

Case Title: General Electric after GE Capital

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Abstract: The case outlines GE's origin leading to it becoming the world's largest corporation under Jack Welch. Welch's chosen successor Jeff Immelt has confronted multiple negative external events, including the 9/11 terrorist attacks and the 2008 financial crisis. GE's stock price has continued to lag the overall market recovery. As a result, Immelt is restructuring GE to focus more on industrial engineering. The case surrounds Immelt's decision to divest GE Capital and the associated positive market reaction. This enables evaluation of the impact of the external environment on firms, Immelt's leadership, as well as GE's corporate strategy. Corporate strategy can be examined from material in the case statically, or by how it has evolved under Welch and Immelt to include where Immelt should invest the cash generated from the sale of GE capital.

Concepts: External Analysis, PESTEL Analysis, Internal Analysis, Innovation, Strategic Leadership, Corporate Strategy, Internal Development, Acquisitions, Internationalization, Government Regulation.

Context:

- Protagonist: Jeffrey R. Immelt, Chairman and CEO
- Country: USA, but established international presence
- Sector: Diversified Manufacturing and Financial Services company
- Company Employee Count: 305,000
- Company Revenue: \$148.5 billion (2014)
- Ticker Symbol: GE
- Event Year begin: 2015
- Event year end: 2015

Teaching Note: Available