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**Chapter 30**

**(pp. 184-190)**

**Meaningless leadership**

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**BACKGROUND AND CONTEXT**

Being in charge of anything is rarely easy. Leading an organization or a team is a demanding, often thankless, task. People in senior management positions have wide responsibility and are compelled to make tough decisions. They are responsible not just for their own behaviour, performance and conduct, but also for those who report to them. Senior leaders in large organizations typically work very long hours, confront heavy workloads and face intense pressure and stress. Front-line supervisors who have been promoted into middle or senior management positions fret about whether they can handle the transition from worker to manager and whether subordinates will respect their newfound authority. Entrepreneurs who have grown their own business suddenly have to oversee a hierarchy of management and supervisory roles. A police sergeant promoted to inspector will have to get used to being called ‘Boss’ by fellow cops who until recently were close, trusted companions at police stations, in patrol cars and out on the streets.

Leadership can be a tough and lonely job. But there is no need to panic. Fortunately, the stressed and uncertain manager – newly-minted or highly-experienced – has some important places to turn for advice. Enter the multi-million-selling leadership guru book, something that instantly offers a ready-made psychological crutch. There’s no need to blunder through a leadership position making a string of naive and costly errors. Instead, a wise manager can learn from the cutting-edge analysis of world-leading leadership gurus.

‘Leadership’ has developed into one of the hottest sub-categories of the business book. Leadership texts have several genres of their own: psychological self-help, memoirs of courage under fire, reflections on ‘winning’ by retired sports stars, historical studies of major political leaders, commercial advice from innovative entrepreneurs who dropped out of university to develop cutting-edge tech companies, and tales of ‘turnaround champions’ who went into ‘basket-case’ companies and transformed them into world-beaters through their ‘vision’ and ‘excellence’. These leadership stories often employ narratives of heroism, danger, machismo and excitement (Farber, 2004; Larson, 2010; and, for a critique of the ‘extreme leadership’ genre, Burrow, 2015).

But what is ‘leadership’, exactly? It is a concept marked by ambiguity yet also imbued with a high degree of rhetorical power. In some sense great leadership is a timeless idea calling to mind ancient Greek generals or radical political figures such as Mahatma Gandhi or Emmeline Pankhurst. In another sense, ‘leadership’ is a contemporary and cutting-edge concept, having replaced ‘management’ as the most up-to-date, effective, inspiring and ethical way of running an organization. If the 20th century was characterized by ‘managers’ who ‘managed’, ‘administered’ or ‘coordinated’ workers and workplaces through hierarchical command structures, technical manuals, double-entry book-keeping and standard operating systems, then the 21st, by contrast, is characterized by ‘leaders’ who ‘lead’ their organizations by their vision, passion and charisma and by abandoning control and micro-management. This trope – that ‘management’ is outmoded, failing and boring whereas leadership is new, dynamic and exciting – is a simple hook many leadership texts employ (McCann, 2016). Leadership rhetoric encourages the rookie or experienced manager to throw off their anxieties and embrace the dynamism and energy of the exciting world of leadership. Being in charge is not something to be anxious about. Rather, being a leader is an exciting ‘stretch goal’ for dynamic individuals who can accomplish anything. Old-style management texts instruct the manager to set up rules, establish procedures, and measure people and processes against objectives. Newer leadership texts encourage leaders to burn the policy manuals and explore the greatness and resilience of a sporting champion, a renegade colonel, or a ‘steely-eyed missile man’ (Hill, 2018: 1).

Some of these books are so famous they warrant case studies all of their own. This chapter is a case study of *Good to Great*, a blockbuster text written by Jim Collins, one of the USA’s most prominent business, strategy and leadership gurus. First published in 2001, the book has sold over 4 million copies and its leadership lessons have been promoted globally. This chapter tells a story of how this book developed into a major cultural product, including the release of sequels, companion volumes, websites and what amounts to a *Good to Great* concept or brand. It goes on to describe how this brand has also struggled and faced a need to re-invent itself, for example where some of its prophecies failed and where criticisms have emerged. Ultimately it will suggest that the insights provided by leadership books such as *Good to Great* are pretty limited. Sometimes leadership texts are thought-provoking. Sometimes they contain small kernels of truth. Sometimes they are fun to read. But they also contain serious weaknesses and contradictions that terminally weaken the value of the advice they profess to supply (Rosenzweig, 2007). Worst of all, their superficial advice and stories can be used as legitimating devices for management aggression, arrogance and authoritarianism, usually with devastating results for organizations, their employees and their clients.

**JIM COLLINS AND HIS *GOOD TO GREAT* WRITINGS**

Collins’ work is hugely influential, having been read and studied by students, managers and leaders from across a wide array of sectors, including all kinds of public sector organizations, such as schools, universities, hospitals, government ministries and even military units. His books have been internationally successful, leading to consulting invitations and speaking engagements the world over. His bombastic, emphatic approach is in many ways typical of the ‘guru’ genre. But beyond this, *Good to Great* includes some interesting and eye-catching ideas that differentiate it from the crowd. Collins’ style is often to approach his questions from contrarian directions, looking to overturn conventional wisdom and promising surprising revelations that challenge his readers’ preconceptions.

The central claim of the book is that organizations the world over tend to be poorly run, providing mediocre performance well below what they are capable of. Most are good, rather than great, and ‘good is the enemy of great’ (2001: 16). Companies, their leaders and staff are capable of much more. But they get stuck in a cycle of weak performance followed by repeated attempts at restructuring that achieve little, leading to further (failed) change efforts. Organizations seem to have lost contact with the essence of their core business and identity. It is the duty of great leaders to discover and eliminate the root causes of mediocrity and to move beyond tolerating just ‘good’ performance so that their companies can become ‘great’. Collins and his research team claim that their comprehensive and data-driven research has highlighted just 11 truly ‘great’ companies out of ‘an initial universe of companies that appeared on the Fortune 500 in the years 1965–1995’ (Collins, 2001: 6). These companies showed a pattern of ‘good’ performance up until a ‘transition point’ whereupon they shifted into ‘great’ performance, as defined as a cumulative total stock return of at last three times the general market for 15 years dating from the transition point (Collins, 2001: 219).

Collins claims to be surprised by the companies that cleared this high bar. The 11 companies he and his team isolated seem to be unremarkable, even boring. None of them is involved in especially dynamic or revolutionary sectors such as high-end technology. Indeed ‘a dowdier group would be hard to find’ (Collins, 2001: 6). Some are unheard-of outside the US, such as Abbott Laboratories, Kroger or Pitney Bowes (the latter a manufacturer of dull and practical office equipment). More recognisable are the retailers Circuit City and Walgreens, the government-backed mortgage-lender Fannie Mae, Wells Fargo bank, Gillette, Kimberly-Clark, the steel manufacturer Nucor, and tobacco company Philip Morris. Weirdly there is no Walmart or Microsoft, and the book mostly predates the meteoric rise of Google, Amazon or Facebook. Collins cleverly amplifies and broadens his leadership lessons by constructing them out of very prosaic material. The implication is that any organization, however unremarkable, can move from ‘good’ to ‘great’ if it is led properly.

**LEVEL 5 LEADERSHIP**

*Good to Great* and its various companion editions and follow-ups (Collins, 2001; 2006; 2009; 2019; Collins and Hansen, 2011) cover many substantive areas such as strategy, finance, marketing and business history. It would be wrong to suggest they are all straightforwardly and solely leadership texts. A significant part of the *Good to Great* brand concerns how companies can enjoy success by ‘getting the right people on the bus’, installing ‘a culture of discipline’ and developing momentum via a construct called ‘the flywheel’. But, in keeping with broader publishing trends, leadership is a central animating idea at the heart of Collins’ work. Collins’ most famous leadership construct is presented early on in *Good to Great*: the notion of ‘Level 5 Leadership.’

What is this? Level 5 Leadership is probably the most memorable and potentially the most valuable contribution of the book. It is the supposedly fundamental ingredient in stimulating and then sustaining a company’s transition to greatness. Collins has an interesting take on what makes ‘great’ as opposed to just ‘good’ (or simply bad) leadership. A figure on page 20 shows a hierarchy of leadership greatness, from Level 1 ‘highly capable individual’ at the bottom, to ‘contributing team member’ at Level 2, to ‘competent manager’ at Level 3, and ‘effective leader’ at 4, until we reach the summit of the ‘level 5 executive’. Many of us are familiar with heroic stories of dynamic, authoritarian, ambitious, high-profile chief executives such as Jeff Bezos or Jack Welch. But Collins suggests that self-promoting and noisy bosses represent only ‘effective’ leadership at Level 4. Such an approach can, of course, work for a time, but will never make a company ‘Great’.

 Level 5 Leadership instead is what will take a company to greatness. It involves quiet, self-effacing, disciplined leaders who don’t seek the limelight and only want what is best for the company, not for themselves. Level 5 Leaders have usually worked their way up to the top from within the company, rather than being parachuted in from elsewhere. Collins is especially critical of obnoxious ‘turnaround champions’ brought in from outside, whose understanding of a company is necessarily limited and whose policies are weak or destructive. This is an important point that many readers will be able to relate to. Toxic, bullying and ill-informed bosses are usually unpopular with workers and Collins shows that their actions tend towards drastic, reckless, showpiece actions that do not deliver value and are actually counterproductive. Nobody ‘buys-in’ to the leadership style or change programmes of the arrogant and selfish Level 4 leaders. Rather, staff at all levels resent the disruption caused, and outsiders often look on bemused as a company goes through restructuring agonies (painful layoffs, failed attempts at ‘culture change’, sudden closure of facilities and lines of business). Collins argues that radical change imposed from the top results in (at best) a short-term uplift in performance, followed by a deep slump back into the problems that persisted before (or worse). The Level 5 executive rises above this by focusing on what matters and improving every aspect of their companies via a passion for results and a devotion to detail. In this way, the Level 5 leader is portrayed by Collins as a humble, respected, careful, but very able person. This is a powerful rhetorical move, one that the aspirant manager or leader can surely relate to. A Level 5 Leader is not only a great businessperson, but is also a humane and righteous citizen.

Later, in *Great By Choice* (Collins and Hansen, 2011), the notion of leadership greatness is updated, morphing into something called 10x Leadership. Moves like this are quite typical in follow-up business bestsellers, whereby the core message is recycled, upgraded and repackaged, much like in other consumer products such as pop music, films or software packages. The latest business blockbuster from an established guru offers variations on well-known themes, while being careful not to offer anything too different so as to disturb a core audience accustomed to a certain sound. So we go from Level 5 Leadership to 10x. It’s kind of more of the same but it’s newer and therefore better. Maybe twice as good.

The weaknesses of this kind of writing tend to surface here. Many critics have described leadership and business guru products as exaggerated, unoriginal and devoid of real insight (Rosenzweig, 2007; Spicer, 2016). Academic researchers have highlighted major problems with the methodology of *Good to Great*, to such an extent that the selection criteria are arbitrary, meaning that many of the 11 companies don’t belong on the list and their leaders are anything but special or great (Neindorf and Beck, 2008; Resnick and Smunt, 2008).

There are further problems for Collins. Some ‘great’ companies subsequently got into trouble or collapsed (Circuit City) and companies and leaders who were once lauded as great, innovative and ethical went on to disgrace themselves by their complicity in the great financial crash of 2008 (Fannie Mae). And can it really be right for a tobacco company (Philip Morris) to be promoted as a ‘great’ organization? Why do some companies excluded from *Good to Great* such as Microsoft then appear prominently in follow-up texts such as *Great by Choice*? Why does Collins and his team focus only on the USA? Surely, there are leadership lessons to be had from other nations? Or from organizations that are not publicly listed corporations on the Fortune 500? Lastly, why does he use stock performance as his indicator of greatness? The focus on how Wall Street values a company seems to fly in the face of the main leadership argument, that great leaders are selfless, devoted, caring professionals who focus wholeheartedly on the internal processes of their companies.

‘Moving from good to great’ has become a corporate mantra, so taken for granted as part of the business landscape and lexicon that it is sometimes not even attributed to Collins. Some of the ‘takeaways’ from *Good to Great* such as Level 5 Leadership, the Flywheel, and the Hedgehog Concept often find their way into corporate presentations, TED talks, other leadership texts, and business school essays, sometimes without Collins being directly referenced (see, for example, a rather suspicious ‘healthcare flywheel’ as portrayed in Larson (2010: 30)). Books of this kind thrive on asserting, repeating and adapting business fads, especially the master narrative that management is dead and leadership is king (McCann, 2016). While undoubtedly influential, it is difficult to get away from the feeling that the main outcome of these texts is the promotion and recycling of *meaningless leadership*.

**SUMMARY AND OVERVIEW**

Leadership texts claim to offer basic, universal lessons applicable to any kind of organization in any kind of sector. You don’t want to read leadership books just for your own selfish goals – you need to read them to get yourself up to Level 5, and hence increase the general standards of leadership around the world. Very often, leadership texts argue that the standards of leadership are in decline – most companies suffer with weak leaders who are just ‘managers’ at Level 3; bureaucratic and dull characters lacking vision or dynamism. Others contend with Level 4 Leaders who at least have some charisma, but are aggressive, volatile and don’t do detail. In some sense there is nothing inherently wrong with Collins’ texts. One can imagine them offering some useful advice, and the critique of leadership aggression and arrogance is refreshing.

But Collins’ simplistic analysis and hectic launching and rebranding of concepts are worrying. The straightforward lessons and bombastic confidence of a Collins text can easily be abused by assertive and aggressive executives. In a powerful paper entitled ‘Get off my bus!’, education researchers Steven Courtney and Helen Gunter argue that the widespread promotion of *Good to Great* and its associated visionary leadership into schools has contributed to a rise of employer aggression and hostility towards teachers. Any professional who questions the ‘vision’ will be ‘thrown off the bus’ (Courtney and Gunter, 2015). A recent staff downsizing at a major British university was justified by senior leadership using the language of moving the university from Good to Great. There is a very fine line (maybe entirely illusory) between the leadership style of executives praised by Collins as ‘zany and flamboyant’ (Collins and Hansen, 2011: 32), ‘fanatically driven’ and ‘resolved to do whatever it takes’ (Collins, 2001: 39) and styles of leadership involving aggression, bullying, ruthlessness and not listening to subordinates, advisors, or outsiders. Workers, professionals – indeed labour in any form – almost never appear as human actors in Collins’ work, and there is barely a mention of trade unions, staff associations, professional bodies, or workplace consultation or democracy of any kind. These leadership texts are extremely CEO-centric. Obviously they are pitched at a senior management audience, but they deliberately screen out and downplay the role of other stakeholders as if their roles are illegitimate or irrelevant. We know from hundreds of research studies that when top management insists on pursuing policies in a top-down fashion without adequate workplace consultation then failure, conflict and resentment are extremely likely. In a strange sense Collins often argues this himself with his idealized notion of Level 5 Leaders. Yet he doesn’t seem able to welcome any other possible actors into his domain of leadership – Level 5 remains a place populated only by CEOs and their mysterious visions, cultures and values. Workers just have to leave it to chance that their leaders might have their interests at heart.

The same problem pertains to other contemporary literature on ‘compassionate leadership’, ‘leading quietly’ or ‘servant leadership’. These ideas aren’t necessarily wrong. The issue is more that in the real world, as opposed to the pages of an airport leadership text, ‘leaders’ rarely correspond to the ideal of the honest, self-deprecating, compassionate professional who listens, cares and is trusted. Sadly, often the motivations and incentives of leaders are actually opposed to those of workers. Leadership texts are pitched at senior managers and nearly always re-enforce a distinctly ‘unitarist’ conception of work and organization which denies there can be any differences in the interests, aims, goals and worldviews of managers and workers. As we know from countless examples of industrial relations conflict, corporate scandal, bankruptcy and failure (including some that spring from the history of ‘Good to Great’ companies themselves), there are good reasons to be very sceptical of such a blinkered framing of the realities of employee relations. Leading an organization is not easy. But embracing meaningless leadership texts often means taking an easy option, rather than a constructive one.

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