

Cover Story  
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## Best and Worst Performers: Readers' Picks

***BW readers have strong opinions about their choices, from Steve Jobs and John Stumpf at the top to Jerry Yang and Rick Wagoner at the bottom***

By Diane Brady

*BusinessWeek* asked readers to submit their picks for the best and worst performers of the year, and many responded with strong views. Among those singled out as top performers in 2008: Eric Schmidt of Google (GOOG), Steve Jobs of Apple (AAPL), Wells Fargo's (WFC) John Stumpf, and William Weldon of Johnson & Johnson (JNJ). The worst included Rick Wagoner of General Motors (GM), Jerry Yang of Yahoo! (YHOO) and, of course, all the bankers who bet big on the housing market.

Given the events of 2008, it's hardly surprising that most respondents focused on the negative. Several readers singled out Yang of Yahoo with particular vengeance. "His steadfast opposition to doing a deal with Microsoft spelled the end of his tenure," one reader wrote. "His open opposition dramatically narrowed the options for Yahoo and left it with very little leverage on the negotiating table—a mistake it could rue for a very long time." Wrote another reader: "Yang is the worst bluffer in American corporate history."

Yahoo executives take issue with that assessment. When approached by *BusinessWeek*, the company issued a statement to say that "Yahoo! remains a profitable and growing company, with no debt and \$3.29 billion in cash and marketable securities. Taking into account the challenges and distractions of 2008, we're proud of Yahoo's financial performance under Jerry Yang's leadership, as well as our strategic position heading into 2009 as we prepare to welcome a new CEO to take the company forward."

Many readers pointed to the auto sector and argued for the removal of Bob Nardelli of Chrysler. "He drove the company into the ditch," wrote one. Another pointed to his tense, but lucrative, history at Home Depot (HD) and accused him of coming to "Congress for Chrysler in an expensive jet without even a plan." Wagoner of General Motors got the most votes. "He's the Herbert Hoover of the automobile industry," said one reader of Wagoner, by "losing market share, losing money, and losing support in Congress," among other things. Said another: "He squandered the best opportunity in the last 10 years to radically restructure the company and find new platforms to enable long-term growth."

### Some Disagreement

Jeff Immelt of General Electric (GE) also came under scrutiny, with one reader arguing that "he drove the company down the drain for years." Many observers are inclined to disagree, arguing Immelt has done his best to steer the conglomerate through a difficult climate. "Say you're a board member of General Electric. Do you think there's someone better than Jeff?" asks Peter Crist, executive recruiter

and founder of Crist|Kolder Associates. "There's no tipping point for Jeff Immelt in 2009, and you can put a big exclamation point after that," he adds.

Philip Schoonover of Circuit City, who famously fired his highest paid and most experienced store employees in 2007, gets a knock from one reader who says "his actions show how decisions made for meeting quarterly numbers destroyed Circuit City." Dan Hesse of Sprint Nextel (S) also got a dart for, as one reader put it, "ineffective commercials...and a bad customer-service reputation." And Steve Ballmer of Microsoft (MSFT) was cited more than once, with one reader asserting that he "has no clue how to right the ship." One of the more surprising picks: George Halvorson of Kaiser Permanente. One reader accused him of spending too much on travel and hotel expenses. "The rest of the world is embracing WebEx and teleconferencing, but Kaiser is almost single-handedly keeping Southwest Airlines (LUV) afloat," the reader wrote. (Wonder if there's some hidden agenda there?)

Some leaders are familiar names in the 2008 hall of shame. They include Dick Fuld of Lehman Brothers, Stan O'Neill of Merrill Lynch ("managed to go home with a pot of gold"), and Marcel Ospel of UBS (UBS) ("too removed from operations"). As for which executive to single out at Wachovia, one reader responded "all of them."

In the insurance realm, Ramani Ayer of the Hartford (HIG) and Martin Sullivan of AIG (AIG) were cited as among the worst. Of Sullivan, one reader wrote: "It's safe to say that this is one CEO who had absolutely no grasp of enterprise risk management. Heck, it doesn't sound like he had much of a grasp on the company's operations at all." Of Jimmy Cayne of Bear Stearns: "He was playing poker (actually, he's better known for his prowess in bridge) while his firm was imploding," wrote one reader. (All didn't respond to requests for comment.)

And the performance of Treasury Secretary Hank Paulson? "His actions now prove that Goldman Sachs' (GS) collective leadership guided him rather than the other way around," asserted one reader.

### **A Wells Fargo Winner**

What of the winners? Stumpf of Wells Fargo, who often takes a back seat in the media to his forceful chairman, Dick Kovacevich, was praised for "running a major bank that did not need the Federal bailout money that was forced on them." Adds another reader: "Kovacevich continues to get most of the credit, but Stumpf has guided Wells Fargo through the crisis relatively unharmed, and perhaps in fact in the strongest industry position it's ever had." But some threw laurels to Kovacevich as well, saying he "has built a beautiful financial center by breaking down internal silos and rewarding people for focusing on the customer."

At Apple, Jobs "continues to make high-tech products that command a premium price even in this tough economy," argued another. "For a company this reliant on consumer discretionary spending to stay on top of the heap this long is nothing short of amazing." Jobs, in fact, got several votes.

Also praised: Warren Buffett of Berkshire Hathaway (BRKA). One reader called him "a living example of the adage 'If you love what you do, every day is a vacation.'" Hedge fund manager John Paulson is praised, too. "He stuck to his beliefs when everybody else was skeptical. He knew his limits when he deleveraged his funds to a manageable level, thus providing a positive rate of return to his investors." Bill Green of Accenture (ACN) also wins praise for growing amid the tech slump.

And Jamie Dimon of JPMorganChase (JPM) is cited several times. He "has avoided a lot of the mistakes made by others...ran a tight ship and was able to remain one of the largely untouched banks."

Brady is senior editor and content chief at *BusinessWeek* in New York.