

"boosting income while limiting expenses" - the philosophy of henry ford

[Philosophy](#), [Personal Philosophy](#)



Maximizing revenue while minimizing costs are the words all businesses attempt to accomplish with regards to trying to obtain as much profit as doable. Henry Ford too had this ideology, which allowed him to think outside the box to obtain the greatest possible outcome from his employees. Before the assembly line, companies had individuals making all the parts and connecting them on their own. This proved to be extremely inefficient. Therefore, Henry Ford decided that change needed to occur in the form of the latest at the time assembly line, which featured a highly specialized workforce, the moving conveyor line, and interchangeable parts. Plus, what Henry did is still being applied in our current day society with various industries and factories still utilizing the same type of machineries to produce cost minimization.

Paragraph 2

Henry Ford was a brilliant man who originated the Ford Motor Company in 1903. The first well known car he introduced at the time was the Model T. It was originally priced at \$850 which is equivalent to our current day \$21, 000. This seemed like a reasonable price, but Ford wanted cars to be even cheaper so that everyone could have one. This required an innovative method to obtain an even lower price for the cars. The assembly line was first introduced on December 1st, 1913 and functioned using individuals who were located at various stations to accomplish a certain part of the bigger picture. The assembly had three main components with each person being assigned to a station where they needed to complete a certain part of the item and pass it on to the next group. The method for passing it on to the next group required a tracking system. All this tinkering eventually lead to

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Ford's ultimate goal of obtaining the most amount of revenue possible. The assembly line ultimately revolutionized the business industries as this method of working is still used today.

Paragraph 3:

To maintain production in the assembly lines, specialized workforces were required to get paid enough such that the repetitive and boring task assigned to the men did not discourage them. The pay increase made the average Ford employee five times more money than the average American. This was all apart of Ford's plan to obtain cost minimization for his Model T's by making sure his employees stayed motivated. In the assembly line, there were about 84 stages in the process. Doing the same step can become repetitive time. Traditionally, factories had a sent number of employees making the entire piece. All this complexity required a large deal of training. Breaking down the work assigned into parts or groups allows for people to focus on getting one thing right and not worrying about having to make sure all the parts are intact. The minimal tasks assigned allowed for lesser training which saves money because you only need to train people for the certain task they are allocated towards.

Paragraph 4

Interchangeable parts are when you have parts that have similar dimensions so that the part can be used for various items. Prior to mass production, every tool was made one by one causing unequal dimensions for varying items. Ford added the idea of interchangeable parts to his assembly line after the many firearm companies explored with this idea of interchangeable

parts. The interchangeable parts allowed for smaller workforces to produce these parts because machines can create parts for every product and if it is the exact same product being produced, this create a sense of easiness for the machine. Interchangeable parts allowed for varies parts, valves, etc. to be used in various Ford vehicles. Since parts could be interchangeable, this allowed for a reduction in waste which reduces cost for production and therefore creates a situation where a greater amount of revenue can be generated.

Paragraph 5

For parts to be moved from place to place, man needed to move it physically. This caused employment of extra people to do this, or more time for the current employees o do this. Ford therefore looked at ways to improve this. The gravity slides were introduced to the assembly line to speed up time for the part to be taken from various places to the next. The moving assembly line created another change in Ford's assembly line. This allowed for valve for example that may have been recently completed to be transferred to the next station with minimal effort or time consumed. This ultimately increased the speed of work being completed due to the speed of the slide as people did not have to wait for as much time for the next piece to arrive at their station.

Paragraph 6

As society is looked at today, it is noted the many similarities are noted as to the assembly line Ford had versus what modern businesses utilized. Toy

companies, grocery stores, car companies, and many more industry still use assembly lines in their respective businesses as this allows for the companies to maximize their revenue. These companies all incorporate similar technologies as the ones from Ford's factory. Parts such as the conveyor belts, and interchangeable parts are still used and have been improved on to eclipse previous expectations and goals for maximizing revenue.

Conclusion

Boosting income while limiting expenses are the words all organizations endeavor to achieve with respect to attempting to acquire as much profit as possible. Henry Ford too had this philosophy, which enabled him to consider a multitude of options to acquire the best conceivable results from his workers. Before the assembly line and its components came into effect, companies had individuals making all the components and connecting them together on their own. This turned out to be profoundly inefficient.

Consequently, Henry Ford decided that change needed to occur in the form of the latest at the time assembly line, which featured a highly specialized workforce, the moving transport line, and interchangeable parts. Also, what Henry did is still being connected in our present-day society with different businesses and plants to deliver cost minimization.