



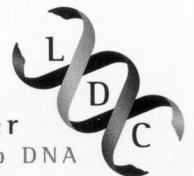
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Can Ford Clone Leadership DNA?

Ford injects thousands of managers with total leadership training

BY DAVID T. GORDON

Leadership Development Center
creating new leadership DNA



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HIRING, FIRING, INSPIRING



Stewart Friedman, director of Ford's Leadership Development Center

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ARE LEADERS BORN OR MADE? Ford Motor Co. has sidestepped that chestnut in creating its new Leadership Development Center (LDC). The LDC's motto, "Creating new leadership DNA," implies that leadership is both

hereditary and subject to schooling. The center aims to bring to the fore the innate leadership skills of Ford managers from across the company.

Around 1,380 managers are currently taking part in the sec-

ond iteration of the LDC, which launched in 1999. About 2,500 managers went through the curriculum last year. The program's conceptual framework is "total leadership," an approach that emphasizes team development,

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personal growth and feedback from stakeholders such as family and the community. Total leaders not only achieve better business results but also live richer lives in the process, says Stewart Friedman, who directs the LDC program while on sabbatical from the University of Pennsylvania's Wharton School of Business, where he is a professor of management and director of the Wharton Leadership Program.

This effort to create a corps of entrepreneurial leaders throughout a company that is the definition of a corporate behemoth is the brainchild of Ford CEO Jacques Nasser, who has said Ford needs "nimble leaders at all levels" to keep pace in the new economy.

"Without question that's the right goal for a big company in the Internet age," says Harvard Business School professor Rosabeth Moss Kanter, who most recently authored *Evolve!: Succeeding in the Digital Culture of Tomorrow* (Harvard Business School Press, 2001). "Fundamental leadership skills haven't changed with the advent of e-business, but more people at more levels need to use them." She points out that "corporate giants have been saying they need to think like small, entrepreneurial companies ever since the dawn of the information age—when they were first confronted with global competition, dissatisfied consumers and the obsolescence of some of their business assumptions." But it's one thing for these companies to say it, another to do it, she says.

Especially in the auto industry, big companies have been

Internet laggards and latecomers to the idea of cultivating an entrepreneurial and improvisational spirit internally, Kanter says. That—and a hypercompetitive global sales market for cars and trucks—may explain the urgency behind the Leadership Development Program.

Testing Total Leadership

The LDC runs four training programs, corresponding to various management levels: New Business Leader, Leadership for the New Economy (LNE), Experienced Leader Challenge and Capstone. Ginny Preuss recently took part in the LNE program for midlevel managers. Based at the company's headquarters in Dearborn, Mich., Preuss has worked her way through the IT ranks at Ford and is now a special assistant supporting the company's new CIO and vice president, Marv Adams. During Phase 1 of LNE, Preuss spent a month in online discussions with program leaders and participants, generating a list of potential projects that could add more flexibility to Ford's IT environment. At first, she found it difficult to define her undertaking in the parameters of total leadership. "This was totally different from previous management programs at Ford because we were focused not just on improving the way we do business but transforming it," she says.

In Phase 2 of LNE, Preuss joined 44 other participants for a one-week intensive residency in Dearborn, finally meeting those she'd been working with virtually for weeks—her peers from across the company and

AT A GLANCE

Inside Ford

The Company: Ford Motor Co. (www.ford.com)—365,000 employees in 1,135 sites around the world.

The Challenge: To increase the company's nimbleness in the new economy, Ford needs entrepreneurial leaders to develop at all levels within the company.

The Solution: Ford launched its Leadership Development Center in early 1999 to train people from four different levels of management in the tools, tenets and mind-set of leadership. Nearly 3,900 managers have been through the program or are now enrolled.

around the world. In workshops led by academics from outside of Ford, participants tested their ideas for change. They were prodded—sometimes by a team of improvisational actors—to imagine new ways of working. Preuss says that interacting with managers at her level from disparate departments and organizations in Ford gave her a better picture of how IT fits into the carmaker's overall strategy. Using their feedback and that of her coaches, she picked a project that would match with her organization's already established resources and priorities, giving her innovations a better chance of success. Her plan: dive into Ford's 1-year-old Six Sigma quality-control program, measuring IT's performance against customer needs.

Back at work, Preuss formed a team of Six Sigma black belts

(those charged with training others in quality control), drawing one member from each of Ford's major IT organizations. The group developed and conducted open-ended interviews throughout the company on what IT customers want—not just from inside Ford but also outside contractors. The team learned about differences in what various customers value. For example, manufacturing is much more concerned with project costs than is marketing. The survey will now be repeated twice a year and will help guide internal IT improvement projects, says Preuss.

So far, so good—for Ford, that is. But what about the total leadership rubric that integrates the four domains of work, personal goals, family and community? "My first goal was to create an environment where we can truly support flexibility,"

HOT Seat

says Preuss. "So when I formed this team, we started practicing concepts of total leadership while exploring ways of incorporating those concepts into the system as a whole." For example, that may involve adjusting work schedules to accommodate family events, using tools such as teleconferencing to reduce business travel or arranging interruption-free time in which managers inundated with phone calls and e-mail can catch up on necessary reading. In such a system, actual effectiveness—rather than face

to different people. LNE program participant Paul Landray, Essex, U.K.-based manager of Ford's European Solutions Centers, which handles IT applications, development and maintenance, points out that while many employees want to free up time during the workweek, others don't. "Expectations among some European employees are very different than those of their American counterparts," he says. "For example, some say, 'I don't want the flexibility you want for me. When I'm at

how accomplishments are recognized and whether a high-quality personal life is possible. "Salaries are usually down on the list of questions," he says. "It's critical that we have that in the forefront of our minds and not pay just token attention to it."

Landray says his LNE residency also gave him a better appreciation of how the priorities of his 700 employees might differ from his own. "My makeup is very task-driven, very delivery-focused and perhaps somewhat insensi-

pants] to become ambassadors for new tools and new thinking.

Phase 1 of LNE—the online portion prior to the residency—requires use of Microsoft Outlook and eRoom for scheduling, discussion groups and asynchronous work on documents. Hampton is quick to point out that this work is not merely preparation for residency but training in how to use e-tools effectively.

During the residency itself, participants use wireless LAN setups for collaborative work in small groups. By the time they return to their posts, they have formed a Web-based network of potential leaders who can reach across sectors of the corporation—sharing ideas, encouraging and teaching one another, and gaining a companywide, systemic view of their work.

Landray now uses eRoom to control e-mail. "E-mail can get stressful," he says, "especially when you get all these attachments. With a little discipline, you cut down on that considerably by using eRoom."

One goal of the program is to help leaders learn which tools to use—and when, says David Soubly, an IT systems planning specialist who works in the Leadership Development Center. "These tools reduce the need for constant face-to-face interaction, but they don't eliminate it. It requires discipline and discretion to know when to use them." Not to mention constant training and effort. After all, new DNA doesn't evolve overnight. **CIO**

David T. Gordon is a freelance writer based in Cambridge, Mass. He can be reached at dgordon@massmed.org.

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—PAUL LANDRAY, MANAGER OF FORD'S EUROPEAN SOLUTIONS CENTERS

time at the office—has to become the standard for recognition and promotions, she says.

Part of leadership is modeling good methods. "You really need to practice what you preach," says Preuss. "You can't give lip service to [total leadership] and then work until 10 every night or just promote the people you see sitting next to you." For her, that realization meant learning to "get up from a meeting at 3 p.m. and say, 'I'm leaving. I've got a Brownie meeting.' Of course, I have to deliver, but I can go to Brownies and still achieve my objectives and goals." Her 6-year-old daughter heartily agrees.

Leading Across Cultures

Flexibility means different things

work, I'm at work, and when I leave the office, I want to leave the office. I don't want to do e-mail at home.' They'll stay at the office late when they need to, but they don't want the line between work and home blurred. So when you're dealing with people, there isn't a prescription for everyone. That's probably the most powerful lesson I've learned."

That's also a lesson that Landray believes leaders must learn if they hope to attract and retain good talent. Although just 32 years old himself, Landray sees a big difference in expectations in the younger generation than among people his age. In interviews, recent college graduates express more interest in where the company is going,

and how they can contribute to the human aspects of leadership. For instance, I don't have children, but many of my peers do, and our discussions about that changed my perspective. I began to see the needs of my team through a different lens."

Leading with IT Tools

IT does more than enhance the bottom line, Friedman believes; it also promotes total leadership. Indeed, IT sits at the hub of all of Ford's processes: product development, manufacturing, purchasing, marketing and sales, and human resources. So it's crucial that Ford's leadership programs serve as a testing ground for new uses of IT, says LNE Program Director Nerissa Morris Hampton. "We expect [partici-