

# 5 LEVELS OF LEADERSHIP

Proven steps to maximize your potential

by John C. Maxwell

## Executive Book Summary

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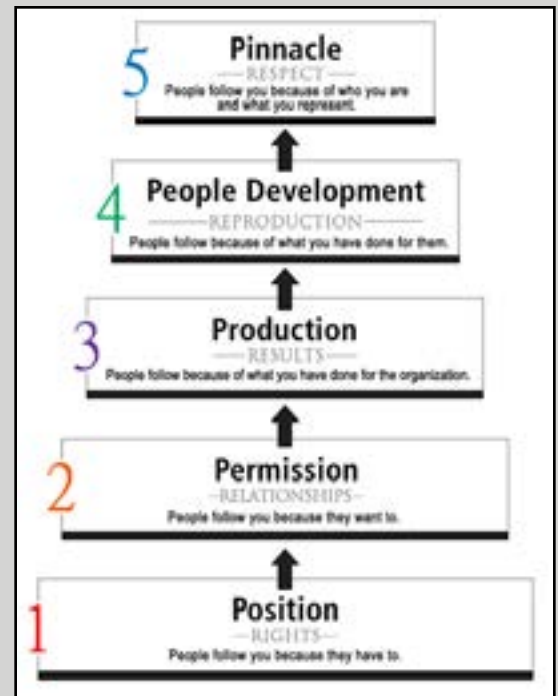
### About the author

John C. Maxwell is a well-known American author that is recognized for a number of books on leadership. Maxwell was born into a Christian family and he followed in his father's footsteps when he became a minister. Over the past 20 years, Maxwell has been a dedicated speaker and author. He is also the founder of various leadership organizations where he focuses on helping others to become leaders around the world. Maxwell has reached millions of people with his workshops and books. He is passionate about developing leaders that will develop others in order to live out his legacy.



### Overview - 5 Ps

In this book about leadership, John C. Maxwell provides readers with practical tools to achieve their leadership goals. Before discussing the 5 levels of leadership, Maxwell paints a clear picture of leadership and highlights that fact that it is a verb, not a noun. The main goals of the 5 levels of leadership include, breaking down leading into steps, developing a game plan for development and aligning practices, principles and values. Maxwell then walks the reader through the 5 levels of leadership and provides a description for each. As he describes each level, he elaborates to include specific upsides and downsides to each level, best behaviors to practice on that level and the laws of leadership at that same level. Before discussing the details of the next level, Maxwell describes the beliefs that will help a leader move to the next level. The hierarchy of the 5 levels can be summarized in the figure. Early on in the book, Maxwell establishes a link between leadership and influence.



“LEADERSHIP IS INFLUENCE.”

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## Establishing the rules...

Before discussing the details of each of the levels of leadership, Maxwell offers some general insight that help the reader understand how the levels relate to one another.

1. You can move up a level but you never leave the previous one behind
2. You are not on the same level with every person
3. The higher you go, the easier it is to lead
4. The higher you go, the more time and commitment is required to win a level
5. Moving up levels occurs slowly, but going down can happen quickly
6. The higher you go, the greater the return
7. Moving farther up always require further growth
8. Not climbing the levels limits you and your people
9. When you change positions or organizations, you seldom stay at the same level
10. You cannot climb the levels alone



**INSIGHT:** When reading these insights that Maxwell has laid out early in his book, it is apparent that some of them are more obvious than others. For example, it is not surprising that as you move up a level, it becomes easier to lead but it requires more time and effort to get there. As an individual climbs up these levels, it also makes sense that you don't lose the previous one. Some points that stood out might have been that you have to realize you are not on the same level with every person. Another point that is related is the fact that when you change positions it is unlikely that you will remain at the same level of leadership with the new organization. These two points really emphasize the value of relationships in leadership, which is discussed in many aspects throughout the book.



## LEVEL 1: POSITION - People follow because they have to

The first level of leadership mentioned is position. Maxwell mentions that most leaders start on this level and he references the fact that having positional leadership will provide you with a chance. It is then up to the individual what they do with that position that will determine whether or not they grow themselves or others and move up the hierarchy. One of the major upsides of position from the leadership perspective is that it is usually awarded based on identified **potential**. This should not however be confused with the fact that because you have a certain position you are automatically a leader. This level of leadership is associated with authority and recognition, however it also involves recognizing the limitations of the position. Because level 1 leaders are considered the lowest level that also means that these leaders have ample room to grow. This level of leadership puts emphasis on self-awareness.

Maxwell mentions that leaders must know who they are, what their values are and what leadership practices they want to put into place in order to succeed.

“The leaders who do the greatest harm to an organization are the ones who think they have arrived. Once they receive the title or position they desire, they stop growing. They stop innovating. They stop improving. They rest on their entitlements and clog up everything. Make the most of this opportunity in leadership by making growth your goal.”

## Moving up to the next level...

In order for leaders to move up to level 2, there are key beliefs that must be considered. This includes acknowledging that titles are not enough and that a leader's most valuable asset is the people. While it might be attractive to “fake it until you make it”, leaders must know that it is acceptable to not know all the answers. Leadership requires collaboration.

## LEVEL 2: PERMISSION - People follow because they want to

The next level of leadership mentioned is permission. In this level, Maxwell refers to influence and the importance of permission because it is focused on relationships. Having the right attitude is crucial for level 2 leaders. As the focus shifts from position to permission, there are various rewards that come along with level 2. J. Donald Walters stated, “Leadership is an opportunity to serve”. Servant leadership concentrates on the growth and well being of people in order to grow the community. This leadership theory directly applies to level 2 leaders because it is the first level where the focus shifts from the leader to the follower. In order to put attention on relationships, leaders in this level must **value** and respect those around them. Maxwell provides an excellent example of placing value on people when he describes a story about Nelson Mandela. In brief, this story was about a successful businessman that had been invited to Mandela's home for a meet-

ing. The man arrived at his home and just before they started to eat Mandela asked if there was someone else that was joining them. Mandela was referring to the man's driver, who he went out to the car to invite to join them for lunch. This story demonstrates Mandela's appreciation and value for all people, regardless of their role. Level 2 leaders must put a lot of effort into relationships, however this comes with its own challenges. Permission leaders must be able to identify their people as takers vs. developers and acquaintances vs. friends. For some people, this level of leadership is very difficult based on their personality. Maxwell encourages level 2 leaders to strike a balance between care and candor. He reminds the reader that permission leaders do not need to treat members of their team like family. Families focus on community, while businesses focus on contributions. A great team will strive to have the best of these worlds.

“Care without candor creates dysfunctional relationships. Candor without care creates distant relationships. But care balanced with candor creates developing relationships. ...Caring values the person while candor values the person's potential. ...Caring establishes the relationship while candor expands the relationship. ... Caring defines the relationship while candor directs the relationship.”

## Connecting with yourself

Self-Awareness  
Self Image  
Self-Honesty  
Self-Improvement  
Self-Responsibility



## Moving up to the next level...

In order for leaders to move up to level 3, there are key beliefs that must be considered. It is imperative that level 2 leaders know that relationships alone are not enough to move to level 3. In the next level, Maxwell discusses how level 3 leaders must link people's potential to their performance. Level 3 requires common growth between parties.

### LEVEL 3: PRODUCTION - People follow because of what you have done for the organization

The third level of leadership mentioned is production. In this level of leadership, individuals produce results with their teams. Production leadership represents a major step up the leadership ladder, at this stage, leaders are authentic as it is very difficult to fake results. Leaders who have made it to level 3 have achieved **momentum** within their organization, which creates overall growth. One of the strengths of production leadership is that credit is given where credit is deserved. Maxwell references Peter Drucker, the father of modern management, by stating that “There are two types of people in this business community: those who produce results and those who give you reasons why they didn’t.” The best way to ignite productivity in the workplace is to model the behaviour. Recall that the rules of leadership stated that you never lose a level as you progress. This means that leaders who have already put in the time and effort to develop relationships at level 2 are more likely to see productivity in their followers when they reach level 3. When discussing momentum, Maxwell relates it to high

morale. He reiterates the fact that when people feel good, they are more likely to produce positive results. Because level 3 leadership revolves around momentum, Maxwell spends some time comparing momentum takers, breakers and makers and the effect that each can have on an organization. Some time is also spent covering the downsides of production leadership. While results are an integral component of this level of leadership, individuals must be careful not to assume that being productive qualifies being a leader. Due to the fact that results are emphasized at this level, it is common for these leaders to feel pressure to produce. Level 3 leaders are often faced with difficult decisions in order to allow the organization to grow. The key to success on level 3 involves **vision**. This should be clearly defined and aligned with the values of the team.

“For years I wondered which comes first: high morale or high productivity. I have heard good arguments for both sides of this chicken-or-egg question. I have seen high morale stimulate production. I have also seen productivity create high morale. I can’t say that it always happens one way, but here is what I do know: remove production and high morale will fade fast. Keep producing, and high morale will continue for a long time.”



#### Moving up to the next level...

Leaders who move from level 3 to level 4 must shift focus once again. This time, the transition is from producer to developer. By level 4, leaders have identified that people are their most valuable asset and they can see the potential for development. Most of a leader’s effort at level 4 will be focused on people development.

### LEVEL 4: PEOPLE DEVELOPMENT - People follow because of what you have done for them

The fourth level of leadership mentioned is people development. This level of leadership is unique from the ones previously described because it sets you apart from most leaders. The reason for this is that most organizations focus their leadership development at level 3 or production. While production does lead to growth, in order to ensure sustainment of that growth, leaders must shift to people development. Maxwell quotes Ken Blanchard when he writes, “The test of your leadership is not what happens when you are there, but what happens when you’re not there.” Developing people takes a lot of time and effort, however the pay off is huge. Not only does productivity increase but this level of leadership also **empowers** others. Maxwell discusses how empowerment is two-fold because the followers are inspired to fulfill their leadership roles and also the leader now has more time to dedicate to other efforts. The benefits of people development are obvious, however, the major downside to this level is that it is a very challenging task. Other issues with this level revolve around insecurities that might develop in the leader. Level 4 leaders must be aware of their ego, relinquish control and trust their followers. Below are some of the best behaviours that level 4 leaders should possess.

It takes a leader to **KNOW** a leader

It takes a leader to **SHOW** a leader

It takes a leader to **GROW** a leader



#### Moving up to the next level...

In order for leaders to move up to the fifth and final level, there are key beliefs that must be considered. The highest level of leadership can be summarized as the capacity to develop leaders. Many people might aspire to reach level 5, however very few leaders will actually achieve it in their lifetime. Developing leaders involves creating a culture.

### LEVEL 5: PINNACLE - People follow because of who you are and what you represent



The last level of leadership mentioned is pinnacle. So far, some of the levels of leadership have been specific to organizations or roles within them. The most important thing to remember about developing leaders is that it is a life commitment and very few leaders will ever reach the pinnacle level. The upside of pinnacle leadership is that this level of leadership creates an organization that is equivalent. Pinnacle leadership is also associated with **legacy**. Reaching this level of leadership implies that the leader has the chance to make a difference beyond their tenure. Level 5 leaders have a duty to develop other leaders, this means that pin-

nacle leaders will be measured based on their successors. Despite the fact that pinnacle leadership is the fifth and final level that does not mean that leaders should assume that they have “arrived”. As you climb up the levels, the amount of opportunities drastically increases. Unfortunately, opportunities can also mean distractions; therefore pinnacle leaders must never lose focus of their goals. Here are the top 10 things that pinnacle leaders need to do to be successful: 1- remain humble and teachable, 2- maintain core focus, 3- create the right inner circle to keep grounded, 4- do what only they can do, 5- create a supercharged leadership development environment, 6- create room at the top, 7- develop top leaders, 8- plan their succession, 9- plan their legacy and 10- use leadership success as a platform for something greater.

“When you develop a follower, you gain a follower. When you develop a leader, you gain a leader and all his followers. When you develop a level 4 leader, you gain a leader who creates other leaders, and you gain all the leaders and all the followers that they lead. That is why level 5 leaders are so powerful and why their organizations have unlimited potential!”

## WHAT LEVEL OF LEADER ARE YOU?

Below are some sample questions from each level of leadership. You must answer these questions based on your initial instinct.

### LEVEL 1

- I don't have to remind the people who work for me that I am the leader.
- Most days I look forward to going to work.
- I recognize that the position I've been given is an opportunity to learn, not turf to be guarded.
- The people who work for me are willing to do work above and beyond their job descriptions.
- I possess the desire to learn more about leadership and become a better leader for me.
- Most people find it easy to work with me.

### LEVEL 2

- I know my strengths and weaknesses and rarely get blindsided in my work.
- I genuinely like most people and want to help them.
- I am very consistent and even-tempered in my interaction with the people who work for me.
- I have developed solid relationships with all of the people who work for me.
- I have developed relationships with everyone who works for me.

### LEVEL 3

- I consistently hit targets and goals in my work.
- Good people always want to work with me and my team.
- People see me as an expert in my field and seek me out to learn from me.
- I am constantly setting and achieving higher goals for myself, even when my superiors don't set them for me.
- My performance in my work often carries the team to a higher


### LEVEL 4

- I spend a significant amount of time every month mentoring up-and-coming leaders.
- I know very thoroughly the strengths and weaknesses of all the people I lead.
- I individualize the way I train, develop, and mentor my people.
- I spend the most strategic and significant mentoring time with the people who have the highest capacity, talent, and potential.
- I have a history of moving people from position to position to

### LEVEL 5

- The course of my organization is set by me or by a team of which I am a part.
- I have developed many leaders who are developers of leaders.
- I enjoy the interaction and friendship of a small circle of leaders with whom I am taking the leadership journey.
- I am still at the top of my game, and the positive impact I am making is strong.
- I have influence outside of my organization.

## REVIEW

Overall, I would highly recommend this book on leadership. John C. Maxwell does a great job of introducing the 5 levels of leadership and then discussing them in detail. In his explanations, he provides lots of examples and famous quotes that allow the reader to relate to the scenarios. The book is well organized and easy to follow from one level to the next. Maxwell does not disappoint when he includes detail about how to identify your level and strategies to advance to the next level. 

## EVALUATION

As discussed in this summary, the 5 levels of leadership walk the reader through what John C. Maxwell has determined to be important steps for leaders. In this evaluation, I will strive to discuss the 5 levels of leadership with respect to known approaches and theories of leadership. Most, if not all of the approaches and theories can be found within Maxwell's inspiring book. Let's walk through the levels, starting with level 1, and apply these approaches and theories as we make our way to level 5.

**Level 1 or position**, is the lowest level of leadership and it is often determined based on title. For this level of leadership, the trait, skills and behavioral approaches stand out the most. These approaches have in common the fact that they are all leader-centered. Therefore, the personality of the leader and their abilities is very important for level 1 leaders.

**Level 2 or permission** is the next level of leadership and the primary focus of this level is relationships. The leadership approaches/theories that I believe speak volumes to this level are the situational approach, path-goal theory, servant leadership and transformational leadership. Keywords from this level that direct me to these approaches and theories include motivation, development, empowerment and values.

**Level 3 or production** is fairly self-explanatory. In this level, leaders produce results, which allow them to gain influence and credibility. This level of leadership is therefore dependent on the effort of the team involved. Team leadership can be summarized as interdependent and emphasizes factors that contribute to team outcomes. Although team leadership is related to situational and transformational leadership, I believe that the productivity and performance of level 3 leaders best accompanies this leadership style.

**Level 4 or people development** follows production. In this leadership level, relationships are further developed and followers become empowered. Servant leadership was previously mentioned in level 2 leadership but I believe that it can be applied to level 4 as well. Due to the interactions that occur between the leader and follower at this level, the leader-member exchange theory also stands out. Lastly, adaptive leadership can be applied because the leader mobilizes people to take on new challenges.

**Level 5 or pinnacle** leadership is the final level discussed. This level of leadership requires many of the approaches and theories previously discussed, however it also has the element of developing leaders. That being said, I believe that authentic leadership is the perfect fit for this level. Authentic leadership involves focus on the leader as well as leader-follower interaction.

## REFERENCES

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