The leading edge: How GE defines good leadership
GE has cultivated a global reputation as one of the best leadership development companies in the world. We have done this by making leadership part of the company’s culture, by attracting top talent from around the world, and by investing heavily in the development of leaders on the job and in the classroom for more than 130 years. We do this because at GE, and at any company, leadership provides the unity and direction needed for teams to accomplish their goals. It is the crucial link between strategy and execution.

The challenges of leadership change over time, based on corporate strategy, market conditions, and the external environment. Though some core leadership qualities are timeless, we believe that every era and every company requires a slightly different set of characteristics from its leaders.

At GE, we spend considerable time and effort developing the behaviors our leaders need to succeed, and mapping them directly to our corporate strategy and values. It’s a continuous process. Our view of leadership is embodied by our Growth Values, the guiding principles of the company: External Focus, Clear Thinker, Imagination & Courage, Inclusiveness, and Expertise.

History’s greatest leaders share certain core characteristics. Whether they are CEOs, military commanders, or elected officials, the most successful leaders of any generation have vision, the will to reflect and learn, and a powerful ability to motivate individuals at all levels to work together to achieve a common goal.
Leaders must also be prepared to adapt and evolve to meet new challenges, particularly as corporate strategy, workforce dynamics, and market conditions change. At GE, we strive to develop leaders across the organization, top to bottom. And we do this by following a simple three-step approach to leadership development:

- **Tell** people what’s expected: Set clear goals and define how we want them accomplished
- **Help** people get there: Commit to developing leaders across the organization
- **Hold** people accountable: Drive results and build on experience

We also recognize the dynamic nature of leadership, and that leaders can only succeed if they evolve in lockstep with what’s happening in the world and with the values and vision of the company. That’s why GE invests significant resources in setting strategy, defining corporate values, and developing leaders who can execute on both. We do this by regularly assessing and defining the leadership behaviors the company needs to achieve its strategic aims. Then we communicate those expectations simply and clearly, throughout the entire company, and integrate them into our training, development, and performance management systems. We believe these efforts are a critical source of GE’s competitive advantage.

**GE’s Growth Values**

At GE, our corporate values and our leadership characteristics are one and the same. This helps to ensure alignment between what the company is trying to accomplish, and how it goes about accomplishing it. Our current corporate values are called “Growth Values” because they are built around an overall strategy to achieve growth in all our businesses.

These values and the leadership behaviors they embody are the end result of a comprehensive internal and external process that assessed what GE leaders are doing that works, what’s not working, and what capabilities we need to develop to reach our strategic goals. Under each value, we define a set of behaviors that clearly delineate how we expect GE’s leaders to act, based on their level in the organization. Those behaviors are the basis of our performance reviews. The following are GE’s Growth Values:

**External Focus**
This means that a leader defines success in market terms. That is to say that a leader considers the external impact of business activities and decisions on customers, markets, industries, investors, media, government, and communities. They anticipate customer needs and ensure they are met, and they measure processes and performance through the customer’s eyes. They take an active role in shaping their industry, and work to enhance their company’s reputation among all stakeholders.

**Clear Thinker**
Clear thinkers have the capacity to sift through complex information and focus the organization on critical priorities and strategic action. They not only translate strategy into business objectives with clear accountability, but they communicate those objectives clearly, concisely, and inspirationally. They make decisions with speed and accuracy, and drive accountability, in environments filled with uncertainty. They must be comfortable with ambiguity and able to see around corners to view new opportunities.
Imagination & Courage
Leaders must be original thinkers—people who generate new and unique ideas—and have the courage to take action on those ideas and fight for growth. They create environments in which others can take risks and experiment. And they foster the creative ideas of others, using good instincts about their potential and keeping timing for bringing these ideas to market.

Inclusiveness
Inclusiveness energizes teams and builds loyalty and commitment. Inclusive leaders are flexible in their approach to motivating and retaining employees, appealing to the unique interests of each team member. They build connections through personal involvement and trust, and promote an environment that recognizes and celebrates individual and cultural differences. They develop others, providing feedback, coaching, and development opportunities. And they are culturally adaptive and build diverse teams, which is especially important in global companies. Inclusive leaders collaborate across and outside of the company to achieve results.

Expertise
Leaders develop deep expertise in a given function or domain, using that knowledge as a source of confidence to drive change. Expertise is also about sharing knowledge, committing to leadership, and constantly evolving—all while developing others. To do this, leaders must stay in a position long enough to see the effects of their decisions, throughout multiple business cycles. And they gain perspective by exposing themselves to varied experiences.

Key takeaways
Cultivating the best leaders can mean the difference between success and failure in today’s business world. Forward-thinking companies invest in understanding and developing the personal and professional behaviors that will define their leaders, and map them to their strategic goals. At GE, we expect our leaders to continuously learn and develop themselves within the context of our corporate values:

- **External Focus**: Is in tune with customers and environment, connects with stakeholders, and is educated on global issues
- **Clear Thinker**: Embraces and adapts to uncertainty, connects strategy to purpose and inspires, uses knowledge and instinct decisively, and hits commitments
- **Imagination & Courage**: Generates innovative ideas, takes risks and learns from success and failure, and challenges bureaucracy
- **Inclusiveness**: Welcomes ideas, listens and is humble, collaborates with respect to individuals and cultures, and drives engagement
- **Expertise**: Has domain expertise, continuously develops self and others, and leverages technology

GE believes that great leaders are the key to great companies. That’s why GE invests so heavily in identifying and fostering the leadership behaviors defined above. And it’s why our leaders will never stop adapting to the needs of their teams, their company, and the world at large.

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