



## **COVER PAGE AND DECLARATION**

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EIU Paris City Campus

Address: 59 Rue Lamarck, 75018 Paris, France | Tel: +33 144 857 317 | Mobile/WhatsApp: +33607591197 | Email: paris@eiu.ac

EIU Corporate Strategy & Operations Headquarter

Address: 12th Fl. Amarin Tower, 496-502 Ploenchit Rd., Bangkok 10330, Thailand | Tel: +66(2)256923 & +66(2)2569908 | Mobile/WhatsApp: +33607591197 | Email: info@eiu.ac

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## Introduction

A leading organization is organizing leadership that enables people to convert their resources into the necessary power to bring about the desired change. As we will see in this report, community organizing is all about people, power, and change; it begins with people and relationships, focuses on altering power, and attempts to generate lasting change. The mastery of five core leadership behaviors is required to organize people to build the ability to effect change: telling stories; building relationships; structuring teams; strategizing and acting. Thus, to increase our potential for effective community organizing, we must acquire the following knowledge:

- Creating a Shared Story
- Developing Relationship Commitment
- Establishing a Shared Structure
- Establishing a Shared Strategy
- Developing Collective Measurable Action

This is what we will discuss about leadership practices at the Ford Motor Company.

## **<u>1- Ford Motor Company Leadership Practices:</u>**

Ford Motor Company is a multinational American automaker with headquarters in Dearborn, Michigan, United States.

Henry Ford started the company, which was incorporated on June 16, 1903. Under the Ford brand, the corporation sells automobiles and commercial vehicles.

In this instance, we shall examine the situation of Jim Farley, who has led Ford since 2020. Farley is also a member of Ford Motors' board of directors. Before joining Ford, Farley served as group vice president and general manager of Lexus.

In 2019, Business Week magazine named Farley one of the year's finest VPs, and he garnered other honors for his leadership.

At Lexus, Farley's most notable achievement was refining the company's production process and transforming the commercial automotive segment.

Despite all of his leadership talents, Farley possessed the one trait that Ford was seeking in a leader, namely the ability to restructure a company's commercial division. Farley has been praised for his role in converting a sinking ship into a viable business. Unquestionably, much must be attributed to his leadership qualities. In an interview with Rik Kirkland of McKinsey, Farley talks about how he leads such a large multinational company.

Farley believes that "positive leadership" is the secret to his success when asked about his leadership style.

It is an honor to serve, regardless of the type or size of the company you are blessed to head, whether for-profit or non-profit. It is a privilege to serve. From this starting point, it is essential to establish a compelling vision and a detailed plan. Positive leadership, which conveys the notion that there is always a way forward, is crucial because your job is to figure out how to drive the organization forward.

By "positive leadership," Farley meant an inclusive and accessible leadership approach. Previously, if an employee determined that the manufacturing of a certain automobile was unnecessary and halted production, one of the senior leaders would have harassed him for his unilateral and illegal choice. Instead of interrogating the employee about his decision to halt production, Farley feels he should be asked how the leadership might help with the issue. Farley thinks that employees would feel more at ease at work if they were provided with a "safe workplace."

Positive leadership describes Farley's style of leadership. A self-created leadership style that assures he is focused on the lookout for answers to any challenge, and appreciative of victories. Since becoming Ford's CEO, Farley has not designed or developed any new vehicles or products for the corporation. Instead, he establishes goals for the organization and communicates them to all personnel so they can follow them without question. As a leader, Farley is tireless, beginning his day at 5 a.m. and continuing to work until 5:30 p.m.

Farley holds meetings with near-constant frequency, requiring information on all aspects of the organization.

Farley implemented a Business Plan Review (BPR) framework at Ford, which was adopted by all functional and business leaders. Each of these executives attends the BPR. Agenda items for such meetings include discussions on the global financial and economic situation. They examine global labor, energy, technology, and demographic changes, among other topics. This conversation clarifies for the leaders the external environment and what the future holds for the global market. BPR enables executives to make clear decisions regarding what customers will accept and anticipate. The goal of the BPR is to talk about the most important global economic and market trends and how they might change in the future.

Farley's leadership style is without a doubt transformational, as he facilitated a radical shift in Ford Motors' performance and culture. Farley's leadership style is explicable by the leadermember exchange (LMX) hypothesis. The fundamental concepts of LMX theory are based on the fact that leaders build a unique exchange relationship with their employees and that the success of the group or organization depends on the quality of this exchange.

The social exchange theory is the foundation of the LMX theory, which borders on the leadership style approach. Social exchange theory says, essentially, that in a didactic connection between a leader and a subordinate, the subordinate has an obligation to reciprocate a high-quality relationship The working relationship is established through a series of conversations in the didactic relationship.

Under Farley's leadership, goal orientation was a critical component. Goal orientation focuses on establishing self-theories and instilling in employees the conviction that good effort always leads to performance enhancement.

Farley considers the promotion of teamwork to be the most crucial factor. As a leader, Farley's main strategy was to tell everyone at the company what the company's vision was. The Ford business plan is carried by staff on a card.

Four main points.

The performance of the whole company is shown in 280 graphs on the walls of two rooms. These graphs compare important results to what was expected.

The entire organization is aware of the company's strategies and objectives. This assists in strengthening the bonds between employees and other corporate members. At Ford, performance orientation was one of Farley's top concerns. The juxtaposition between past success and current projects demonstrated his attention to the company's performance, which had to be aligned with the individual performances of each person. Farley's strong confidence in his subordinates aided in enhancing their drive and relationship quality. According to research, the quality of LMX improves when there is a higher level of executive trust and staff empowerment. Farley's distinctive managerial style keeps the teams focused and provides a good source of energy. In the McKinsey interview, Farley was asked where he gets the energy to complete all of his duties. Everyone constantly discusses the importance of time management, as was Farley's response. You also need to regulate your energy. You must first ask, "What provides me with energy?" There are numerous sources, including family, exercise, and spiritual health. Farley's management style involves interaction with his subordinates. He insists on meeting with the business and division leaders on a regular basis, demanding updates, which keeps them engaged and motivated. His leadership style inspired more staff dedication. Instead of interfering with their work, Farley presented potential solutions to the situation. One of his favorite phrases is "How can we assist you?"

Also, getting the plan out to everyone in the organization is very important: "Everyone must know the plan, its status, and any trouble spots."

As a result, the leadership style at Ford dramatically shifted from an autocratic dictatorship to a participative, leader-member exchange centered on high quality. The transition altered the

company's overall performance and turned a loss-making corporation into a prosperous one Presently, Farley's leadership style is startlingly straightforward, coupled with honesty and a pleasant atmosphere. One of the most important components of leadership, according to Farley, is being loyal to "who you are" and focusing on "what you believe in."

Therefore, at Ford, all employees have a card with the business plan on one side and the desired behaviors on the other, in order to provide transparency on both sides.

## **2- Critique the Leadership Practice of Ford Motor Company:**

a) Some contend that autocratic leadership is the only type of leadership appropriate for Ford Motor Company since team leaders are only willing to make unilateral choices. This type of leadership imposes a great deal of pressure on team members, who are frequently quite suspicious. Despite this disadvantage, the ergonomics department is an exciting place to work. I observed that the crew members complied with the team leaders' directives and commands without complaint. They appear to favor an authoritative manner. Because they are aware that Ford is unaffected by staff turnover because it is so simple to get replacements. The only solace for team members is compensation, benefits, and customer happiness. They are members of a large, respectable organization with a good reputation and brand.

b) When the leader has tight control over the team, they can keep a close eye on day-to-day operations, which makes it easier to work together.

c) We observe that leaders do not establish any guidelines regarding the rate at which team members can advance. There are opportunities for team members to become managers if they do so successfully.

d) Crew members are frequently young and therefore motivated if they are paid on time and provided additional amenities such as transportation and lunch. to inspire them to act in spite of the dictatorial leadership.

e) It might be claimed that the majority of crew members do not comprehend the company's strategy since they lack access to this knowledge since communication between crew members is informal.

f) Because the company is authoritarian, crew members don't have a say in making decisions, and all staff suggestions are turned down.

g) The fact that the employees are young engineers and only work in the automotive industry with temporary contracts cannot supply the leader with any useful ideas.

h) The autocratic style of leadership is incompatible with self-esteem. However, the corporation will not embrace a different style of leadership because the management is concerned that the persuasive or democratic style may delay the delivery of products or the provision of quality automobiles to clients.

## **3- The New Leadership Style Strategy Plan for Ford Motor Company:**

The Ford Motor Company's new leadership style strategy plan will begin with an appraisal of the existing leadership style and conclude with a summary of the networks that exist inside the company and how they might be utilized more effectively in the future.

### a) An evaluation of the current leadership style

Ford Motor Company is a firm or organization that adheres to the pragmatic theory of leadership. This theory assists the organization in enhancing its operating abilities. This leadership approach will assist the organization in concentrating on the processing intricacies of any given assignment. It aids in establishing a structure for the plan that will assist the staff in completing the work. Priority number one in this notion is how employees will do the task more efficiently and in a shorter time frame. With the assistance of this leadership approach, the corporation increased its customer base by more than 3.9 million vehicles (2021) and now employs more than 186,000 people.

Leaders are the most productive employees in the organization. They will readily handle any circumstance to improve the employees' work skills. This leadership approach, known as the Pragmatic theory, facilitates the organization's systematic execution of tasks. To improve the leadership qualities of the company's employees, Ford adheres to a number of principles, including those listed below.

Genuine: Leaders must be genuine with themselves in order to better themselves and enhance their responsibilities. Using this principle, authentic leader will perform their work in a very favorable manner. With this information, leaders can simply establish ethical obligations with their employees and coworkers. The leaders are able to effortlessly influence any employee through their clear and honest conduct. These leaders are so self-aware that they are aware of their limitations, strengths, and emotions. This enables them to comprehend their workforce. Ford employs the Pragmatic Leadership Theory, which enables the company's executives to exert a powerful influence over their workforce. As leaders interact with employees on a daily or frequent basis, they will have a clear understanding of their mental condition. This will encourage employees to open up to their leaders. The leader of the organization is adept at handling any difficult situations. When the scenario becomes peculiar, the company's leader confesses their authenticity. The true leader will comprehend every potential consequence of their task and work diligently to get insight from their failure. True leaders are always eager to impart their knowledge to their subordinates. By doing so, the employees will learn from their mistakes and strive to build the talents that will accelerate the company's growth. At Ford Motor Company,

Farley strives to serve the company. Using this notion, the company's leader can boost their credibility with relative ease.

• **Spread ideas:** Leaders of the organization recognize that change can be uncomfortable for many employees. By doing so, leaders attempt to avoid the anxiety that accompanies the introduction of new concepts and endeavor to maintain constant social contact. This will aid the organization in gaining acceptability for enhancing working talents. The leaders of this organization work diligently to enhance their expertise in new areas. This

will contribute to the company's growth. The leaders of this organization are accountable for establishing a conducive work environment.

Farley listens frequently to employee and customer feedback in an effort to improve the company's functioning abilities.

## b) The explanation of how my chosen leadership style will influence the Ford Motor Company's culture.

First, I've decided to implement the **Strengths-Based Leadership Theory Style** at Ford Motor Company.

Currently, the organization uses the Pragmatic Leadership Theory to run efficiently, but in order to grow, they should adopt the Strengths-Based Leadership Theory.

This leadership paradigm allows Farley to concentrate on the company's computer system, tools, employees, and clients, and by that time it will affect the company's culture.

In the Strengths-Based Leadership Theory, business leaders focus on enhancing their strengths rather than their weaknesses.

Strengths-based leaders invest in the strengths of their followers. Leaders must adopt the Strengths-Based Leadership Theory and encourage employees to enhance their skills in order to enhance the company's competitive advantage.

Ford Motor Company ought to implement the Strengths-Based Leadership Theory. This theory of strengths-based leadership generates favorable actions. It will enable management to comprehend their employees' thoughts and influence them for the growth of the organization.

In Strengths-Based Leadership, positions are separated, by dividing responsibilities, individuals are able to work more creatively.

It will promote firm expansion. Knowing the qualities of their personnel enables leaders to enhance the company's functioning abilities. Job satisfaction benefits the organization's growth. As indicated, satisfied employees perform better to increase employee happiness, Ford Motor Company should embrace Strengths-Based Leadership.

One more time Strengths-Based Organizational Management, also known as SBOM, is a method for maximizing the efficiency, productivity, and success of an organization, particularly Ford Motor Company, by focusing on and continuously developing the strengths of organizational resources, such as computer systems, tools, and people.

The core tenet of strengths-based leadership is the notion that people's growth potential is multiplied by several orders of magnitude when they focus on developing their strengths rather than addressing their deficiencies.

A strength is the capacity to continuously demonstrate near-perfect performance in automobile activities.

The focus of strengths-based organizations is on developing abilities and limiting the negative effects of deficiencies, rather than ignoring weaknesses.

Strengths-based leaders are constantly investing in their own and their team members' strengths. Rath and Conchie present three tenets of strengths-based leadership as presented by Rath and Conchie:

- 1. Effective leaders invest in the strengths of their workers.
- 2. Effective leaders create well-rounded teams from individuals who are not well-rounded.
- 3. Effective leaders comprehend employee and client requirements.

# c) The better departmental communication plan that utilizes 21st-century technologies for Ford Motor Company

By improving departmental communication arrangements, a corporation can improve its employees' abilities.

Ford is increasing its industry's benchmark. Customers are treated with the utmost importance, and the business is renowned for its dedication to both old and new clients.

Constantly working with vigor to maintain their consumers' trust, leaders maintain a frenetic pace. The company's management must design or exercise departmental communication plans utilizing digital planning and feedback.

- Digital technologies are the most significant component of the communication strategy. The company's leaders must market the company's services. It will aid the company in attracting clients' attention. To attract clients' attention, the leader of the organization must advertise the company's various offers on any digital platform. Ford's leader must use numerous social media platforms, such as Facebook, Instagram, Twitter, and other websites, to present the company's products and structure in a manner that will enable the company to reach thousands of customers in a short amount of time. The company must encourage a comprehensive perspective to maintain its transparency. This will increase the clients' confidence in the organization. In terms of boosting the business, the company's leader must strengthen the company's digital technology. The company's management must take the initiative to promote multiple digital technologies.
- 2. Customer feedback is the only means of increasing or enhancing the consumers' faith in the firm. It also assists the organization in acquiring loyal and dependable clients. The company's management must establish a feedback area to connect with both customers and staff. The customer can contact directly with the company's leaders. The leader of the organization must respond to every client's questions in order to gain the customer's trust and to assist the consumer in understanding their demands.

## d) A detailed summary of the networks that exist within Ford Motor Company and how they may be better utilized by the leadership in the future.

Ford has shown its key strengths by growing the automotive market to meet customer needs and by using cars and commercial vehicles a lot.

With the aid of technology and data, Ford's strategic plan has been divided into many categories. As one of the first companies of its kind in the U.S. to work with automakers, the organization has done well and become well-known.

The business has made a platform that is easy to use and allows for quick, reliable service and quick attention to customer needs.

The offered programs enable customers to inquire about spare parts, regular services, and vehicle prices via websites that are also available on mobile devices.

Ford is currently one of the largest corporations, and people have begun to use their autos and commercial vehicles.

The organization is considered the largest international auto and commercial vehicle manufacturer and has acquired companies or organizations due to its fame and profitability.

A company like Ford tries to have exceptional leadership because achieving achievement at this level is difficult.

To achieve economic success, it is crucial for any organization to have the appropriate leadership. The company can't be successful if it doesn't pay attention to its customers and earn their trust.

Ford executives are expected to develop a business-enhancing innovation.

A good leader should be able to find the right person for their team Ford's unique way of doing business in the auto industry has made it the cost leader.

Additionally, the firm must seek other competitive advantages. Competitors have also discovered ways to optimize costs with it.

As numerous competitors embrace superior technology, the technology cannot be defended for an extended period of time. For 119 years, Ford's unique business model in the automobile industry has enabled it to provide unparalleled customer service.

It enables firms to have a competitive advantage and become cost leaders within the industry. The procedure bypasses the supply chain in order to reach clients via an innovative network strategy. The relationship between customer and design structure and network management flow differs within an organization. Through this method, organizations are able to differentiate among diverse operations within the supply chain through regular review at various levels.

Ford has long sought to maintain relationships with wholesalers and publishers that allow them to maintain a limited inventory or a low inventory holding value. These links between wholesalers and publishing houses not only helped the organization to decrease warehousing expenses but also to obtain substantial discounts. The necessary or adequate information is sufficient to obtain consumer choice objects. The other issue of producing products is addressed by the organization's efficient distribution of the product, which increases consumer trust and loyalty. The networking site may be unavailable for complex automobile installation, and a similar problem happened in 2021 for complex computing infrastructure. The corporation must improve and invent a new method of staff motivation.

Ford must maintain a focus on research and development of superior methods for its customers. Ford has been an enormous automotive behemoth whose primary role has been to provide exceptional customer service. The impact created on the organization is a significant advantage.

#### Conclusion

The conclusion is that **Ford Motor Company**, one of the largest vehicle manufacturers, employs a pragmatist leadership ideology. CEO Jim Farley is an outstanding leader. The essence of the marketing method is enhanced by Farley's improvement of innovative leadership tactics, accommodations, and superior customer service. People have talked about and linked Ford to the Strengths-Based Leadership Theory, which boosts the company's productivity and performance by focusing on and constantly improving its support powers.

With the use of this approach, company executives foster the expansion of the company. Ford's leadership principles are tied to a variety of factors that contribute to the company's performance. Ford employs these leadership patterns in its daily operations. It aids Ford's managers in guiding the company toward improvement, handling new projects, and deciding on conducting and executing a new way to solve any possible or active issue. Ford Motor Company is demonstrated to be employing the Pragmatic Leadership Theory in order to operate their business properly, but in order to enhance or expand their business, they must adopt or practice the **Strengths-Based Leadership Theory**.

This way of thinking about leadership lets leaders focus on things like the company's computer system, tools, employees, and customers.

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