

Motivation is
generally linked to
reward management
essay



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Motivation is generally linked to reward, and it is widely considered that maintaining a healthy reward system is central to the regulation of the employment relationship. The reward system varies from organisation to organisation, and comes in various forms, including monetary or non-monetary, tangible or intangible, and physical or psychological, and these are offered to the employees as compensation for the productive work they execute. (Thinking made easy, 2009)

Ford motor company is multinational organization which incorporated an effective reward system exemplified by the restructuring of its operations and its organisational chain of command. The company has incorporated a team-based methodology in its manufacturing process which gives employees far better control over their responsibilities (2006). Instead of simply following the instructions of managers, workers can directly contact the suppliers to talk about quality of equipment and to take care of the product defects. This is evidently one form of incentive for employees because the employee's decisions are valued by their organization; they can practice their personal judgment to make their own decisions with regard to matters that concern the organisation they work for.

Ford is one of the numerous organisations in the United States that use Internet to run incentive programs for employee motivation and recognition, award selection, award fulfilment . Online-oriented employee motivation poses various benefits that are advantageous for employees and the organisation itself. The promotional events for example are posted on internet which reduces the use of paper. These materials can be immediately and efficiently added or removed from the Internet, based on the employees'

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decision or judgment. Hence, online incentive programs save time, money, and even permits greater control for the organisation and employees.

Ford also acknowledges corporate social responsibility (CSR) which benefits the employees, consumers, dealers, suppliers and community. Hence, Ford is able to provide a quality life to its employees and their families (Thinking made easy, 2009)

Another form of compensation for the employees at Ford is the company's programmes for Employee Involvement (EI). Some of the EI programmes are the Mutual Growth Forum (MGF) and the Employee Assistance Plan (EAP). Through Mutual Growth Forum the relationship between employees and administration is developed through a two-way communication. To do this, the concerned parties conduct regular meetings to discuss matters of mutual interest, such as product plans, competition, economics, holiday schedules and work conditions. The Employee Involvement programme is completely voluntary which takes care of the workers who have health problems, drug dependency and the like. The programme also includes a referral technique for professional counselling, assessment, and treatment, as well as wellness activities for health risk evaluations, stress management, hypertension monitoring, and so on. These compensations benefits to Ford with enhanced employee creativity, lessened absenteeism, better quality of products, and improved relations between employees and the administration.

Team design

Ford incorporated the Ford Production System (FPS) in the mid-1990s, an initiative to restructure its manufacturing process to enhance flexibility and

efficiency in its automobile production systems. Under FPS, factory employees form teams called “ work groups.” (Liker & Morgan, 2011). With this new format, managers of the workgroups are given the authority to make most work decisions on their own, which eventually result in saving lot of time.

In 2000, Ford concentrated its product development teams into three centers of competence. Small cars developed at co-centers in Cologne, Germany and Dunton, U. K., and large-car and truck teams are in Dearborn, Michigan. (Wernle, 2000)

Product Design Team:

Product design team has a parallel approach which is way better than a linear process. These teams are task-focused and the level of communication and decision making is high. The project team design begins with the empowering and staffing the team, the team members are chosen according to the company history and breakdown of the task. Then, the design engineers, responsible for the development of the product are selected. (Therese, 1990)

Leadership/decision making

Bill Ford is the chairman of Ford Motor Company and most of the decisions in the company are taken care by CEO, Alan Mulally, and a board of directors. The CEO makes the majority of the executive decisions. The role of the board is to select and evaluate the CEO and other top-level executives. (Ford Motor Company 2011 Annual Report, 2011) The board of directors has 17 members.

Through Ford Production System (FPS) work groups were formed which gave powers to the managers of the work groups to make their own decisions. Employees were significantly involved in the decision-making process as they could directly contact the suppliers and discuss the quality of the products. (Liker & Morgan, 2011)

Human Resource System

When CEO Alan Mulally came to Ford in 2006, he developed the “ One Ford” plan. Under One Ford, all Ford workers are integrated into a system where employee opinions are valued. (White, 2011). Since 2009, Ford has been encouraging social networks in order to enable easy communication among employees so that employees can more easily engage customers. (Khan & Khan, 2011)

Cross-cultural Human Resource Management at Ford

Ford is putting efforts to reach diverse communities by targeting universities with higher percentage of women and minority groups. (Thinking made easy, 2011). Ford launched its global diversity initiative in 1994 to improve diversity and work life throughout the company. Of its 157, 000 U. S. employees, 12. 8% of Officials and managers are minorities. African Americans represent 8. 7% of all top management posts and 17. 3% of the workforce overall (Thinking made easy, 2011). Ford has also launched some programs and processes for managing diversity. This has been a key contributing factor to Ford Motor Company’s goal of global markets and corporate efficiency.

Technology

In 1933, Henry Ford had outlined on what makes a great product when he said, “ It is the type of engine and its reliability; the structure of chassis and body, durability; preference given to safety factors; the steady development of comfort, convenience and economy. These make the car.” These basic principles are very closely mirrored as the Four Pillars, which Ford focuses on to today. (Armbruster, 2011)

The four pillars are:

Drive smart

Drive safe

Drive quality

Drive green

Drive smart

Ford is committed to deliver industry-leading technology that enhances driving experience at a value to the customer. Ford’s history of technological innovation goes way back from 1906 with the unitary engine and transmission and the standard interchangeable parts of the 1908 Model T. In 1936, Ford pioneered the alligator type hood, for its Lincoln Zephyr, which made accessing and servicing the engine much easier for consumers. Ford introduced many new technologies to their customers in 1980s such as keyless entry systems (1980), electronic message centers (1980), heated front seats (1984) and insta-clear windshields (1986) are amongst the few.

Ford added more to their technology list in 1990s with auto-glide front seats (1993) which gave more comfort to the drivers of their vehicles, memory recall for seat and mirror positions (1994), voice activated cell phones (1995) and reverse activated rearview mirrors (1995). While some of these technologies are no longer used today, they all demonstrate the innovative atmosphere that still exists at Ford. (Armbruster, 2011)

Their latest technology as part of drive smart include

Sync- This is an award winning communication and entertainment system developed by Ford and Microsoft. Sync integrates most Bluetooth enabled mobile phones and digital media players. Sync Wi-Fi mobile hotspot makes the vehicle a rolling Wi-Fi hotspot which allows all passengers to access the internet.

MyFord touch- An LCD touch screen is mounted on the dashboard which has multiple features like App links, voice command system, 911 assist etc..

Blind spot Information System with cross traffic alert system.

Rear view camera system

Parking assistant and Electric power assisted steering (Technology fact sheet, 2012)

Drive Safe

Ford has been continuously thriving hard to introduce new designs to keep customers safe in its vehicles. Beginning in 1909, Ford gave an option to use acetylene headlamps which would provide more safety during low light

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conditions. In 1927, Henry and Edsel Ford made the decision to install laminated safety glass in the windshields of the Model A, thus decreasing the likelihood of injury from flying glass in the event of an accident. After two years of research, an energy-absorbing steering wheel, impact-resistant door latches, padded instrument panels, front and rear seat belts, and other features, was first introduced in the Ford 1956 model line. They also introduced airbag systems in the 1980s which made Ford customers of all ages much safer. (Armbruster, 2011)

Latest technology as part of Drive safe

Roll stability control- Sensors are placed intelligently to detect vehicle roll motion and automatically engage measures to maintain control of the vehicle.

Curve control technology- Helps driver to maintain control over the vehicle while making a quick curve. The technology rapidly reduces the torque and also applies brakes to slow down the vehicle.

Lane keeping technology

Forward collision warning with brake support

Next generation air bags for extra protection to the driver and passengers.

(Technology fact sheet, 2012)

Drive quality

Ford offers world class quality which is on par with the best in the industry.

As Henry Ford said in 1938, “ We have had just one main purpose ... to give

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the people transportation of the most dependable quality at the lowest possible cost.” This focus on quality has always been at the core of Ford’s business. Henry Ford II in even launched the new “ Quality and Demand Go Hand in Hand” campaign. The aim was to build quality into Ford products from the very first step of production, and Ford II said “ quality will determine whether we lead the field in the tough competition.” In 1981, the “ Quality is Job 1” program was launched which showed Ford’s dedication towards maintaining the quality.

Seventy-nine percent of Ford customers who purchased 2011 model year cars and trucks were satisfied with the quality of their vehicles, according to the 2011 full-year GQRS study. (Armbruster, 2011)

Latest technology:

Error proof manufacturing- Error proof systems are incorporated to ensure critical-to-quality assembly process which allows constant monitoring during the build.

The new technologies include an environment friendly anti-corrosion system that reduces the use of water to half.

A 3-wet paint technology that reduces CO2 emission by 15%.

Electrical systems of the vehicles are thoroughly checked to ensure electrically driven features operate properly. (Technology fact sheet, 2012)

Drive Green

As early as 1913, Henry Ford had started designing prototypes and experimenting with batteries as an alternative power source for Ford products, and in 1916, experimentation with botanical sources of ethanol began, in an effort to find an inexpensive, renewable alternative fuel source. During the late 1960s and early 1970s, emissions and safety legislation, along with the oil crisis, made fuel economy a dominant factor in consumers purchase decisions. Ford Motor Company responded by launching more fuel-efficient engines in smaller, lighter vehicles while also educating consumers on how to drive smarter to achieve better fuel economy. (Armbruster, 2011)

Latest Technology:

Eco boost, ford's latest technology smaller displacement turbocharged gas engines reduces fuel consumption by 20% and also reduces CO2 emission by 15%.

Ford is planning to advance transmissions to six-speed gear box which improves fuel efficiency.

Ford's hybrid vehicle C-MAX energi is expected to deliver greater fuel efficiency than Toyota Prius

Ford's first all-electric vehicle is rated by U. S environmental protection agency as America's most fuel efficient vehicle. (Technology fact sheet, 2012)