The reason behind the failure of the company

Chapter 19 stated that eTablet failed because it went through the early steps of company failure that Jim Collins described. In the initial stage, the company was too confident about its work. Gregor became too confident in himself after winning early and getting good news coverage. Hence, he was so confident in himself that he did not listen to warnings from the other founders, the financial expert group, and the organizational production teams. After that, eTablet started trying to grow too fast, pushing to grow worldwide without making its own systems stronger or helping its workers grow (Manning & Curtis, 2007). At that time, some warning signs appeared that employees were leaving the company, employees were less happy to do their work, and they did not do creative work. Gregor started to say there was no danger, ignoring big problems as just temporary or caused by others. He started managing in a scary way, which stopped new ideas so that no new products were made at that time. In that situation, the company tried desperately to find help, taking random action. All these steps together led eTablet to failure, along with the people who owned stock in the company, to lose money.

Gregor's level of Performance

Based on the leadership hierarchy described in Chapter 19 (page 511), Gregor's work aligns with *Level 3: Competent Manager*. A leader at Level 3 always knows the way to organize people and things well to reach short-term goals, which Gregor did at the initial stage with eTablet. He lacked the key features needed to lead at Levels 4 and 5, such as being humble to his employees, staying very focused on the company's objective, and ability to inspire other workers who care about the company's bigger achievement instead of personal recognition (Manning & Curtis, 2007). Gregor's ego, too much confidence, and not listening to his team kept him from becoming a Level 4 "Effective Leader" or a Level 5 "executive, someone who creates long-term success. So, Gregor remained at Level 3, which had an impact on the company's decline once early success faded.

Collin's five-stage process of failure

The failure of eTablet and Gregor was similar to Collins' famous Five-stage process of failure. It has been noticed that the time spent in Stages 1 to 4 was the worst, as this was when things got much worse very quickly.

Stage 1: Hubris Born of Success	After doing well at the initial stage, Gregor started to think he was an important person. He was very overconfident in his work. He did not listen to the other founder and did not care about the problems of the workers. He always wanted to get famous in the media for operational discipline.
Stage 2: Undisciplined Pursuit of More	Even though the company was not ready, Gregor wanted to grow everywhere fast. Instead of making things better inside the company, he looked for more people to invest in and pushed for more growth without any real planning.
Stage 3: Denial of Risk and Peril	It has been clearly noticed that there was no clear sign of company growth. The workers were leaving the company. No new ideas were generated by the company, and the results were getting worse day by day (Manning & Curtis, 2007). At that time, Gregor ignored them, saying it was because of the economic fluctuation and blaming on workers.

Stage 4: Grasping for Salvation	When the performance was low, Gregor made a bad decision to buy an online translation company. He hoped that it would quickly save the company.
Stage 5: Capitulation to Irrelevance or Death	The company started failing with no hope as investors stopped giving money. New ideas were stopped, and all the workers felt hopeless.

Therefore, it is clear that eTablet clearly went through stages 1 to 4, which indicates it was going to end up falling in Stage 5.

Personal attributes of the founder that contributed to the company's decline

There are several personal attributes of Gregor that directly contributed to the eTablet decline.

After the initial stages of success, it has been noticed that Gregor became too confident. He believed that he would keep winning, so he ignored the warning that her co-worker advised. His ego made it hard for him to see the real challenges of the company. Many workers quit the company, no new ideas have come out, and investors got nervous about investing in this company. Instead of focusing on these problems, Gregor blamed the economy and said workers could easily be replaced. This lack of humbleness kept him from fixing problems early. Gregor did not listen to the worries of his team about growing too fast and losing focus. His inability to accept feedback created a disconnect between leadership and employees. Gregor stopped supporting new ideas and always demanded perfection. This scary atmosphere stopped workers from trying new ideas, which completely stopped new products from being made. His purchase of an online translation company, because he was desperate. It showed he was making quick decisions and created a poor plan.

What I would have done as Gregor

If I were facing Gregor's challenges, I would have taken some important leadership and planning actions to help eTablet succeed again for a long time. I would start being a part of the business's daily activities. I would listen closely to my employees, manager, and other founders. I am always connected with my team; we can build trust again and share our thoughts. Instead of trying to grow quickly all over the world, I would stop trying to expand and instead work on improving our main product, making our inside systems better and creating a good place to work. I would end the feeling of fear in our working environment. I would support my workers to create new ideas and reward them with their creative thoughts. This will help them to create new products again. Instead of making choices based on ego, I would ask other founders, for advice to be sure our choices are supported by reliable facts. Hence, I have noticed many employees leaving the company, so I would organize a meeting where I talk to each employee. I would communicate with them effectively and ensure that employees feel valued in their organization and they would share their opinion without fear. Instead of buying unrelated companies for “zing”, I would focus on making long term, strategic product improvement that align with the eTablet strength.

Reference List

Manning, G., & Curtis, K. (2007). The art of leadership. New York, NY: McGraw-Hill Irwin.