

Career Shot: General Management

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General management is arguably the ultimate realization of a career in business. It entails complete responsibility, including profit and loss accountability, for the performance of an entire business or a business unit. A general manager can be:

- the president or CEO of a company, or
- the head of a division or department within a larger business; e.g., the division manager for the fixed-income group of a money-management firm, or the vice president of the Internetworking business of a global telecommunications company.

General managers typically have cross-functional responsibility; that is, they make decisions that involve the coordination and integration of functional areas such as sales, marketing, human resources, finance, and production. Thus they oversee the individuals in charge of these various areas and coordinate their activities for the good of the larger company. (Of course, in an entrepreneurial start-up, the general manager may not only be the president or CEO; he or she may also lead the company's sales, marketing, and other key operations.)

The CFO may know more about finance and the vice president of marketing more about marketing, but the general manager has to know enough about each function to:

- coordinate its activities with the organization's overall strategy, and
- plan the business's strategy for going forward.

In a way, a general manager is like a symphony orchestra conductor, who holds rehearsals, hires and retains the talent, conducts during performances, and composes music that the orchestra will play during future engagements.

To accomplish all this, a general manager has to constantly shift his or her attention among:

- *immediately pressing* issues, such as financing, budgets, new hires, union negotiations, relations with the parent company or important customers, and disputes between individuals or departments,
- issues that are *visible but not immediately pressing*; for instance, all of the above plus staffing needs; space requirements; and sales forecasts and their implications for sourcing, production, and distribution, and
- issues that are *still unseen but crucial to the company's future*; e.g., industry and demographic trends; the impact of new technologies on the business; the advisability of entering new markets; and questions of whether to acquire another company, sell an existing division of the business, or partner or merge with another organization.

Clearly, a general manager's job is complex and requires flexibility and quick decision making. One general manager described the work as "juggling hand grenades while pedaling down a bumpy road on a unicycle."

Not surprisingly, most successful business people advise aspiring entrepreneurs to learn the craft of managing while working for someone else before striking out on their own. In fact, one venture capitalist asserted that when someone with little or no management experience starts a new business, the question isn't whether the enterprise is going to fail -- it's when it will fail. The responsibilities of general management are so complex that a single mistake can doom a start-up.

Ultimately, accountability for the success (or failure) of the business rests entirely with the general manager -- which is what many people find so challenging *and* attractive about the role. How to prepare yourself for this weighty responsibility? Prepare yourself thoroughly -- and please read the special section for this business career profile, Your Best Pathways to a career in General Management below.