

## The Jack Welch way: 11 measures entrepreneurs should take to be the true leaders of their ventures

By Bidisha Bhattacharjee and Ludvig Levasseur | May 12, 2022

Here we apply Jack Welch's leadership wisdom to entrepreneurship to help entrepreneurs better manage the entrepreneurial process

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[CAPTION]We contend that Jack Welch's 11 leadership principles can be a useful toolbox for entrepreneurs involved in the entrepreneurial process by helping their ventures grow bigger and better Image: Shutterstock[/CAPTION]

It takes grit, clarity, and a certain amount of intuition to navigate the choppy waters of running a venture. Should the entrepreneur lead from the front? If so, how long should they remain at the helm? Should they retain full control of the business processes or delegate authority? These are examples of important questions the entrepreneur has to focus on. Gaining insights on such dilemmas from the best business leaders can help those who find themselves in similar situations.

The superstar CEO and chairman of General Electric, Jack Welch, is widely recognised as an authority on leadership. During his tenure, he led GE to become a highly valued enterprise in the

world. In this short paper, we apply his leadership wisdom to entrepreneurship to help entrepreneurs better manage the entrepreneurial process. Further, we focus on the 11 insights from Robert Slater's book *Jack Welch on Leadership* in the hope that these ideas will help an entrepreneurial venture grow bigger and better.

## **1) BE THE MENTOR YOUR VENTURE NEEDS**

We invite entrepreneurs to be coaches, mentors, enablers, and champions rather than mere command givers. Staying involved with the employees and providing motivational support could be key to a firm's success. An entrepreneur can do so by fostering a culture of openness and simplification as opposed to stilted communication and complication.

## **2) TEAM BEFORE SELF**

We also invite entrepreneurs to nurture teamwork. Although possible, it is quite unlikely that a solo player would be able to achieve as much as a team can. Dwelling solely on individual talent may deprive the organisation of a large and diverse pool of talents. Jack Welch valued team players over number makers as the former, he emphasized, would ensure long-term and holistic firm growth.

## **3) Harp on and hammer in the core philosophy of the venture**

We invite entrepreneurs to ensure that every employee in their venture knows the core philosophy. Specifically, entrepreneurs can concentrate on finding ways to empower employees who fully embrace the values of the venture.

## **4) Be bold, be covert**

To survive in globalised markets, the entrepreneurial firm not only has to engage in bold moves but also has to keep them undercover to keep competitors guessing. As hesitation can become costly in terms of opportunities, the best strategy for the venture is to be well prepared and make bold and swift moves.

## **5) Self-audit everything**

We invite entrepreneurs to audit all business processes in their ventures and to keep them as nimble and lean as possible by pruning the non-profitable businesses because these can become cost centres sponging off the much-needed funds.

## **6) Ideation is democratic**

We invite entrepreneurs to learn from their mistakes and look out of the box for better ideas. In particular, they must realise that the idea generation process is not their prerogative, but rather, all employees have to be involved as they can generate new and profitable ideas. Moreover, entrepreneurs have to think about how quickly they can implement these ideas before competitors copy them.

## **7) Bring down walls**

Jack Welch pleaded for "boundaryless" organisations with a flat structure that enables seamless

circulation of ideas and adaptation to change. In particular, seamlessness also enables entrepreneurs to assess their ventures and make more efficient decisions.

## 8) Disable over-control and bureaucracy and enable participation

Jack Welch used the word “delaying” to explain the act of getting rid of redundant bureaucratic layers, multiple approval nodes, and unnecessary formalities. We invite entrepreneurs to implement this method and build an environment in which every employee feels valued and listened to. Indeed, when employees are empowered and given greater autonomy, the venture can become more entrepreneurial.

## 9) Be nimble and agile

Following Jack Welch, we invite entrepreneurs to keep the core spirit of the venture as entrepreneurial as it was when they started it, even after the venture has scaled. Complacency can cost the firm crucial opportunities. Keeping a venture entrepreneurial also comes with associated benefits of quicker moves and better adaptation to environmental changes.

## 10) Test your limits

Following Jack Welch, we invite entrepreneurs to stretch their limits and not impose boundaries that may limit the prospects of the venture. Instead, we invite them to resolutely pursue higher goals as these will not only lead to expansion but also provide important learning opportunities.

## 11) Unwavering focus on quality

Jack Welch conveys that to be a market leader, quality has to be put at the centre of the picture. Notably, every employee in the venture has to be deeply committed to the cause of quality because it is an indispensable ingredient that can generate a lasting competitive advantage for the firm.

To conclude, leadership has two objectives:

- Creating a vision for the venture and
- Marshalling the human and organisational capital to fulfil that vision.

We contend that Jack Welch’s 11 leadership principles can be a useful toolbox for entrepreneurs involved in the entrepreneurial process by helping their ventures grow bigger and better.

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