

Jack Welch

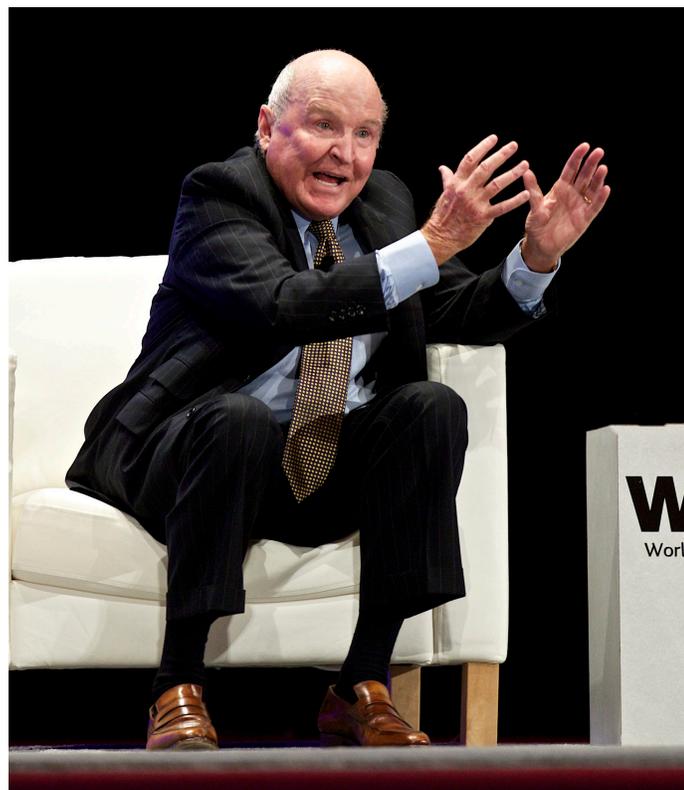
Winning in Times of Uncertainty

In a Q&A session with John Bussey, Assistant Managing Editor of *The Wall Street Journal*, Jack Welch, the iconic former CEO of General Electric and *Fortune's* "Manager of the Century," expanded on his insights into leadership and management.

Q.) On leadership in Washington D.C., from a business perspective, what would you advise Obama, Reid and Boehner?

A.) Deal-making and decision-making stem from relationships. Back when I had to deal with the unions at GE, and overcome major differences, I had to cultivate relationships to make the breakthroughs I wanted, and I needed to listen and compromise.

It takes time, concerted effort and understanding to succeed and you have to speak with the other side



no matter how big your differences are. Congress and Obama need to develop a cordial private relationship and tone down the rhetoric publicly to build relationships needed for progress.

One thing counterproductive is to call others "names" in public and expect them to trust or work with you. You also can't say I won't negotiate. When you have an adversary, you need to listen to them, to deal with them and can't start changing the original deal as Obama has been doing.

A bit of "dating" would help all parties – to get to know each other – not during a crisis, but to build a relationship ahead of a crisis. To be successful, it takes personal skills, which unfortunately, is not one of Obama's strengths.

Q.) You speak a lot now about the "generosity gene." What is it? And, how do you interview for it?

A.) A leader has lot of personal energy, an ability to energize others, an "edge" to make decision and an ability to execute with passion. The best leaders and bosses have one more unique characteristic – they are excited by the growth of their people. They love to see the people around them develop, be rewarded and promoted. They often give credit to others for ideas that are their own to share the glory and stimulate them to higher heights. On the other hand, those bosses who steal the ideas of their subordinates to make themselves look better, often get stuck later, because the lose the energy and support of those who work for them. So having a generosity gene is something I've learned great leaders have, and I am particularly proud that over 30 CEOs today worked under me for a time and have succeeded.

Two questions to ask in interviewing for the generosity gene: 1) Tell me who and how many people you have promoted out from under you in

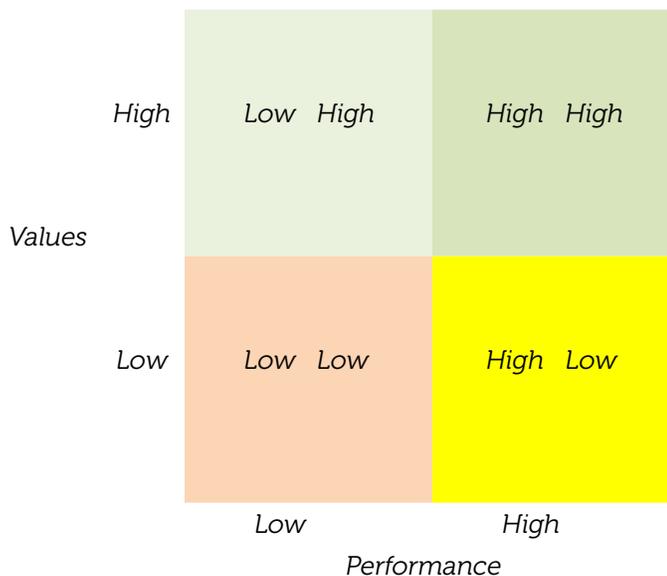
your career and who you have seen grow beyond you? 2) How does it make you feel and what have you done in your career that benefited from the reflected glory of those you promoted?

You are not looking for "I", "I", "I" people who take credit for everything that was accomplished. You are not looking for people who complain about the people around them. You are looking for leaders who stimulate their teams to achieve more and take real appreciation from the reflected glory of their subordinates and teams in their accomplishments.

Q.) How do you get the values off the wall and into the hearts of team members?

A.) Measurement, measurement, measurement. You need to measure the values you expect as well as performance. It is often understood that, in evaluating people in your organization, there are two qualities you are measuring: 1) achievement and performance against task 2) and the values, behaviors and culture that are exhibited in how performance is achieved. Many organizations just measure performance and this is not enough.

I always suggest evaluating your people along two axis and using a four-quadrant box with values on the left axis and performance on right axis. People who fall in upper right hand quadrant of high performance/high values are obvious keepers. Just as those in the low/low quadrant shouldn't be there for any period of time.



What is interesting is that those who rank high on values and low on performance also turn out to be keepers – at least to give them a second chance to perform. However, those who are high-performers and rank low on values are the “kick asses” and “kiss ups” and should also be ones you show the door. If you don't, they often can disrupt your organization and take the energy out of it, even with high performance and rewarding more and more people who don't match the company values. Though, they often seems hard to replace, high-performers with the wrong values, need to be identified and let go.

Q.) Is there a way to motivate Millennials besides financial incentives?

A.) You need to create an understandable purpose and a reason for being there to win the hearts and minds of Millennials. Making it an exciting place to be and reinforcing that every day is important, as is being a role model in management. Exhort and praise them and let the spotlight shine on them. ■