**William Cohan**

Bill is going to focus his talk on General Electric (GE). GE is now dissolving, everything it had become is now “going down the tubes.”

After journalism and business school, Bill got a job at GE Capital, financing leveraged buyouts. He then worked under the Chief Credit Officer, giving him an insight into how GE made its money. GE Capital made 50% of the company’s earnings, and was one of the largest non-bank lenders.

Bill wrote a book called *Hype and Hubris: The Rise and Fall of an American Icon*, which covers the history of GE from its start in 1892. He tells a story from this book…

In October 2018, GE fired its CEO in a boardroom coup, leading Bill to write a book on what has gone on at GE all these years. He talked with former CEO Jack Welch, who admitted that he had messed up his succession plan as CEO (Jeff Immelt).

Jack took GE from a market cap of $12 billion to $650 billion, he had a great management track record, and had other choices like people that moved on to be CEOs of Home Depot, Boeing, Honeywell, and 3M. So Bill couldn’t believe his admission of the mistake. And that helped kickstart this book.

Welch’s theme throughout interviews always circled back to the mistake – which was entirely preventable. Immelt’s appointment was not exactly backed by the board, but Jack Welch did not entertain these concerns.

The reason this happened is because Jack Welch did not like the way his predecessor had selected him. So he didn’t put his predecessor through the same “beauty contest” to win the job (the contenders were brought into one area). Instead, he left the contenders all on their own to run their companies individually.

Then he decided that the two contenders that didn’t get the CEO position had to leave the company. He appointed COOs to each of the smaller businesses to ensure smooth transition once the change happened. Jeff Immelt was the best “politician” of the three, and he won the job.

That’s just one of the stories in the book. Essentially the book is a corporate autopsy on GE. “There’s a dead body on the ground and how did it get there?”