

Level 5 Leadership (Jim Collins, *Good to Great*):

In this book Collins argues that every good-to-great company had “Level 5” leadership during pivotal transition years, where Level 1 is a Highly Capable Individual, Level 2 is a Contributing Team Member, Level 3 is the Competent Manager, Level 4 is an Effective Leader, and Level 5 is the Executive who builds enduring greatness through a paradoxical blend of personal humility and professional will.

Level 5 leaders display a compelling modesty, are self-effacing and understated. In contrast, two thirds of the comparison companies had leaders with gargantuan personal egos that contributed to the demise or continued mediocrity of the company.

Level 5 leaders are fanatically driven, infected with an incurable need to produce sustained results. They are resolved to do whatever it takes to make the company great, no matter how big or hard the decisions. One of the most damaging trends in recent history is the tendency (especially of boards of directors) to select dazzling, celebrity leaders and to de-select potential Level 5 leaders.

Level 5 leaders are a study in duality: modest and willful, humble and fearless. To quickly grasp this concept, think of United States President Abraham Lincoln (one of the few Level 5 presidents in United States history), who never let his ego get in the way of his primary ambition for the larger cause of an enduring great nation. Yet those who mistook Mr. Lincoln’s personal modesty, shy nature, and awkward manner as signs of weakness found themselves terribly mistaken, to the scale of 250,000 Confederate and 360,000 Union lives, including Lincoln’s own. (Shelby Foote, *The Civil War: A Narrative: Red River to Appomattox*, p. 1040; and James M. McPherson, *Battle Cry of Freedom: The Civil War Era*, p. 854.)

The two sides of Level 5 Leadership are:

Professional Will:

1. Creates superb results, a clear catalyst in the transition from good to great.
2. Demonstrates an unwavering resolve to do whatever must be done to produce the best long-term results, no matter how difficult.
3. Sets the standard of building an enduring great company; will settle for nothing less.
4. Looks in the mirror, not out the window, to apportion responsibility for poor results, never blaming other people, external factors, or bad luck.

Personal Humility:

1. Demonstrates a compelling modesty, shunning public adulation; never boastful.
2. Acts with quiet, calm determination; relies principally on inspired standards, not inspiring charisma, to motivate.
3. Channels ambition into the company, not the self; sets up successors for even greater success in the next generation.
4. Looks out the window, not in the mirror, to apportion credit for the success of the company—to other people, external factors, and good luck.