

AUGUST/SEPTEMBER 2021 FORTUNE.COM

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The New Playbook for Business Reinvention

Each brand in GE Appliances' expanded portfolio is built with its own distinctive identity to reflect the unique needs of its different customer bases.



PAVING THE WAY

How **GE Appliances** transformed its approach to doing business.

THERE'S A NEW STREET SIGN ABOVE THE ENTRANCE

to Appliance Park—the sprawling, 750-acre campus in Louisville, Ky., that serves as the global headquarters for GE Appliances. The park's primary thoroughfare, which leads employees and visitors from one end of the industrial complex to the other, was officially renamed "GEA Way."

To some, GEA Way may merely be a new address, but to company CEO Kevin Nolan and GE Appliances' nearly 14,000 employees, it's a symbol representing a new and better way of doing business. For the company, the GEA Way reflects a transformational business model that recognizes the double-digit growth of the last

five years—the best-performing, highest-earning years the company has ever seen.

"We're the fastest-growing appliance company in the U.S.," Nolan said during the street renaming celebration in June. "And we play to win."

This year marks the fifth anniversary of GE Appliances' transformation. Since 2016, the appliance maker, which supplies products to half of all homes across the United States, has revolutionized the way it does business. And GEA Way is a public declaration of the transformative new mindset that the company benefits from under Nolan's leadership. During this time, GE Appliances has shifted from a relatively stagnant, single-brand business to one with a vibrant new culture and a structure dedicated to serving its customers while also empowering its employees.

Over the last five years, GE Appliances has transitioned its core business philosophy from "company-centric" to "customer-centric" — removing organizational barriers; blowing up bureaucratic, top-down decision-making; and growing closer to its customers [GE Appliances refers to them as "owners"]. The result is a multitude of independent microenterprises within the business that are led by the company's own employees. This model allows them to make decisions based upon the wants and needs

of their owners and the market. The switch to these smaller, more nimble businesses within the larger organization is paying off big: GE Appliances has accelerated the speed at which product ideas are executed from two years to only three months.

This kind of rapid development has provided a tremendous opportunity for GE Appliances to grow brand recognition well beyond its GE namesake. To truly reflect the unique needs and expectations of its different customer bases, the company evolved in 2018 from a branded house to a house of brands—adding to its portfolio the brands Monogram, Café, GE Profile, Haier, and Hotpoint, each built with its own distinctive identities and owner segments served. From the company's premium Monogram appliances, designed for luxurious kitchens, to the simplicity of Hotpoint, which offers reliable appliances built with busy households in mind, GE Appliances has created a winning model through multiple brands that make it even easier for consumers, designers, and builders to determine the product line that best meets their needs, lifestyles, and price points.

GE Appliances' focus on serving customers, fueled by the passions of the entrepreneurial spirit of its people, help it continue to thrive. Engineers are constantly seeking out "what's next" in home appliances and looking for better ways to make and invent products. At the same time, microenterprise leaders are charting innovative paths that extend the company's product offerings beyond major household goods. Late last year, in the middle of the pandemic, GE Appliances launched a new small appliances category with nearly two dozen kitchen products. The company announced a new microenterprise dedicated to serving customers in the plumbing and HVAC industry, plus it added a new portfolio of HVAC products that bring state-of-the-art features and functionality to the mobile living industry and recreational vehicle [RV] enthusiasts.

As these microenterprises grow, so too do GE Appliances' investments—supporting both the American economy and the communities the company serves. Since 2016, GE Appliances has announced \$1 billion in investments to create 2,000 American jobs and to build, expand, and enhance its nine U.S. manufacturing plants and distribution network in the country. Additionally, this year, the company released its first-ever Corporate Citizenship Impact Report, highlighting

GE Appliances' long-standing commitment to doing good things through meaningful, sustainable investments in its people, products, and the places where it operates.

GE Appliances has also doubled down on its digital ecosystem. Across the business, everything from appliances to warehouses is getting smarter. A robust nationwide digital delivery network enables the company to deliver an appliance every 4.5 seconds to homes in more than

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KEVIN NOLAN, CEO, GE APPLIANCES



90% of the U.S. And with its SmartHQ Solutions program, GE Appliances has become the first appliance manufacturer to offer a full suite of connected appliances and advanced digital solutions for distribution, management, service, and the home—earning it IoT Breakthrough's Smart Appliance Company of the Year award the last three years in a row.

Wins such as this are among the many that demonstrate the success of the GEA way, and the future it's paving at GE Appliances. ■



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