Research paper on ge ceos immediate and present leadership styles

Business, Company



The success of major corporations is highly dependent on the top level management involved in policy formulation, decision making and provision of the general direction in the organization. General Electric Company is not an exception, and the past two chief executives, have displayed a high level of leadership skills leading to the success of the organization. However, due to personality differences and other individual aspects, leadership styles have differed from one leader to the other. John F. Welch, Jr. headed GE for the period between 1981 and 2001, the post that has been held by Jeffrey R. Immelt to date.

During his term as the CEO in GE Jack Welch was identified as the best manager in the corporate America. His leadership led to high profitability and efficiency in the organization, making GE among the most competitive enterprise globally. His core theme was to lead and not manage people. He associated the term manager with aspects of having to control people, which stifle them. However, leadership involves articulation of a vision and leading people to execute and accomplish the set objectives (Aron, 2010). Under his tenure, GE made numerous acquisitions, which were a significant factor in the success of the company.

Jeffrey Immelt has been described as a democratic leader, and encourages employees towards generation of innovative ideas, which facilitate the development of new products. For example, when he took office, there were perceptions and critics that the company's earnings were inflated. This was due to numerous acquisitions, which led the company to cheap debt rather than organic growth. Immelt leadership is based on various principles such as personal responsibility by the employees, simplicity of important

processes and procedures (Aron, 2010). In addition, he acknowledges that when one is leading people, one has to like them while staying disciplined and detailed, which is essential in the delegation of work.

The corporate culture during the tenure of office for the two CEO's has been different. For example, during Welch's tenure, he focused on growth based on internal operations of the organization. However, Immelt has been focusing on external sourcing such as financing and communications with investors and third parties. Although both can be described as transformational leaders, one cannot miss the fact that Welch was more confrontational as compared to Immelt (F09-Mana3001, 2013). This result from the fact that, Welch was more oriented in results and performance targets while Immelt is oriented more on abstract aspects of business. Jeff Immelt has been described as having a more relaxed style of leadership, which he explains as essential for motivating people. He encourages people and relate with them at their level of working, which describes him as modest and conservative. Welch was more confrontational recognizing good performance and punishing people for dismal performances outright (Liang, 2006). However, even though Immelt is modest and conservative, he expresses the importance of good performance rewarding good performance and also punishing dismal performance.

References

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