There's nobody like Jensen Huang—EDITORIAL IN ET

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Synopsis

Nvidia's co-founder Jensen Huang has resumed his role as CEO after a temporary resignation sparked by controversy. This incident questions the company's governance and succession planning, indicating that there's an overreliance on individual leaders. For long-term stability, it's crucial for Nvidia to foster a stronger leadership structure and ensure clear succession strategies, balancing personal achievement with corporate accountability and integrity.

The doctrine of 'too big to fail', once reserved for banks whose collapse threatened to bring down entire economies, has acquired a human face: Jensen Huang's. Nvidia's decision to reinstate its co-founder as CEO barely 11 days after his resignation over conduct-related controversies, suggests that some individuals may become too indispensable to be dispensable.

The logic is understandable. Huang's technical vision, commercial instincts, and extraordinary influence over investors, suppliers and governments - ironically for a figure central to AI, his 'human touch' - are not easily replicated. But that may be precisely the problem. A corporation worth trillions should not resemble a medieval kingdom whose survival depends solely on the monarch's continued occupancy of the throne. Nvidia's emergency exposed something more troubling than its founder's alleged indiscretions: an apparent shortage of credible alternatives. Its interim chief, Colette Kress, provided continuity. But continuity is not succession. Huang's return should, therefore, mark the beginning, not abandonment, of serious institutional reform.

Mega companies like Nvidia need a deeper leadership bench, distributed authority and a succession plan - think Jobs to Cook to Ternus in Apple - that functions without requiring a corporate defibrillator. Its board must demonstrate that governance is something more than an elaborate mechanism for accommodating exceptional individuals. A more troubling read would be: make yourself indispensable enough, and the rules become negotiable. But that's a slippery slope. There is, fortunately, a less-exhausting alternative to engineering personal invulnerability: obeying regulations, respecting institutional boundaries and maintaining elementary professional hygiene. Huang's genius deserves recognition. His reinstatement may even make commercial sense. But Nvidia must now prove that its greatest asset is not also its greatest vulnerability. Otherwise, 'too big to fail' will become something problematic: too valuable to hold accountable.
