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# CONTENT ANALYSIS OF "MY LIFE AND MY WORK" BY HENRY FORD

Francisco Mendes (a)\*, Emília Martins (b), Rosina Fernandes (c) \*Corresponding author

(a) Escola Superior de Educação e CI&DEI – Instituto Politécnico de Viseu, Rua Maximiano Aragão 3504 - 501 Viseu, Portugal, fmendes@esev.ipv.pt

(b) Escola Superior de Educação e CI&DEI – Instituto Politécnico de Viseu, Rua Maximiano Aragão 3504 - 501 Viseu, Portugal, emiliamartins@esev.ipv.pt

(c) Escola Superior de Educação e CI&DEI – Instituto Politécnico de Viseu, Rua Maximiano Aragão 3504 - 501 Viseu, Portugal, rosina@esev.ipv.pt

## Abstract

There are several emerging theoretical positions on leadership, with many definitions emerging that emphasize different characteristics of the leader. Therefore, the leader and his/her success depend on the perspective of analysis. The literature admits a wide set of variables of the leader (personal characteristics, attitudes, and needs), its employees, organization in which it is developed and the context in which it occurs. Here, we intent to retrospectively analyse a leader, that lived between 1863 and 1945, who was recognized as a successful entrepreneur and engineer in a major automobile brand. The purpose of this essay is to characterize Henry Ford's leadership through the content analysis of his autobiography My life and Work. After identifying the fundamental characteristics underlying the types of transactional and transformational leadership and using a dichotomous criterion of their presence or absence, we proceed to read the book. The results indicate that Henry Ford was a man with a high ethical sense, to some extent a visionary, concerned about the maximum possible profitability extracted from the least man's effort. His style of leadership seems to fulfil an appreciable set of transformational leadership characteristics, although some traits of transactional leadership are also evident. We conclude that Ford is surely a charismatic leader, a sine qua non but not sufficient condition to be considered a complete transformational leader.

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## 1. Introduction

Multiple emerging definitions of leadership are known that emphasize diverse characteristics in function of their theoretical positioning (Amanchukwu, Stanley, & Ololube, 2015). Nevertheless, Barracho and Martins (2010) admit that leadership definition integrates a wide set of variables: leader personal characteristics, attitudes and needs, as well as employees and organization characteristics, when it comes to leadership in the work context.

It is not the aim of this short essay to address in detail different theories of leadership, but it will make a difference, even in a topical way, to highlight the reasons why they are important. Jesuino (1996) considers four types of leadership theories, historically dated and chronologically sequential. Type I theories are centered on the leader personality, in which the concern is the identification of his/her personal attributes that allow to distinguish those that are leaders of the non-leaders. However, there has not always been observed a correlation between the presence of those personality traits and effective leadership. Type II are concerned with the leader behaviours, not with their personal attributes but their practices and behaviours that allow the distinction between effective and non-effective leaders, and which has basically emerged from criticism, in particular of Kurt Lewin, to Type I theories, defining three styles of leadership: autocratic, democratic and laxist or laissez faire. Type III considered contingent and Type IV that add to the previous the interactional effect of the situational variables on the leader's personality, in which one tries to understand the leader and the context in which it occurs, as well as the emergent interactions of this binomial.

Nevertheless, the new leadership movement points out other types of leaders, in which the transactional, charismatic and transformational stand out.

In the first type, the leader seeks to identify the needs of his/her employees and in a "help them, they help you" system, gives them the possibility to be satisfied in exchange for the accomplishment of the tasks, according to the level of performance and obedience.

Although the latter two are sometimes understood as similar, on the transformational Bruns (2010) sustains that "the result of transforming leadership is a relationship of mutual stimulation and elevation that converts followers into leaders and may convert leaders into moral agents" (p. 4), while Castanheira and Costa (2011) point out that a transformational leader will always be charismatic. Bass, Avolio, Jung, and Berson (2003) point out four essential elements in the transformational relationship between the leader and his/her collaborators that, in a simple way, are synthesized as: i) idealized influence behaviour - the leader demonstrates an empathic behaviour and willingness to communicate with his/her employees and seeks to emphasize the importance of each person's contribution to teamwork, promoting intrinsic motivation; ii) intellectual stimulation - the leader seeks to promote the creativity of his/her employees and values all opportunities (even unexpected) that stimulate learning; iii) inspirational motivation - in addition to showing an optimistic attitude towards the goals to be achieved, the leader seeks to give meaning to the effort that the group needs to develop; iv) idealized influence - the leader is an example by founding his/her conduct in high ethical standards.

On the other hand, the charismatic leadership, in the words of Klein and House (1995), (as cited in Caixeiro, 2014), is when the 'spark', the 'flammable matter' and the 'oxygen' meet, the first being the

representation of the leader, the second its collaborators and followers, and the latter, the environment. According to these authors the factors that characterize the charismatic leaders are (Table 01):

Types of Factors	Factors
Traits of the leader's personality	A need for power
	Seeks to dominate
	Reveals high self-confidence
	Is assure of his/her own action's morality
Behaviour of the leader	Generates a competence perception among followers
	Assigns significant relevance to the followers' work
	by inspiring their commitment and dedication
	Model roles
	Builds trust in employees
	Provides high employee performance expectations
	Awakes the followers to the mission of the group in
	order to arouse commitment and effort in tasks
Facilitating conditions	Defines the roles of employees ideologically in an
	appealing way

Table 01. Factors that contribute to the appearance of charismatic effects

This paper intends to identify/characterize Henry Ford's leadership style from his autobiography using the content analysis of the book "My Life and My Work".

## 2. Problem Statement

The theoretical debate of the binomial leadership versus management is not new (Kriger & Zhovtobryukh, 2016; McCleskey, 2014). It is interesting to identify a leadership profile in a manager of the early 20th century - Henry Ford.

## 3. Research Questions

**3.1.** Is it possible to identify in Henry Ford, author of Fordism in 1914, characteristics of a leader of the new leadership movement?

## 4. Purpose of the Study

Starting from a content analysis of an autobiography (My life and Work) of Henry Ford, we tried to identify a leadership profile based on the new leadership movement that points out types of leadership, in which the transactional, the charismatic and the transformational stand out.

## 5. Research Methods

As a working methodology, we follow closely the indications of Bardin (2016), namely the preanalysis, the exploration of the material, the treatment of the results and their interpretation. The corpus under analysis, while acknowledging it's limited and eventually limiting nature, includes Henry Ford's own

self-report, which is embodied in the book mentioned above. We have also tried, as far as possible, to respond to the rules of relevance, representativeness, and homogeneity. We proceed to the "floating" reading of the book as much as possible without pre-judgments, seeking to grasp the ultimate meaning of his style of leadership. Later, we carried out readings with the annotations considered appropriate, in order to identify the indicators that the specialized literature points out as characteristics of the following leadership types, namely: i) transformational - includes the categories Idealized Influence Behaviour, Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration; and ii) transactional - integrates the Contingent Reward and Management by Exception Active categories. As we pointed out previously, a transformational leader will always be charismatic. So, in our content analysis we will considered these two simultaneously. In addition, we highlight the importance conceded by Henry Ford to the construct of Marketing strategy.

The criterion of assessment was dichotomous, presence or absence of categories. The categories and their verification were tested and validated by other co-authors and they were considered appropriate for proceeding the work.

#### 6. Findings

As a preliminary note it must be said that the following analysis of Henry Ford's book attempt to consider the knowledge available at the time of the fact's occurrence. Today, we know that many of the ideas, regardless of their goodness, such as adjusting the man and the machine, created inhuman situations, as is caricatured in the film "Modern Times", which generated movements of protest against Taylorism and Fordism in which Elton Mayo stands out. Incidentally, Henry Ford (Ford & Crowther, 1922) himself devotes Chapter VII of the book to the problem of repetitive work, with the suggestive title "The Terror of the Machine" highlighting the satisfaction of certain types of people with repetitive work, and adds:

I have not been able to discover that repetitive labour injures a man in any way. I have been told by parlour experts that repetitive labour is soul—as well as body—destroying, but that has not been the result of our investigations. (Ford & Crowther, 1922, p.44)

We also concede that some of the concerns raised by others (their collaborators) may, after all, be a side effect of worrying about waste. Nevertheless, the payment of higher salaries may no longer exclusively result from this concern with the optimization of human effort, although it may also be understood as a way to guarantee the achievement of certain levels of performance by its employees. Last but not least, we will give an illustrative account of some of the passages that lead us back to, or can lead to, the characteristics or traits of different leadership types.

The floating reading allowed us to gather impressions that point to the appreciation of collaborators opinion and creativity, the openness to different perspectives and solutions, besides showing a group spirit and a sense of mission oriented towards the future, guiding its action by ethical and moral principles. There is also evidence of a transactional leadership style in which adherence to certain standards is imperative because of the rhythms imposed by the cadence of the process. Nonetheless, some features point to the denial of this type of leadership, as is the case of the permanent search for improvement of current practices,

despite high levels of performance. About his leadership positioning, it is symptomatic, as the reading of the introduction suggest, that the first few paragraphs of the book are focused on the motivation for the future and concomitantly express a sense of collective mission. In fact, unlike the dominant culture at the time, as he himself puts it, "people seem to think that the big thing is the factory or the store or the financial backing or the management. The big thing is the product "(Ford & Crowther, 1922, p.8). Manifestly, his motivation was the provision of a service guided by principles that are synthetically transcribed: "1. An absence of fear of the future and of veneration for the past (...); 2. A disregard of competition (...); 3. The putting of service before profit (...); 4. Manufacturing is not buying low and selling high" (Ford & Crowther, 1922, p. 9).

Here, in order to understand Henry Ford in the light of the different leadership conceptions referred above, the reading of the book reveals a set of characteristics that seem to be integrated in transformational leadership, and also in charismatic, i.e. the Idealized Influence Behaviour, namely concern for the wellbeing of others, evidencing concern of mutual adjustment between man and machine:

if the man is not right the machine cannot be; if the machine is not right the man cannot be. For anyone to be required to use more force than is absolutely necessary for the job in hand is waste. (Ford & Crowther, 1922, p.4)

He also shows concern about the distribution of income with its employees:

I have striven toward manufacturing with a minimum of waste, both of materials and of human effort...In the process of manufacturing I want to distribute the maximum of wage—that is, the maximum of buying power. Since also this makes for a minimum cost and we sell at a minimum profit, we can distribute a product in consonance with buying power. Thus, everyone who is connected with us - either as a manager, worker, or purchaser - is the better for our existence. (Ford & Crowther, 1922, p.9)

Finally, we see his worry on what not to do as a way of overcoming crises or economic "depressions": "cutting wages is the easiest and most slovenly way to handle the situation, not to speak of its being an inhuman way" (Ford & Crowther, 1922, p.57).

This preoccupation with the well-being of others also occurs in a more distant context, seeking that as many families as possible could enjoy the comfort and pleasure that the car would provide.

I will build a motor car for the great multitude... it will be so low in price that no man making a good salary will be unable to own one—and enjoy with his family the blessing of hours of pleasure in God's great open spaces (Ford & Crowther, 1922, p.31).

Likewise, it guides its conduct through a high ethical sense and seeks to convey this way of being in its organization. See, in this regard, one of the requirements for selecting his sales technicians "the adoption of policies which will ensure absolutely square dealing and the highest character of business ethics" (Ford & Crowther, 1922, p.25). And, in another passage, he states: business exists for service. It is a profession, and must have recognized professional ethics, to violate which declasses a man. Business needs more of the professional spirit. The professional spirit seeks professional integrity, from pride, not from compulsion. (...) Some day the ethics of business will be universally recognized, and in that day, business will be seen to be the oldest and most useful of all the professions (Ford & Crowther, 1922, p. 112).

Other categories of this dimension, such as what your employees think about you (trust and pride in being involved in your leadership), do not appear in the book, which may be due to the fact that it is an autobiography or not being valued by Ford.

About the Inspirational Motivation dimension, from an early age the author expresses, categorically, what he intends with the exercise of his activity, and he does it through simple words and alluding to images that quickly allow his understanding. See in this regard the first paragraph of the introduction of the book.

We have only started on our development of our country - we have not as yet, with all our talk of wonderful progress, done more than scratch the surface. The progress has been wonderful enough - but when we compare what we have done with what there is to do, then our past accomplishments are as nothing (Ford & Crowther, 1922, p. 1).

And further on, he adds:

My effort is in the direction of simplicity. People in general have so little and it costs so much to buy even the barest necessities (let alone that share of the luxuries to which I think everyone is entitled) because nearly everything that we make is much more complex than it needs to be (Ford & Crowther, 1922, p.6).

Ford seeks to give value and meaning to the work of each employee (Individualized Consideration category), as illustrated in the following passages of the book "We make the individual responsibility complete. The workman is absolutely responsible for his work "(Ford & Crowther, 1922, p.39). Also, as a leader, Ford establishes a system that allows each worker the opportunity to develop and find a job compatible with their skills, adopting the understanding of the emerging leader rather than the formal leader. "With us every man is fairly certain to get the exact recognition he deserves" (Ford & Crowther, 1922, p. 40). "Everything that we have developed has been done by men who have qualified themselves with us (...)" (Ford & Crowther, 1922, p. 41).

On the role of the leader, and the ultimate meaning of the work, Ford highlight: "being greedy for money is the surest way to get it, but when one serves the sake of service-for the satisfaction of doing that which one believes to be right-then money abundantly takes care of itself" (Ford & Crowther, 1922, p.6).

He also emphasizes the relationship of "partnership" and the importance of mutual interdependence in the productive process.

No man is independent as long as he has to depend on another man to help him. It is a reciprocal relation - the boss is the partner of his worker; the worker is partner of his boss. And such being the case, it is useless for one group or the other to assume that it is the one indispensable unit. Both are indispensable (Ford & Crowther, 1922, p.49).

Regarding the personal history of each of his potential employees, Ford considers it to be irrelevant as regards to his recruitment to work, even considering that this may be an additional reason for recruitment if this helps in his re-socialization.

Since we do not take a man on his past history, we do not refuse him because of his past history. (...) If he has been in jail, that is no reason to say that he will be in jail again. I think, on the contrary, he is, if given chance, very likely to make a special effort to keep out of jail (Ford & Crowther, 1922, p. 40).

It shows a similar thought regarding the recruitment of those who present physical limitations,

The blind man or cripple can, in the particular place to which he is assigned, perform just as much work and receive exactly the same pay as a wholly able-bodied man would. We do not prefer cripples - but we have demonstrated that they can earn full wages. Ford is receptive to new ideas and contributions that may arise from workers, but calls for demonstration of their added value: I do not believe in letting any good idea get by me, but I will not quickly decide whether an idea is good or bad. If an idea seems good or seems even to have possibilities, I believe in doing whatever is necessary to test out the idea from every angle (Ford & Crowther, 1922). And he encourages all employees to communicate new ideas about the development of factory work (Intellectual Stimulation category).

Everyone in the place reserves an open mind as to the way in which every job is being done. (...) The whole factory management is always open to suggestion, and we have an informal suggestion system by which any workman can communicate any idea that comes to him and get action on it (Ford & Crowther, 1922, p. 42).

However, as we said before, reading and analysing the book, in addition to the transformational type, also show transactional type leadership traits (Contingent Reward and Management by Exception Active categories). Indeed, probably no one has taken Taylorism so far by imposing on each collaborator the fulfilment of meticulously studied production standards. The speed of the moving work had to be carefully tried out; in the fly–wheel magneto we first had a speed of sixty inches per minute. That was too fast. Then we tried eighteen inches per minute. That was too slow. Finally, we settled on forty–four inches per minute (p. 35). And a few pages later, he adds, "We expect the men to do what they are told (...) without the most rigid discipline we would have the utmost confusion" (Ford & Crowther, 1922, p. 47).

On Henry Ford's leadership we can also notice the relationship between leadership and strategy. Since any consideration of the strategic initiative invariably includes the question: Who exactly will do this? Therefore, if the company doesn't have the right leader, the plans won't proceed. Even the best strategies can fail if the company doesn't have a leader with the right capabilities and at the right level of the organization.

While good managers fulfil plans, as promised, and also produce occasional additional improvements, leaders create a breakthrough in productivity. They perform something that was not before, by implementing effective strategies which can be manifested in launching a new product, by entering a new market, or achieving higher productivity at lower costs. In the scientific literature, we can find the following definition of the concept of "marketing strategy".

Marketing strategy has the fundamental goal of increasing sales and achieving a sustainable competitive advantage (Baines, Fill, Rosengren, & Paolo, 2017; Jobber, & Ellis-Chadwick, 2012; Wilmshurst, & Mackay, 2011). Marketing strategy includes all basic, short-term, and long-term activities in the field of marketing that deal with the analysis of the strategic initial situation of a company and the formulation, evaluation and selection of market-oriented strategies that contribute to the goals of the company and its marketing objectives (Keller & Kotler, 2015).

Following Henry Ford's book, we can distinguish the next basic marketing strategies conducted by Ford at his enterprise:

Product simplification

As we cut out useless parts and simplify necessary ones, we also cut down the cost of making. This is simple logic, but oddly enough the ordinary process starts with a cheapening of the manufacturing instead of with a simplifying of the article. The start ought to be with the article. First, we ought to find whether it is as well made as it should be—does it give the best possible service? Then—are the materials the best or merely the most expensive? Then—can its complexity and weight be cut down? And so on (Ford & Crowther, 1922, p. 7).

#### Standardization

So, standardization may seem bad business unless it carries with it the plan of constantly reducing the price at which the article is sold. And the price has to be reduced (this is very important) because of the manufacturing economies that have come about and not because the falling demand by the public indicates that it is not satisfied with the price. The public should always be wondering how it is possible to give so much for the money. Standardization (to use the word as I understand it) is not just taking one's bestselling article and concentrating on it. It is planning day and night and probably for years, first on something which will best suit the public and then on how it should be made (Ford & Crowther, 1922, p. 20).

Affordable price

Henry Ford, through organized mass production, tried to make the car affordable for the budget of an average American family.

#### · Focus on quality

An "improved" product is one that has been changed. That is not my idea. I do not believe in starting to make until I have discovered the best possible thing. This, of course, does not mean that a product should never be changed, but I think that it will be found more economical in the end not even to try to produce an article until you have fully satisfied yourself that utility, design, and material are the best. Quality means doing it right when no one is looking (Ford & Crowther, 1922, p. 8).

• Focus on Creating Value

Always ready, always sure. Built to save you time and consequent money. Built to take you anywhere you want to go and bring you back again on time. Built to add to your reputation for punctuality; to keep your customers good-humoured and in a buying mood. Built for business or pleasure—just as you say. Built also for the good of your health—to carry you "jarlessly" over any kind of half decent roads, to refresh your brain with the luxury of much "out-doorness" and your lungs with the "tonic of tonics"—the right kind of atmosphere. It is your say, too, when it comes to speed. You can—if you choose—loiter lingeringly through shady avenues or you can press down on the foot-lever until all the scenery looks alike

to you and you have to keep your eyes skinned to count the milestones as they pass (Ford & Crowther, 1922, p. 23).

• Focus on target market

Buyers are learning how to buy. The majority will consider quality and buy the biggest dollars' worth of quality. If, therefore, you discover what will give this 95 per cent. of people the best all–round service and then arrange to manufacture at the very highest quality and sell at the very lowest price, you will be meeting a demand which is so large that it may be called universal (Ford & Crowther, 1922, p. 20).

• Drive innovation and experimentations

We are constantly experimenting with new ideas. If you travel the roads in the neighbourhood of Dearborn you can find all sorts of models of Ford cars. They are experimental cars—they are not new models (...). Our big changes have been in methods of manufacturing. They never stand still. I believe that there is hardly a single operation in the making of our car that is the same as when we made our first car of the present model (Ford & Crowther, 1922, p. 60).

Only a leader who has a clear vision, well-formulated strategies and a plan for achieving goals can reach the success. Such a leader is Henry Ford, with his autobiographical book we also saw a link between leadership and strategies as complementary concepts.

#### 7. Conclusion

From the analysis of Henry Ford's autobiography, it seems possible to conclude that he presented a thought and practice focused on the effectiveness and efficiency of the Man-machine binomial, much supported by a rationality inspired by science and the scientific method. He is clearly a man of values with a deep ethical sense. Regarding his leadership style, it seems to fill a set of characteristics that, given the time to which they relate, could be associated with transformational leadership. However, no evidence has been found of some aspects considered to be fundamental in this style of leadership, namely what employees think and how they feel. At the same time, in some passages of the book are also clear traits of a style of transactional leadership and even, at times, a view of Man as an extension of the machine. Nevertheless, in summary, more than integrating Henry Ford in this or that style of leadership, we understand that it presents, surely, the traits of a charismatic leader with a vision of the future and even a visionary, inspired by a high ethical sense and a search for "the greatest good for the greatest number".

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