





Ethical Leadership (Level-5 Leadership)



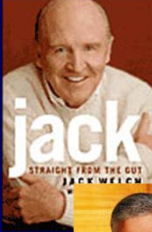


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Dimensions of leadership

- Leaders make decisions that may have significant ethical consequences.
- Leaders are organizational symbols.



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Level 5 Hierarchy

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- Level 5 Executive**
Builds enduring greatness through a paradoxical blend of personal humility and professional will.
- Effective Leader**
Catalyzes commitment to and vigorous pursuit of a clear and compelling vision, stimulating higher performance standards.
- Competent Manager**
Organizes people and resources toward the effective and efficient pursuit of predetermined objectives.
- Contributing Team Member**
Contributes individual capabilities to the achievement of group objectives and works effectively with others in a group setting.
- Highly Capable Individual**
Makes productive contributions through talent, knowledge, skills, and good work habits.

Jim Collins, 2001, Good to Great
<http://www.jimcollins.com/lab/level5/>

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Level 5 Keypoints 1/7

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- Every good-to-great company had Level 5 leadership during the pivotal transition years.
- 'Level 5' refers to a five-level hierarchy of executive capabilities, with Level 5 at the top. Level 5 leaders embody a paradoxical mix of personal humility and professional will. They are ambitious, to be sure, but ambitious first and foremost for the company, not for themselves.

Jim Collins, 2001, Good to Great
<http://www.jimcollins.com/lab/level5/>

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Level 5 Keypoints 2/7

- Level 5 leaders set up their successors for even greater success in the next generation, whereas egocentric Level 4 leaders often set up their successors for failure.
- 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 of continued mediocrity of the company.

Jim Collins, 2001, Good to Great
<http://www.jimcollins.com/lab/level5/>

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Level 5 Keypoints 3/7

- 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 how hard the decisions.
- Level 5 leaders display a workmanlike diligence – more plow horse than show horse.

Jim Collins, 2001, Good to Great
<http://www.jimcollins.com/lab/level5/>

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Level 5 Keypoints 4/7

- Level 5 leaders look out the window to attribute success to factors other than themselves. When things go poorly, however, they look in the mirror and blame themselves, taking full responsibility. The comparison CEOs often did just the opposite – they looked in the mirror to take credit for success, but out the window to assign blame for disappointing results.

Jim Collins, 2001, Good to Great
<http://www.jimcollins.com/lab/level5/>

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Level 5 Keypoints 5/7

- One of the most damaging trends in recent history is the tendency (especially by boards of directors) to select dazzling, celebrity leaders and to de-select potential Level 5 leaders.
- I believe that potential Level 5 leaders exist all around us, if we just know what to look for, and that many people have the potential to evolve into Level 5.

Jim Collins, 2001, Good to Great
<http://www.jimcollins.com/lab/level5/>

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Level 5 Keypoints 6/7

- Larger-than-life, celebrity leaders who ride in from the outside are negatively correlated with going from good to great. Ten of eleven good to great CEOs came from inside the company, whereas the comparison companies tried outside CEOs six times more often.

Jim Collins, 2001, Good to Great
<http://www.jimcollins.com/lab/level5/>

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Level 5 Keypoints 7/7

- Level 5 leaders attribute much of their success to good luck, rather than personal greatness.
- We were not looking for Level 5 leadership in our research, or anything like it, but the data was overwhelming and convincing. It is an empirical, not an ideological, finding.

Jim Collins, 2001, Good to Great
<http://www.jimcollins.com/lab/level5/>

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Cases

- **Newsweek 9-Jan-06: Europe: Who Hails Sweden?**
<http://www.msnbc.msn.com/id/10682390/site/newsweek/>
- **Newsweek 9-Jan-06: The Gender Gap: Moms Not Wanted**
<http://www.msnbc.msn.com/id/10682392/site/newsweek/>
- **Newsweek 9-Jan-06: A Danish Conspiracy**
<http://www.msnbc.msn.com/id/10682391/site/newsweek/>

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