

Ford motor company

Business



Leadership plays and will continue to play an integral role on the performance of any organization. For instance, good leaders enable improvement of the organization's performance, while a bad leader may subject an organization to deterioration and eventual collapse. No wonder some companies have been seen changing leaders from one person to another, because of the fear that the company may collapse, if it left in the hands of some leaders. There are various traits that enables a leader to impact the performances of an organization (Thomas, 2006). One important character is charisma. A charismatic leader is able to influence the members of the organization and obtain their support towards achievement of the organization's goals and objectives.

He gives direction and leads the members of the organization towards the vision of the organization. However, it is worth noticing that different leaders may have different leadership styles that may be suitable for different organizations. For example, a leader may do exceedingly well and succeed as an army commander, but fail terribly, when elected as the president. Similarly, one may succeed as a manager of a service providing company, but fail at the same position in a manufacturing company. Different organizations require different leadership styles.

Although some leadership skills may be intrinsic, most of them are learnt (Thomas, 2006). Such skills require that one translates knowledge acquired into traits that are exhibited during day to day activities. It is possible for a leader to learn and practice what other successful leaders have done.

Generally, the members of an organization are always keen to observe what the leader is doing. How the leader works, affects how the followers work.

If a leader is a hard worker, the followers are usually challenged to work hard. However, the success of a leader is usually not ased on what he does, but is evaluated by his achievements. The movement of Alan Mulally intoFordMotor Company in the position of Chief Executive Officer has brought him into the limelight of leadership. His style of transformational leadership has been evident in both his actions and achievements. For example, when Mulally was hired by Ford Motors in 2006, the company was struggling to operate on debts like other old time rivals- GM and Chrysler (American power, 2009).

After a short period of time, Ford Motor started improving in its performances tremendously. The improvement in performance of Ford Motor has been evident in terms of improvement in the financial status of the company and increase in sales. As an evidence of its financial stability, Ford Motor has been able to pay some of its debts. For example, the company paid \$2. 4 billion in March to reduce a \$10. 1 billion long term debt (Eblin, 2009).

The company has also been able to reduce its labour cost by a reasonable percentage after negotiations with the United Auto Workers. The company is also doing well on matters concerning sales. In fact, it has gained a competitive hedge above old competitors- Chrysler and GM. Ford Motors has also improved on the variety products taken to the market. I.

e., it has improved from producing trucks only to include personal cars.

Consequently, the company has reached a new stronger competitor calledToyotaCompany. All these improvements of performance are evidences of Mulally's good leadership style (Taylor, 2009). As s CEO, it is a

fact that Mulally has not participated directly in designing or engineering a car.

Instead, he has designed a set of specific goals to be attained by the company. This system of set goals has enabled the company employees to work objectively towards achievement of set targets. This system has enabled Mulally to improve performance in designing and engineering of cars, which he does not do directly on his own. There have been hard decisions to make in the company, especially on financial issues. For instance, the company had to borrow \$23.6 billion in 2006 (Taylor, 2009).

This was to be added on other debts that were there before. It was hard to decide between accruing more debts and facing recession, if the money is not borrowed. Guided by the company's goal system, Mulally made the decision to borrow the money to beef up the company's asset base for better production and more profits. In pursuit of the organizational goals, the company had to drop some brands, such as Jaguar and Land Rover in order to put more attention on the Ford brand. All the moves were to propel the company towards its target of being able to make profit by 2011.

As a result, the company made tremendous improvements and a great deal of achievements. Mulally's leadership success at Ford Motor Company is majorly attributed to his style of communication in the company. He created awareness on the organizational goals among the employees at all levels. He also let them know all the moves and decisions that he made. For example, when he wanted to reduce the company's reliance on light truck, he made all the employees aware of the idea.

He went further to give an explanation that the idea was a response to increase in fuel (Eblin, 2009). His decision to concentrate on one brand was also publicized within the organization. This idea was received and supported by commitment of employees towards its implementation. This trait of excellent communication earned him support from all the employees. He, therefore, got an ample opportunity to influence the employees and direct them towards achievement of the company's goals and objectives.