Henry Ford Essay, Research Paper

Biography of Henry Ford-

Henry Ford was one of the most brilliant entrepreneurs in

creating the automobile assembly line, it was his controversial

characteristics and unorthodox approach towards administrating the

Ford Motor Company which resulted in the conglomeration of one of the

most successful corporations in the world. At the turn of the century

everything was booming! The growth of the economy and stock market

increased the job opportunities as well as morals. As a result of

this industrial revolution, out of the woodwork came a humble yet

driven man, Henry Ford. Between the five dollar/day plan, his

policies on administrating the company, and his relations with his

customers, Ford was often presented as a suspicious character. This

controversial behavior epitomized the success of the company, it did

not lead to his own downfall as many suspect. The Anti-Semitic

accusations, and the belief that Ford was taking advantage of his

customers, were by far overshadowed by his brilliance and strong hand

in running his company.

Of course, there were not always supporters of Henry Ford. If

fact, there were many critics, critics who believed that Henry Ford

was so controversial that it prevented the potential of Fords from

becoming greater than it is today. By the mid twenties the Ford s was

already the worlds most successful automobile company, but their great

reputation would soon decline. Fords $5/day plan for all employees

signified the overwhelming success of the company. Many believed this

success was short-lived with the new policies dealing with the workers

which soon followed. With the need to increase production and lower

costs, in the mid 30 s Ford cut all Ford worker s wages in half.

Workers were expected to work faster, and harder. Department heads

were ordered to ban all talking and whistling while work was in

progress. All of this was a ploy by Ford to make sure he knew every

move of his workers, he was very possessive. Secondly, Ford began to

fire older workers and hire younger workers. His ideology was that

the younger workers could work more productively and more efficiently.

Which in turn would send more money flowing into his pockets. What

resulted was quite humorous in fact. Black hair dye became a hot

seller in the Detroit area . Older workers tried to disguise their

age by dying their hair black. Ford s manipulation of his workers was

immoral and unjust. There was no industrial democracy, workers were

forced to do what they were told or would be out of a job.

Henry Ford s controversial behavior reflected badly on himself

and on the Ford Motor Company. The Anti-Semitic views expressed by

Henry Ford could never be denied. It was common knowledge in fact

that Henry Ford was prejudice. He wrote an article in the Dearborn

Independent expressing his ideas that Jews were the cause of many

peoples problems. Henry Ford was sued by a man by the name Aaron

Sapiro in the early 1930 s. Sapiro had evidence that Ford threatened

himself with Anti-Semitic sentiments. Ford was recorded as saying,

Sapiro is a shrewd little Jew. The bible says Jews will return to

Palestine, but they want to get all the money out of America first.

Sapiro should be kicked out because he is trash.. The result of the

trial was humiliation for the Ford company and Henry Ford himself.

After a hung jury in the first trial, the case was dropped when Ford

wrote a lengthy retraction and apologized for his statements. Ford s

was declining in profits and production among the worlds best. All

as a result of Henry Ford s ego. Thus, by 1931 Ford lowered in the

ranks, controlling only 28% of the market 2nd to GM with 31%.

Henry Ford was the godfather of the automobile industry in the

early 1900 s. The development of his River Rouge plant was considered

a industrial

Cathedral. Hundreds waited month after month in front of the

employment building hoping to be hired. To foreign immigrants it

meant hope and a successful future. The River Rouge plant employed

over 50,000 employees. Pols, Lithuanians, Germans, almost every

western Europe country could be represented at the Ford Plant. Like a

father Henry Ford began educational programs, teaching his illiterate

employees how to read English. Company picnics, and dinners were all

part of Ford s policies that were so unusual, yet so brilliant at that

time.

Of the most controversial actions of Ford was his hiring of

criminals. In fact it was said that, thousands of former criminals

were taken on the Fords payroll over the course of the years, all at

Mr. Fords Requests. Not only was this a highly questionnable

decision, but it startled everyone. It was odd, especially when there

was such a demand to work at Fords. Why would Henry Ford want to take

the risk of hiring potentially dangerous felons? Nobody would be able

to answer this question better than Ford s right hand man Harry

Bennett. Bennett has said that Henry Ford was very sympathetic

towards criminals, even that he would try and, in a sense,

rehabilitate them. Not only did the new workers please Henry Ford,

but they also helped the company itself. Ford s controversial new

policy of hiring criminals not only surprised the River Rouge workers,

but it swept across the nation. Many news articles were printed

concerning Ford s policies. In effect Ford was receiving free

advertising. Whether it was his intent or not, Ford s ideas,

sometimes eccentric helped market the company for the good.

In 1914 Henry Ford hired John R. Lee to update the companies

labor policies. $5/day was to be split into half wages and half

profits. Ford employees would only receive profits when they met

specific standards of efficiency and were cleared by the sociology

department.

On January 5, 1914 Henry Ford s announcement of the

incredible $5 dollar/day plan swept the newspapers across the nation.

The Detroit Journal announced, The surprise of the labor leaders and

the consternation of manufacturers,, Henry Ford announced on Jan 5,

1914 that a minimum wage of $5 dollars/day would be instituted

immediately in the Ford plants, along with a profit sharing plan for

all male employees.

Not only did Henry Fords new deal shock the nation, it sent a

tremendous number of workers to Detroit. For the next ten years

people would do anything to become a worker of one of Henry Ford s

plants. It was unheard of to be offered $5/day by any automobile

company. In fact the average salary for most was a mere $2.50/day at

GM and Chryslers. But Henry Ford s $5/day plan was truly an

illusion, it allowed for greater control of his workers. It was said

that The 5 dollar/day plan was an important early attempt at

implementing a corporate welfare program. Ford wanted to see his

company prosper, his employees were a part of this company.

The development of the Sociology department would allow Henry

Ford to exploit his employees private lives. Employees were advised

by investigators on how to live in order to receive his/hers share of

the profits. The result of this was a tight knit community with no

corruption. This department also monitored the daily happenings in

the plant. In fact, the department had over 1000 informers who would

notify the department if any stealing or illegal plans were taking

place. Social workers conducted extensive interviews on subjects

ranging from household finances to sexual patterns. It was stated at

that time that, the intrusion into workers lives, in the minds of Ford

officials, was a small price to pay for increased wages, efficiency,

production, and in the end profits for the Ford Motor Company.

Many felt that this socialist system was infringing upon the

democratic rights of the workers specifically the right to privacy.

Observers claimed that workers were forced to act like robots in order

to keep their jobs, but this was not the case. Henry Ford created the

stability and order that any corporation needed to succeed in the

early 20th century. Some may say that Ford was a sort of father to the

workers he employed. After all, a father is always harshest to the

ones he cares for most. And that was what Henry Ford was.

The financial success was extraordinary. By 1914 Ford s had

over 600 cars daily rolling off the assembly line. Between 1914 and

1921 earnings soared from 25 million to 78 million. All of Ford s

effort s and expectations came to a pinnacle when, at the close of

1923 there were 6,221 passengers cars in the city of Detroit, one for

every 6.1 persons. Of these 6,221 cars, 41% were Fords.

Henry Ford was not a greedy man, his sometimes unorthodox

behavior and policies epitomized the success of the company.

Throughout the depression he offered a sense of hope for his

employees. By offering jobs to outcasts he became very controversial,

but he had reasons. Ford wanted his workers to be moral citizens,

people that could offer The Ford Motor Company loyalty, leadership,

and trust. A result of this was the financial success of the company.

Henry Ford knew what he had to do in order to accomplish his goals.

Ford knew he might not always be accepted in the community, he also

knew that this was the risk he had to take. It was all clear when he

said, We re going to expand this company, and you will see it grow by

leaps and bounds. How amazing that his prophecy has came true!