

Level 5 Leadership: The Triumph of Humility and Fierce Resolve

By Jim Collins, Harvard Business Review, January 2001

Level 5 leadership refers to the highest level in a hierarchy of executive capabilities.

Level 1 leaders are highly capable individuals. They make productive contributions through their talent, knowledge, skills and good work habits.

Level 2 leaders are contributing team members. They are good team players and help in the achievement of group objectives.

Level 3 leaders are competent managers. They are good at organizing people and resources to achieve the set objectives efficiently and effectively.

Level 4 leaders are effective leaders. They have a clear and compelling vision and inspire their teams to achieve high performance standards.

Level 5 leaders build enduring greatness for their organizations. Level 5 leaders combine the paradoxical combination of humility and will. They do not take credit when things are going well. But, when the results are below par, they blame themselves. At the same time, they are completely intolerant of mediocrity. They demonstrate an unwavering resolve to do whatever is required to get the best possible results in the long term. They set very high standards for themselves, and do not settle for anything less.

The following are some of the key disciplines of level 5 leaders:

For level 5 leaders, *people come first*, and strategies, second. They focus on getting the right people on board and weeding out the wrong ones. Only after that, do they figure out their strategy.

Level 5 leaders subscribe to the *Stockdale paradox*, named after Admiral James Stockdale, who survived 7 years in a prisoners-of-war camp in Vietnam, being fully aware that life could not be worse and yet someday would be better than ever. Level 5 leaders confront the most brutal facts of the current reality, and yet have faith that they will succeed in the end. They balance faith with facts, and reality with optimism.

Level 5 leaders realize that great transformations do not occur overnight. They know that it is like *pushing a flywheel*. At first, the wheel moves slowly. But, gradually, it picks up momentum. And, beyond a certain point, it begins to move really fast.

Level 5 leaders also subscribe to the *hedgehog style*. The fox knows a little bit about everything, but the hedgehog knows a great deal about one big thing.

The fox is complex while the hedgehog is relatively simple. And the hedgehog always succeeds. Level 5 leaders focus on an area which lies at the intersection of three circles – what the company is really good at, the most effective business model, and what people really enjoy doing.

Concluding notes

There are two categories of people – those who have the potential to become Level 5 leaders, and those who do not. The second category of people find it difficult to subjugate their needs to a larger purpose. They are more obsessed with fame, fortune, power, and adulation. They struggle to build, create and contribute. In the first category of people, the capability exists, but perhaps buried or ignored. With self-reflection, a mentor, loving parents and a significant life experience, the seed can begin to develop.

Level 5 is a powerful idea. But, it is difficult to list the steps needed to achieve this level. Whether or not we make it to level 5, it is definitely worth trying. When we have an ideal in front of us, and we try to achieve it, our life can only become better.