

# Supplementary Exercises for Chapter 10 How Jack Welch Runs GE

#### I. Questions on the text:

- 1. Explain the sentence "He got himself out of the pile".
- 2. If six sigma is so wonderful, why is it implemented in all factories?
- 3. Do you think that informality can improve productivity? Why
- 4. Can we repeat the success of Welch in China? Why

# II. Read the following passage and choose the best sentence from A to F below to fill in each of the gaps in the passage.

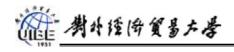
### **Gunning for the U.S. in Technology**

Once the undisputed leader, America is now under assault from countries worldwide. How did this happen, and will the U.S. be able to fight back?

In the history of the U.S. technology industry, 2004 will be remembered as the year that outsourcing hit home. Consultancy Gartner Group figures that U.S. tech companies will send 500,000 jobs overseas this year -- and indeed, hardly a week goes by without a major U.S. tech outfit announcing a new R&D center in Asia. 1) \_\_\_\_\_\_

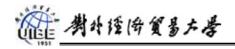
For half a century, America has reigned supreme in technology. U.S. research institutions have been the best on the planet, and the U.S. capital-formation machine has turned their discoveries into one breakthrough after another in transistors, communications gear, computers, and just about every other key high-tech field. 2) \_\_\_\_\_

Now, life at the top suddenly seems a lot less lonely. In fact, although the U.S. is still the undisputed champ in technology overall, in a handful of key areas it already appears to be falling significantly behind foreign competitors.



"ON THE VERGE." The Nordic countries lead the world in designing and making cell phones.
Israel easily competes with the U.S. for the top spot in information-security technology. Japan is
beating America in a number of crucial fields, including optical electronics, robotics, and
semiconductor-making equipment. 3)
Some of this competition comes courtesy of the industrial development policies of foreign
governments. Unlike the U.S., such countries as China and Singapore are happy to co-fund tech
startups and offer them 5- or 10-year tax holidays. 4)
<b>TOO TIGHT A FOCUS?</b> Washington's priorities may be another factor making it hard for the U.S.
to stay on top. Under the Bush Administration, federal spending for science and technology
research and development have soared, rising to their highest level in 37 years as a percentage of
domestic discretionary spending.5)
And in any case, the Defense Dept. has been the primary beneficiary of U.S. budget increases,
and it has spent most of its funds on weapons development, not research, according to the
American Association for the Advancement of Science (AAAS). 6)
While those are worthy fields, such a tight focus has left out key disciplines such as chemistry,
materials science, and physics, which may play a vital role in future economic and technology
growth.7) "It's true that we're spending more money than ever on research," says
Kai Koizumi, director of the AAAS's R&D Budget Policy Program. "But for most disciplines, the
picture isn't rosy."

- A. And European aircraft consortium Airbus Industrie's market share should pass Boeing's sometime this year.
- B. But the U.S. is falling behind other countries in per capita spending on R&D.
- C. Outside of Defense, research funding has largely been concentrated on the life sciences and info-tech research.
- D. The government of Singapore will pay 35% of the cost of new ventures -- as much as several



hundred million dollars, says Curt Carlson, the CEO of SRI International.

- E. As outsourcing has begun to hit high-salary jobs in programming and tech services, the trend is giving rise to a wider fear -- that U.S. dominance in high tech is starting to wane.
- F. Players such as IBM, Intel, Hewlett-Packard, Texas Instruments, Microsoft, and General Electric have risen from this culture to dominate world markets in their businesses.
- G. Materials-science breakthroughs helped spur the development of the semiconductor and the computer revolution that followed.

#### III. E-C Translation:

- 1. When he became CEO, he inherited a series of obligatory corporate events that he has since transformed into meaningful levers of leadership. These get-togethers--from the meeting in early January with GE's top 500 executives in Boca Raton, Fla., to the monthly sessions in Croton-on-Hudson--allow him to set and abruptly change the corporation's agenda, to challenge and test the strategies and the people that populate each of GE's dozen divisions, and to make his formidable presence and opinions known to all.
- 2. Truth is, it often gets pulled, period. Outside of the obvious--a \$200 million-plus acquisition, a new strategic initiative like Six Sigma, or the naming of a top executive--it's almost impossible to predict when Welch will swoop down. How does he decide what to involve himself in? "It's this," laughs Welch, putting his forefinger to his nose. "I smell it. I try to pick out what matters."

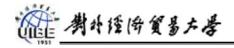
## IV. Key to Exercises

# 1. Exercise II

1)E 2)F 3)A 4)D 5)B 6)C 7)G

# 2. Exercise III

 当他成为首席执行官以前,通用电气过去都要举行一系列例行公事的会议,接任后便将这些会 议变成了实施领导意图的有力工具。在这些会议上——包括一月初在佛州博卡.拉顿召开的 500



高级执行官会议和一月一度的哈得逊.克洛顿会议——他都能够制订并及时修订公司工作计划, 检验工作策略,并考察分布在十几个部门的员工;他所到之处,都能引来敬畏的目光,他的思 想深入人心。

2. 实际是,缰绳经常是勒得紧紧的。只有那些摆在面上的事情可以预测,如 2 亿多美元的一宗收购、类似 6Σ 一样的新战略、或任命了一个新总裁,除此以外,你就根本无法预测韦尔奇什么时候下来视察。什么事情过问,什么事情不过问,他是如何决定的呢?"是这样,"韦尔奇指着鼻子,笑着说,"我能嗅出来。我用嗅觉区别哪个最重要"。