

Good example of leadership at general electric corporation term paper

[Business](#), [Company](#)



Introduction

General Electric Corporation is regarded as one of the most successful corporations in the world today. Importantly, it appears as one of the Fortune 500 companies. One of the factors that has contributed towards the success of the corporation is its leaders. This paper aims at critically examining leadership in General Electric, its purpose, characteristics and significance in enhancing the competitiveness of General Electric. In addition, it will examine the strategies that have been put in place by the leaders of General Electric. It will also examine the role of leadership in promoting competitiveness and future leadership in the corporation. The paper will focus on Jeff Immelt, the current chief executive officer who took the helm in 2001, after succeeding Jack Welch. Jeff Imelt has been the Chief executive officer of General Electric for more than a decade because of his leadership traits and style.

Overview of the Company

General Electric is a U. S. based corporation, which was incorporated in 1892. It is headquartered in Fairfield Connecticut, United States. The Company has various divisions which include home and business solutions, healthcare, aviation, GE capital, energy infrastructure, and transportation. In the home and business solution segment, its products are directed at consumer applications such as lighting and basic appliances while the automation and lighting products are directed towards industrial and commercial application (Kumar and Ricker 359). In the healthcare segment, the company provides a range of healthcare technologies from imaging to

biopharmaceutical manufacturing technologies. Its aviation segment provides jet engines and related services, and global aerospace equipment. The aviation segment also provides maintenance, refurbishment services and component repair of manufactured engines. Its energy infrastructure segment provides solutions for harnessing resources for the production of electricity. On the other hand, GE capital offers financial services for a range of businesses.

The organization structure of GE involves a hierarchical system that conforms to the general rules of superiority and subordination. In the recent past, the leaders at the company have been trying to promote a borderless form of leadership (Magee 56). The shareholders, corporate executive office and the board directors are at the top of the structure, and are the key decision makers. The chief executive officer and the Chairman, Jeffrey Immelt, links the top structure and the chairs of the seven different sectors (Kumar and Ricker 367). Importantly, he is the most influential leader in General Electric Corporation. He is in charge of all aspects of the company including operations in the company and decision-making.

Significance of the Leader

Jeffrey Immelt plays a significant role in General Electric Corporation. He is responsible for the development of G. E.'s strategies and its implementation. Over his tenure, he has managed to oversee implementation of key strategies in the company, which has enhanced the company's growth. Immelt has also diversified the corporation's businesses, which has helped the company grow significantly. Through acquisitions and the sale of some of

its businesses, Immelt has increased the company's revenue. For example, the sale of G. E. plastics to Saudi Basic Industries in 2007 for 11.6 billion dollars (Grant 45).

Another role that Immelt has played in the company is ensuring that the company conducts its activities ethically and legally. As the chief executive officer, Immelt has promoted transparency within the company; thereby creating an environment that is conducive for the management. In addition, by diversifying the workforce in the company, he has been able to facilitate development of an efficient workforce (Lakshman 446). Immelt has promoted the development of women leaders, and the employment of senior officers from outside the company. Furthermore, he has been on the forefront in developing green technology. By promoting the organic development through such initiatives as Ecomagination, the company has emerged as a world leader in the manufacture of energy efficient technologies.

Another significant role that Immelt has played in the organization is restructuring it to be more long term oriented. He has structured the organization to focus on short term goals. For example, by investing in countries like China, which may offer long-term profitability. Furthermore, he has played a key role in diversifying the company's workforce (Magee 89). Immelt has driven G. E. to embrace diversity as it reflects on the environment that they work. Another role played by Immelt is ensuring proper communication between its shareholders, the government and employees. Immelt has promoted transparency in the system, which has promoted trust between the management and stakeholders.

Characteristics of the Leader

Immelt exhibits a democratic style of leadership. He is known to be collaborative and interactive with his fellow workers. Therefore, Immelt can be regarded to be a team player. Through his bottom-up approach, he has given more responsibilities to teams rather than managers in decision-making. More often, the managers are referred to as coaches as opposed to bosses. The borderless system has led to the development of strong teams, which can work more efficiently. Through the promotion of a team and being a good team player, Immelt has led to an improvement in efficiency of operations at the company (Grant 67).

Another important characteristic of Immelt is that he is approachable; therefore, he is able to interact with low-level personnel. As a result, he is able to promote cohesion and teamwork in the organization. He is willing to converse with other people and also encourage them. He creates a relationship with his employees so as to provide them with the right tools to succeed.

Furthermore, he is a risk taker. Under Immelt's watch, General Electric Corporation has acquired other companies such as Smiths Aerospace. Also, Immelt has demonstrated that he is a risk taker by venturing into unstable markets such as China and Middle East' even though, they offer long-term profitability. In addition, he can be said to be egoistic, he believes that he can counter any moves that his competitors make such as those made by Siemens. Also, he is known to instill royalty among his employees. As an innovator, Immelt has come up with many initiatives and growth strategies that have helped G. E. to become competitive. By identifying the areas that

are likely to grow and aligning related growth strategies, Immelt has catapulted the corporation into a competitive organization (Green is Green 23).

Strategies Employed By the Leader in Keeping the Company's Competitiveness

General Electric operates in a competitive business environment. One of its major competitors is Siemens. For example, most of the products produced by G. E. are also made by Siemens, for example, trains and turbines. Immelt took the helm of the company after the September 11 attack on the world trade center. One of the key strategies that he employed after taking over was pegging his pay package to the performance of the company (Green is Green 22). The same strategy was also employed to other managers. The result was the promotion of innovation on the part of leadership. Today, the level of innovation has increased in the company as evidenced by its ownership of numerous patents. It continues to create quality products that have revolutionized various industries.

Another strategy put in place by Immelt is promoting research so as to develop solutions in sustainable energy. Immelt identified a number of global trends such as the need for clean energy and rising demand for energy (Green is Green 21). To gain a competitive advantage over its competitors, Immelt has utilized the company's strengths in research and innovation to offer products that are superior and customer-customized. An important step that strengthened G. E. position was the launch of Ecomagination (Grant 89). The initiative was to assist in the development of solutions for the production of green energy and the production of energy efficient technologies across

its segments. Immelt saw product innovation and quality improvement as an important factor in maintaining the company's competitive advantage. Ecomagination has led to the development of energy efficient products. Through this program, G. E stands out as a provider of energy efficient technologies. For example, its Jet engines are the most efficient engines in the world.

Another strategy employed by Immelt is the customer-focus initiative. This approach is geared towards the creation of new value for the customer. Customer focus has enhanced G. E.'s capacity to customize products for customers' needs (Magee 70). As a result, G. E. can compete effectively in its market segment. By banding customer value, innovation and leadership in technology, Immelt have provided G. E. with the necessary elements to ensure its competitiveness.

Promotion of Future Leadership

Growth of leaders is an essential factor in the growth of General Electric Corporation. Immelt seeks to promote future leadership in the company through various initiatives. One initiative is the Greek elite program. Senior General Electric leaders mentor and develop students through collaborating with black Greek organizations. Another way that Immelt is promoting leadership is through constantly encouraging the executive level employees. By encouraging executive levels to take risks, he encourages responsibility among the company's employees, who may become the future leaders. In addition, Immelt believes that developing leaders will be an essential tool in ensuring competitiveness of the company in the future (Magee 67).

Another method employed by Immelt is ensuring that managers stay in their current area for more than five years. This model creates leaders who are more effective and high performing. Staying in the same area ensures that the leaders have the capability to build the right judgment, and are market savvy. In addition, the managers acquire technical skills, which are important in making decisions on employee development. Moreover, the managers can keep a record of success and expertise, which makes them gain more confidence and responsibility (Lafley and Ram 80).

Conclusion

General Electric Corporation has emerged as a global leader in organic production. Its leadership with Jeffrey Immelt at the helm has helped catapult the company into an innovation giant. Under the leadership of Immelt, G. E. has risen to be competitive and a market leader in various sections. Immelt has good leadership traits, which have facilitated the growth of G. E. His strategy is constantly helping G. E. adapt to changes in the market. In addition, he has aided the development of future leadership in the company. Conclusively, Immelt is of significance to General Electric Corporation, and his role in enhancing the company's competitive advantage cannot be underestimated.

Work Cited

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