

Explanation of presentation

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American multinational corporation General Electric (GE) is active in many fields, from aerospace and healthcare to green energy and banking. Thomas Edison, Charles Coffin, Elihu Thomson, and Edwin Houston established the business in 1892 in Boston.

Throughout its history, General Electric has expanded to become a global powerhouse. It has a presence in more than 160 nations and a global workforce of over 200 thousand. Among the many things for which GE is well-known, its dedication to environmental preservation and community service stand out. Aviation, Power, Renewable Energy, Healthcare, and Capital are just some of GE's company divisions. Jet engines and other aviation parts are made in the Aviation division, while gas and steam turbines, generators, and other power production devices are made in the Power division. Wind generators are developed and manufactured in the Renewable Energy division, while medicines, medical imaging technology, and medical consumables are the focus of the Healthcare division. Financial services and goods are provided by the Capital section to bolster GE's other divisions (Tichy and Sherman, 2001).

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Trait Theory: According to the Trait Theory, one's capacity to lead successfully is determined by one's inherent characteristics, such as intellect, charm, and psychological traits.

Behavioral Theory: Leader performance, according to the behavioural theory, depends not on a person's inherent characteristics but on their deeds and behaviours.

Communication, sharing, and inspiration are just a few of the leadership traits emphasised (Bennis and Nanus, 1985).

Contingency Theory: According to the contingency theory, a leader's success is conditional on the circumstances in which they are putting their leadership skills to use. It stresses the importance of leaders who are flexible enough to adjust their approach to meet the needs of any given circumstance.

Situational Theory: While comparable to contingency theory, situational theory differentiates itself by placing greater emphasis on the followers' motivation and ability to carry out the job at hand. It implies that leaders should modify their approach depending on the followers' degree of preparedness for a particular job (Northouse, 2018).

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Transformational Theory: According to the transformational theory, leaders can encourage and drive their teams to perform at a higher level by developing a shared vision, effectively communicating it to others, and soliciting their support for the plan. The article highlights the significance of leading qualities such as charm, motivation, and direction (Bass, 1990).

Servant Leadership Theory: According to the servant leadership idea, a leader's first responsibility is to their team, not to themselves. It stresses the need for leaders to be humble, compassionate, and unselfish.

Authentic Leadership Theory: According to the authentic leadership theory, leaders should always be themselves around their teams. Self-awareness, moral rectitude, and gaining the confidence of one's adherents are emphasised (Yukl, 2013).

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The capacity of the leader to encourage and stimulate adherents to work towards the realisation of a common goal is emphasised in transformational leadership. Because he was known for pressing his employees to accomplish more and encouraging them to take chances, the leadership style that Welch exhibited can be characterised as being transformational. Because he was a believer in the efficacy of decentralization,

he always gave his managers the freedom to make decisions and the responsibility of owning the enterprises they oversaw (Tichy and Sherman, 2001). As a result, employees were able to experience a sense of empowerment and were encouraged to work towards the accomplishment of their goals, which contributed to the development of a common vision for the organisation.

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The capacity of a leader to modify their manner of leadership in response to changing circumstances is emphasised by the situational leadership theory. Welch's management philosophy was founded on the concept of "boundaryless" organizations, and he made a number of adjustments to GE's organisational structure to break down divisions between the company's various business groups in order to implement this philosophy. Welch was able to adjust his leadership style to meet the ever-evolving requirements of the organisation thanks to this strategy, which makes it possible to classify it as a situational leadership style (Waldman and O'Reilly, 2019). In addition, the "Rank and Yank" method can be interpreted as an example of a situational leadership strategy due to the fact that it was successful in removing lowperformers from the company and elevating high-performers, both of which were essential for the business to accomplish its objectives.

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Based on his tenure as CEO of General Electric (GE) from 1981 to 2001, Jack Welch's leadership skills can be judged to be exceptional. Welch was an extremely effective leader because of the following qualities:

Charismatic leadership: One of Welch's distinguishing characteristics as a boss was his charm. He had a way of getting his staff excited about taking chances and striving for more success. His dynamic leadership approach gave the business a feeling of direction and purpose, which contributed to its meteoric expansion.

Decentralization: Welch was an advocate of dispersal, the practise of empowering middle and lower-level administrators with greater decision-making and management responsibilities within their organisations. By taking this route, GE was able to create

a more agile and receptive organisational structure, which facilitated its rapid response to shifts in the marketplace (Northouse, 2018).

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Breaking down silos: Welch advocated flattening of organisational systems and doing away with unnecessary red tape because he thought they stifled originality and new ideas. He instituted structural changes at GE, including the elimination of layers of management and the collapse of walls between departments. This method encouraged group effort, which in turn fueled creative problem solving and expansion.

Performance management: Welch instituted a stringent performance management method meant to locate and advance the most promising employees. This method was instrumental in establishing a high-performance atmosphere in which all team members were inspired to give their all (Bennis and Nanus, 1985).

Rank and Yank system: One of the most contentious parts of Welch's administration was the Rank and Yank method, in which workers were ranked according to their success and the lowest 10% were let go. Some may have thought this method was excessively severe, but it succeeded in fostering a culture of excellence and eliminating the worst workers.

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As a leader, Welch was instrumental in making GE one of the world's most important corporations. His leadership style, which emphasised autonomy, elimination of divisions, performance management, and a high performance culture, produced an innovative and productive business. But his Rank and Yank method was contentious, and its long-term efficacy is questionable at best. However, Welch's total achievement as GE's boss is undeniable.