# 4 C. LEADERSHIP VALUES (ASSIGNED TO: YEZEHAO)

3. List and describe the most prominent values that the executive subscribes to.

The most prominent leadership values of Jack Welch are authenticity, energy, candor, and differentiation. These values deeply influenced his leadership styles and organizational values.

The first is authenticity, being oneself. Jack Welch believes that a good leader must always be authentic because everyone could see through his mask of deceit. He should feel comfortable in any situation. Authenticity will make him trustworthy and reliable. The people who work with him believe his words and won’t leave when they face difficulty. Some people do something in a particular way just because they think they have “titles”, that’s totally wrong. Being authentic is a basic requirement of a man.

The second one is energy, come with energizing. There is no such a leader emphasizes energy as Jack Welch does. He insists that the leader should be full of vitality and energize people around him. If the leader has a sense of mission, a good vision, then he should spell out them. The key of energizing others is let them perceive the vision and direction of the leader. Here is a story: After Jack Welch set up a university, he wanted to see a customer service center in Phoenix. He flew to Phoenix and put together the service staff, a total of 42, and their supervisors and managers were there. They talked for 10 hours. People might ask, how can he talk to customer service for so long? Because he wants them to know about his mission and let them feel excited about what they are doing. Their work is understand why they want to become the best online school of the world and tell the story to customers, then let people make their own decisions.

The third is candor, being honest and straightforward in attitude and speech. From Jack Welch’s perspective, everyone in the organization should not beat around the bush and argue a point to death. Candor could reduce the bureaucracy, paper works, and the number of meeting. The final result is efficiency greatly raised.

The last one is differentiation, dealing employees in different ways. During the time that Jack Welch was the CEO of GE, he let everyone knows that each person is in different rank and get a salary in the different level. The top 20% are the best employees. The next 70% employees are important. They are powerful people, maybe they can’t turn things around, but they have strength and essential for the organization. The following 10% employees are the worst, and need to be gracefully released from the company. He thinks this method seems cruel but much better than false kindness. For the top 20% “level A employees”, he rewards them a great deal of money, opportunities, recognitions, and make them feel that the organization is concerned with them. For the middle 70%, he gives them stock rights and send them to training, cultivates them to become “level A employees”. For the bottom 10%, he tells them this is not the right place for them. He won’t fire people right away but they are not going to get raise or promotion, and their days in GE are numbered.

Jack Welch always keep building winning teams and create great value for the organization basic on his leadership values. We could gain plenty of valuable treasure from learning his success.