customer.

Recognise the need for planning and when in doubt revert to the plan or set aside time to look at the bigger picture and ensure a decision does not contradict this.

6 Simplicity

Keep your business strategy simple, clear and easily defined. Find ways to simplify the complicated. Break down challenging assignments, simplify them and then encourage your employees so that each project is merely a matter of tasks mapped with reassurance for support along the way.

7 Measurement

You can't manage what you don't measure. Appreciate the importance of monitoring your key performance indicators.

8 Perseverance

Don't stumble or waiver if you experience temporary setbacks or disappointments. Stick to the plan or refine the plan and then keep going.

9 Emotional Intelligence

Your emotional state will influence your performance and set the tone for the rest of the team. What you focus on, the language you use and your physiology will determine your emotional state. Not feeling great? Change your focus, language and/or physiology.

Recognising when you might need an "attitude adjustment" is critical to building your emotional consistency.

10 Communication

Strained relationships make every task more difficult. Healthy relationships can reduce stress, build trust and focus energies on getting things done. Treat people as you would like to be treated: common courtesy and thoughtfulness go a long way. Deal with today's problem in a way that will make working with the person easier not harder.

Don't let small conflicts build. Handle them early and keep communication open. Be consistent and persistent in your effort to improve all of your relationships. Maintain and develop constructive relationships.

11 Ego

A great leader is someone who knows how to 'check their ego at the door'. In doing so, they avoid talking about themselves or their achievements and, instead, focus on the contributions of their team. Leadership is often a lonely place to be and great leaders learn how to manage their own cravings for recognition and put others ahead of themselves. Great leaders embrace feedback and encourage others to voice their view.

So this was all about success, starting with the four quadrants of success. These four quadrants are usually referred to as the four quadrants of time management. But to really drive home what this is ultimately about – success – we left it at the term John Peterson uses for these quadrants in his book and talks.

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