The 5 Levels of Leadership

Proven Steps to Maximize Your Potential

**THE SUMMARY IN BRIEF**

True leadership isn’t a matter of having a certain job or title. In fact, being chosen for a position is only the first of the five levels every effective leader achieves. To become more than “the boss” people follow only because they are required to, you have to master the ability to invest in and inspire people. To grow further in your role, you must achieve results and build a team that produces. You need to help people develop their skills to become leaders in their own right. And if you have the skill and dedication, you can reach the pinnacle of leadership.

The 5 Levels of Leadership are:

1. **Position.** People follow because they have to.
2. **Permission.** People follow because they want to.
3. **Production.** People follow because of what you have done for the organization.
4. **People Development.** People follow because of what you have done for them personally.
5. **Pinnacle.** People follow because of who you are and what you represent.

Through humor, in-depth insight and examples, internationally recognized leadership expert John C. Maxwell describes each of these stages of leadership. In *The 5 Levels of Leadership*, he shows how to master each level and rise up to the next to become a more influential, respected and successful leader.

**IN THIS SUMMARY, YOU WILL LEARN:**

- How to fulfill the role of the leader.
- How to raise your effectiveness and improve your performance.
- How to extend your influence beyond your immediate reach and time.
- A roadmap for taking the journey to the highest level of leadership.
You Can Have a Leadership Game Plan for Your Life

In all the years that I’ve taught about leadership, there has been one lecture that I have been asked to give more often than any other — from West Point to Microsoft and in countries all around the world. That lecture explains how leadership works, and it provides a game plan for learning how to become a leader. It’s “The 5 Levels of Leadership.”

You Can Learn Practical Leadership Tools

The 5 Levels has been used to train leaders in companies of every size and configuration, from small businesses to Fortune 100 companies. It has been used to help nonprofit organizations understand how to lead volunteers. And it’s been taught in more than 120 countries around the world. Every time I talk about it, people ask questions and make observations. Those things have helped the 5 Levels of Leadership become stronger and develop greater depth. The concept is tested and proven. In addition, it offers several other benefits:

• The 5 Levels of Leadership Defines Leading as a Verb, Not a Noun. Leadership is a process, not a position. Leadership deals with people and their dynamics, which are continually changing. They are never static. The challenge of leadership is to create change and facilitate growth. Those require movement, which, as you will soon see, is inherent in moving up from one level of leadership to the next.

• The 5 Levels of Leadership Breaks Down Leading into Understandable Steps. The subject of leadership can be overwhelming and confusing. Where does leadership start? What should we do first? What processes should we use? How can we gain influence with others? How can we develop a productive team? How do we help followers become leaders in their own right? The 5 Levels of Leadership gives answers to these questions using understandable steps.

• The 5 Levels of Leadership Provides a Clear Game Plan for Leadership Development. Good leadership isn’t about advancing yourself. It’s about advancing your team. The 5 Levels of Leadership provides clear steps for leadership growth. Lead people well and help members of your team become effective leaders, and a successful career path is almost guaranteed.

• The 5 Levels of Leadership Aligns Leadership Practices, Principles and Values. When I developed the 5 Levels, I conceived of each level as a practice that could be used to lead more effectively. As time went by and I used and taught the levels, I realized they were actually principles. Here’s the difference: A practice is an action that may work in one situation but not necessarily in another. A principle is an external truth that is reliable as a physical law. For example, when Solomon said,
“A gentle answer turns away every wrath, but a harsh word stirs up anger,” he stated a principle that is universal and timeless. Principles are important because they function like a map, allowing us to make wise decisions. If we embrace a principle and internalize it, it becomes a part of our values. The 5 Levels influences my leadership life every day.

**Level 1: Position**

Leadership traditionally begins with Position. Someone joins the Army, and he or she becomes a recruit, working to earn the rank of private. A person gets a job, and along with it comes a title or job description: laborer, salesperson, waiter, clerk, accountant, manager. Position is the starting place for every level of leadership. It is the bottom floor and the foundation upon which leadership must be built. Real influence must be developed upon that foundation.

There was a time when people relied heavily on position to lead, which is no surprise when you consider that at one time, hereditary leadership positions were handed down from father to son (and sometimes daughter) within families. Princes became kings and their decisions were law — for good or bad. In most industrialized nations, those days are gone. True, there are still nations with kings and queens, but even in most of those nations, such as England, monarchs rule with the permission of the people, and the real leaders are usually elected. Position gives you a chance, but it usually carries with it very little real power, except in systems where the penalties for not following are dire.

There’s nothing wrong with having a position of leadership. When a person receives a leadership position, it’s usually because someone in authority saw talent and potential in that person. And with that title and position come some rights and a degree of authority to lead others.

Position is a good starting place. And like every level of leadership, it has its upsides and downsides.

**The Upside of Position**

Just as there are positive and negative aspects in every season of life, there are both positive and negative aspects to every level of leadership. If you are new to leadership and you receive a position, then there are things to celebrate. Here are four of them:

1. **A Leadership Position Is Usually Given to People Because They Have Leadership Potential.** Most of the time when people enter a leadership position, they do so because it was granted or appointed by some other person in authority. That probably seems obvious. But think about the implications: It usually means that the person in authority believes that the new leader has some degree of potential for leading. That’s good news. So if you’re new to leadership and you have been invited to lead something, then celebrate the fact that someone in authority believes in you.

   If you have a new leadership position, then welcome to the first step in your leadership journey. You have a seat at the table and have been invited to be part of the “leadership game.” You will have opportunities to express your opinion and make decisions.

   Your initial goal should be to show your leader and your team that you deserve the position you have received.

   **2. A Leadership Position Means Authority Is Recognized.** When an individual receives a position and title, some level of authority or power usually comes with them. Often, in the beginning, that power is very limited, but that’s OK because most leaders need to prove themselves with little before being given much. As the *Infantryman’s Journal* (1954) says, “No man is a leader until his appointment is ratified in the minds and the hearts of his men.”

   As a new leader, you must use the authority you are given wisely, to advance the team and help the people you lead. Do that and your people will begin to give you even greater authority. When that happens, you gain leadership, not just a position.

   **3. A Leadership Position Is an Invitation to Grow as a Leader.** There should always be a relationship between receiving a leadership position and fulfilling the requirements demanded by it. One of the main requirements is personal growth. I learned this early in my life from my father, who loved to quote, “To whoever much is given, much shall be required.” He believed that each of us had received a lot in life, and we had a responsibility to learn and grow so that we could make the most of it.

   The journey through the 5 Levels of Leadership will only be successful if you dedicate yourself to continual development. If you believe that the position makes the leader, you will have a hard time becoming a good leader.

   **4. A Leadership Position Allows Potential Leaders to Shape and Define Their Leadership.** The greatest upside potential for people invited to take a leadership position is that it affords them the opportunity to decide what kind of leader they want to be. The position they receive may be defined, but they are not.

   When you first become a leader, your leadership page is blank and you get to fill it in any way you want! What kind of leader do you want to be? Don’t just
Summary: THE 5 LEVELS OF LEADERSHIP

become reactive and develop a style by default. Really think about it. Do you want to be a tyrant or a team builder? Do you want to come down on people or lift them up? Do you want to give orders or ask questions? You can develop whatever style you want as long as it is consistent with who you are.

As you think about the way you will define your leadership, take into consideration what kinds of habits and systems you will consistently practice. What will you do every day when you arrive at work? How will you treat people? What will be your work ethic? What kind of example will you set? Everything is up for grabs. It’s up to you to define it. And the earlier you are on the leadership journey, the greater the potential for gain if you start developing good habits now.

The bottom line is that an invitation to lead people is an invitation to make a difference. Good leadership changes individual lives. It forms teams. It builds organizations. It impacts communities. It has the potential to impact the world. But never forget that position is only the starting point.

Level 2: Permission

Making the shift from Position to Permission brings a person’s first real step into leadership. Why do I say that? Because leadership is influence, nothing more, nothing less. Leaders who rely on their positions to move people rarely develop influence with them. If their subordinates do what they are asked, it’s usually because they think they have to — to receive their pay, keep their jobs, prevent being reprimanded and so on.

In contrast, when a leader learns to function on the Permission level, everything changes. People do more than merely comply with orders. They actually start to follow. And they do so because they really want to. Why? Because the leader begins to influence people with relationship, not just position. Building relationships develops a foundation for effectively leading others. It also starts to break down organizational silos as people connect across the lines between their job descriptions or departments. The more barriers come down and relationships deepen, the broader the foundation for leading others becomes.

When people feel liked, cared for, included, valued and trusted, they begin to work together with their leader and each other. And that can change the entire working environment. The old saying is really true: People go along with leaders they get along with.

Moving up to Level 2 is an important development in leadership because that is where followers give their supervisors permission to lead them. People change from being subordinates to followers for the first time, and that means there is movement! Remember, leadership always means that people are going somewhere. They aren’t static. No journey, no leadership.

Best Behaviors on Level 2

If you find yourself in a place where you need to start working to win people’s permission on Level 2, what should you do? How can you make the most of the opportunity to develop as a relational leader? Do the following:

1. Connect with Yourself Before Trying to Connect with Others. One of the secrets of connecting with people and building relationships is knowing and liking yourself. In my book Winning With People, I call it the Mirror Principle, which says, “The first person we must examine is ourselves.” The work in relationship building always has to start with yourself.

2. Develop a People-Oriented Leadership Style. Permissional leaders don’t rely on rules to lead people. They don’t depend on systems. And they never try to rule with a stick. (Anyone who does needs to know that
Summary: THE 5 LEVELS OF LEADERSHIP

Level 3: Production

The Production level is where leadership really takes off and shifts into another gear. Production qualifies and separates true leaders from people who merely occupy leadership positions. Good leaders always make things happen. They get results. They can make a significant impact on an organization. Not only are they productive individually, but they also are able to help the team produce. This ability gives Level 3 leaders confidence, credibility and increased influence.

Another benefit of leadership on Level 3 is that it attracts other highly productive people. Producers are attractive to other producers. They respect one another. They enjoy collaborating. They get things done together. That ultimately creates growth for the organization.

Leaders can get to Level 1 for an almost endless number of reasons: They show promise; they have connections; they play politics; they have seniority; the organization is desperate. You name it and someone has probably received a leadership position because of it. Leaders who are naturally good with people or who take pains to learn people skills can move up to Level 2. But some people never move up from Level 2 Permission to Level 3 Production. Why? They can’t seem to produce results. When that’s the case, it’s usually because they lack the self-discipline, work ethic, organization or skills to be productive. However, if you desire to go to higher levels of leadership, you simply have to produce. There is no other way around it.

The Laws of Leadership at the Production Level

If you want to use the Laws of Leadership to help you grow on Level 3, then consider the following:

• The Law of Respect: People Naturally Follow Leaders Stronger Than Themselves. When you’re working to gain relational credibility on Level 2, the positive results are often intangibles, such as morale and trust. In contrast, the results of good leadership are highly tangible at Level 3. People see better organization, increased productivity and higher profitability. The result is that they see your strengths and understand what you can do. Your credibility is established. People respect that and they follow not only because you treat people well, but because of what you do for the team and organization.

• The Law of Magnetism: Who You Are Is Who You Attract. When you reach Level 3 and create a highly productive team, you begin to attract other producers. The great thing about this is that it helps you make the productive team you’ve developed even more productive. Introducing additional highly productive people to the team raises the bar and makes everyone more productive. And if there are people on the team who won’t or can’t produce, others will be lined up at your door willing to take their place.

• The Law of the Picture: People Do What People See. Leaders are usually highly visible to the people they lead, especially if they lead by going first. As a result, their actions are always noticed. If you’re a producer,
that’s a good thing. Nothing motivates people in a positive way more than seeing a positive leadership model. When people see results from their leaders, they know results are expected from them. And whenever results are an expectation, greater productivity happens.

- **The Law of Victory:** Leaders Find a Way for the Team to Win. The best leaders on Level 3 find ways to win. They always do. They produce! If you are one of those people who consistently produces, then everyone will want to be on your team. That makes leading that much better.

- **The Law of the Big Mo: Momentum Is a Leader’s Best Friend.** Level 3 is where momentum kicks in. Good results create momentum. Having momentum gives you greater results. Greater results create even more momentum. With momentum, an organization can overcome problems, negativism, past issues, pettiness and upcoming obstacles.

- **The Law of Priorities: Leaders Understand That Activity Is Not Necessarily Accomplishment.** Level 3 leaders do the right things the right way at the right time for the right reasons. They know that an organization where anything goes eventually becomes a company where nothing goes. They plan and act accordingly.

- **The Law of Sacrifice: A Leader Must Give Up to Go Up.** Radio broadcaster Paul Harvey remarked, “You can tell you’re on the road to success; it’s uphill all the way.” You’ll have to give up some privileges and resources to move up. Leaders learn to let go of everything but the essentials as they climb.

- **The Law of Buy-In: People Buy into the Leader, Then the Vision.** The buy-in comes from the relationships you have with them and the results you demonstrate in front of them. They want to know you care about them and they want to know you can produce.

**Level 4: People Development**

Effective leaders understand that what got them to their current level of leadership won’t be enough to get them to the next one. They understand that if they want to keep getting better as leaders, they have to be willing to keep growing and changing, and that each move up the 5 Levels of Leadership requires a paradigm shift and a change in the way a person leads.

On Level 3, the emphasis is on personal and corporate productivity. The ability to create a high-productivity team, department or organization indicates a higher level of leadership ability than most others display. But to reach the upper levels of leadership that create elite organizations, leaders must transition from producers to developers. Why? Because people are any organization’s most appreciable asset.

Good leaders on Level 4 invest their time, energy, money and thinking into growing others as leaders. They look at every person and try to gauge their potential to grow and lead — regardless of the individual’s title, position, age or experience. Every person is a potential candidate for development. This practice of identifying and developing people compounds the positives of their organization because bringing out the best in a person is often a catalyst for bringing out the best in the team.

Developing one person for leadership and success lays the foundation for developing others for success.

**Bringing Out the Best in the Team**

In *On the Profession of Management* Peter Drucker observed: Making the right people decisions is the ultimate means of controlling an organization well. Such decisions reveal how competent management is, what its values are and whether it takes its job seriously. No matter how hard managers try to keep their decisions a secret — and some still try hard — people decisions cannot be hidden. They are eminently visible. Executives who do not make the effort to get their people decisions right do more than risk poor performance. They risk losing their organization’s respect.

How does this emphasis on people and people decisions translate into action? Leaders on the People Development level of leadership shift their focus from the production achieved by others to the development of their potential. And they put only 20 percent of their focus on their personal productivity while putting 80 percent of it on developing and leading others.

This can be a difficult shift for highly productive people who are used to getting their hands dirty, but it’s a change that can revolutionize an organization and give it a much brighter future.

**Beliefs That Help a Leader Move Up to Level 5**

If you have managed to move up to Level 4, you are leading at a very high level, higher than 90 percent of all other leaders. But there is still one level higher that may be within your reach. Fewer than 1 percent of all leaders achieve it. To prepare yourself to attempt that final climb and give yourself the best chance of making it to the top, you must first embrace the following beliefs:

1. **The Highest Goal of Leadership Is to Develop Leaders, Not Gain Followers or Do Work.** When you help other people become leaders, you change their lives. You change the way they see the
Summary: THE 5 LEVELS OF LEADERSHIP

world. You change their capacity. You increase their potential. You change the way they interact with others. If they become good leaders, you help them improve not only their lives, but also the lives of everyone they touch. I believe that is how you change the world for the better.

2. To Develop Leaders, You Must Create a Leadership Culture. You will not be able to move up to Level 5 unless you create a leadership culture. Jim Blanchard did this at Synovus. In an interview with George Barna, Blanchard said, “I think the most important and difficult thing is to create a culture in the organization where leadership is really important. It’s important for people in the company to realize that this is a growth-oriented company, and the biggest thing we have to grow here is you, because it’s you who will make this company better by your growth. ... So I would think making a culture aware of the significance of developing leaders is valuable.”

3. Developing Leaders Is a Life Commitment, Not a Job Commitment. Level 4 leaders develop people. Level 5 leaders consistently develop leaders over a lifetime, and the leaders they raise up also develop leaders. It becomes a lifestyle they practice everywhere and at all times, not a program they implement or a task they occasionally practice. Mentoring is a mantle that they wear willingly and they strive to add value to others.

Level 5: The Pinnacle

Rare is the leader who reaches Level 5 — the Pinnacle. Not only is leadership at this level a culmination of leading well on the other four levels, but it also requires both a high degree of skill and some amount of natural leadership ability.

It takes a lot to be able to develop other leaders so that they reach Level 4; that’s what Level 5 leaders do. The individuals who reach Level 5 lead so well for so long that they create a legacy of leadership in the organization they serve.

Pinnacle leaders stand out from everyone else. They are a cut above, and they seem to bring success with them wherever they go. Leadership at this high level lifts the entire organization and creates an environment that benefits everyone in it, contributing to their success. Level 5 leaders often possess an influence that transcends the organization and the industry they work in.

Most leaders who reach the Pinnacle do so later in their careers. But the Pinnacle level is not a resting place for leaders to stop and view their success. It is a reproducing place from which they make the greatest impact of their lives. That’s why leaders who reach the Pinnacle should make the most of it while they can.

With gratitude and humility, they should lift up as many leaders as they can, tackle as many great challenges as possible and extend their influence to make a positive difference beyond their own organization and industry.

Guide to Being Your Best at Level 5

Use the following guidelines to help you grow as a leader and develop others to become Level 4 leaders.

1. Remain Humble and Teachable: The greatest potential internal danger of working your way up to Level 5 is thinking you’ve arrived and you have all the answers.

2. Maintain Your Core Focus: If you’ve made it to the Pinnacle level of leadership, you possess a primary skill set — a sweet spot or strength zone — that got you there. Identify that core strength and write out a plan for making the most of it in the coming years.

3. Create the Right Inner Circle to Keep You Grounded: All successful leaders need an inner circle of people who will work alongside them to achieve the vision, help them to enjoy the journey and keep them grounded.

4. Do What Only You Can Do: There are always a handful of things that only the top leaders can do for their organization, department or team. What are yours? Make sure you make them a high priority.

5. Create a Supercharged Leadership Development Environment: One of the most important factors in creating a Level 5 organization is developing and maintaining an environment where leaders are constantly being developed.

6. Create Room at the Top: If you don’t create room at the top for developing leaders, you will waste much of your potential horsepower and you will eventually start to lose your up-and-coming talent.

7. Develop Your Top Leaders: Anyone who has the potential to lead as well as you do (or even better) should be on your radar for one-on-one mentoring.

8. Plan Your Succession: If you have developed a lot of Level 4 leaders, then begin focusing on the few who have the best potential to succeed you. If you haven’t been developing high-caliber leaders, then start there.

9. Plan Your Legacy: It’s been said that Alfred Nobel read his own obituary, which had been mistakenly published in the newspaper, and that prompted him to change his focus from manufacturing explosives to rewarding scientists and statesmen who advanced the cause of peace and development.
Portrait of a Level 5 Leader: Coach John Wooden

My admiration and respect for John Wooden began when I was just a kid. You see, basketball was my first love. I’ll never forget the day in fourth grade when I attended a high school varsity basketball game. It enthralled me. For the next dozen years, I played basketball just about every day. And because I was a great fan of the game, I knew about Wooden. How could I not! During his tenure with the UCLA Bruins, Wooden won 620 games in 27 seasons. His teams won 10 NCAA titles during his last 12 seasons, including seven in a row from 1967 to 1973. At one point, his teams had a record winning streak of 88 consecutive games. They had four perfect 30-0 seasons. They also won 38 straight games in NCAA tournaments and a record 98 straight home-game wins at Pauley Pavilion. Wooden was named NCAA College Basketball’s Coach of the Year in 1964, 1967, 1969, 1970, 1971, 1972 and 1973. In 1967, he was named the Henry Iba Award USBWA College Basketball Coach of the Year.

I was fortunate to get the chance to meet John Wooden. I was even more fortunate that for the next seven years I had the privilege of meeting with him several more times and continuing to learn from him — for while he had made a great impression on me from afar, he made an even stronger one up close.

In fact, when I reach the 5 Levels of Leadership and I am asked to give an example of a Level 5 leader, Wooden is the person I most often talk about, because I think that by studying his life anyone can learn great leadership lessons. Here’s how his life exemplified the 5 Levels of Leadership.

• **Level 1: Position — People Follow You Because They Have To.** Wooden coached basketball for 30 years. Like all leaders, he started by receiving a leadership position and got the opportunity to make the most of it. Coach Wooden used his position when needed, though he did it with a soft touch. For example, his practices were not long, but he demanded the full attention of every player each time they practiced. If a player lost focus and slacked off, Wooden would kick him out of practice.

• **Level 2: Permission — People Follow You Because They Want To.** Throughout his long career, Coach Wooden’s relationships with all of his players were special. And after his career as a coach was completed, Wooden maintained his close ties to the men he had once led on the court. More than once he told me, “If, as a leader, you listen to them, then they’ll listen to you.” He understood that leaders listen, learn and then they lead.

• **Level 3: Production — People Follow You Because of What You Have Done for the Organization.** Coach Wooden turned around UCLA’s basketball program in one season. Prior to his arrival, they had experienced a losing season. His first year as UCLA’s coach, the team won the Pacific Coast Conference (PCC) Southern Division Championship with a 22-7 record. It was the most wins in a season for UCLA since their basketball program had begun in 1919.

• **Level 4: People Development — People Follow You Because of What You Have Done for Them.** Coach Wooden said, “Success is peace of mind which is a direct result of self-satisfaction in knowing you did your best to become the best that you are capable of becoming.” That’s what Level 4 leaders want for themselves and those they lead: to reach their potential.

• **Level 5: Pinnacle — People Follow You Because of Who You Are and What You Represent.** Many times people don’t find out how wonderful a leader was until he or she dies. They go to the funeral or memorial service and they are surprised to discover how many other lives were impacted by the person. In the case of Coach Wooden, we didn’t have to wait to find out. Players from four decades of teams had received the benefit of his leadership, and so did the people they have led after their days on the court. And millions more had watched from afar as he led teams to victory. He was wise, honest, principled, disciplined, humble, humorous, courageous and faithful. He was a Level 5 leader. The world needs more like him.

**RECOMMENDED READING LIST**

If you liked *The 5 Levels of Leadership*, you’ll also like:

1. **The 21 Irrefutable Laws of Leadership** by John C. Maxwell. Author John C. Maxwell offers readers leadership principles that stand the test of time.

2. **Everyone Communicates, Few Connect** by John C. Maxwell. Maxwell shares the Five Principles and Five Practices to develop the crucial leadership skill of connecting.