

Henry Ford's \$5 pay offer

Level: Intermediate upwards

Timing: 90 minutes plus

Material needed: One copy of the student worksheets and Vocabulary record per student; one copy of the interview per student (optional)

Group size: Any

Overview

This lesson plan for both pre-experience and in-work business students is based around an article from *Business Spotlight* Issue 2/2013. The article is about the visions and decisions of Henry Ford and how they affected not only the Ford Motor Company, its workers and founder, but also the whole economy and manufacturing and production processes thereafter.

The tasks in the worksheets encourage the students to learn and use new business vocabulary and functional language, and also to practise useful business skills such as planning and carrying out writing tasks.

The teacher's notes provide suggestions for teaching and learning strategies as well as ideas on how to present the tasks in the classroom, any necessary answer keys and extension tasks (for in class or as homework).

Lead-in

These questions are meant to introduce the topic of car production and cars in general. If no one mentions Ford cars in their answers, ask specifically whether the students would choose a Ford car as their company or private vehicle.

Key words

Students match the key words from the article with their definitions and then look for those key words in the article to read them in context. In doing this, they will get an idea of what the article is about.

Key:

1. *craftsmen*; 2. *plant*; 3. *assembly line*; 4. *streamlined*; 5. *staff turnover*; 6. *union*; 7. *welfare capitalism*; 8. *shift*; 9. *megalomania*; 10. *consumerism*; 11. *incentive*; 12. *productivity*

Find the information

Students should read the questions and look for the answers in the article.

Alternative: Before they look in the article, ask the students to suggest what the answers might be.

Key:

1. 40
2. \$850; under \$300
3. *the introduction of the moving assembly line*
4. *the work was hard (physically demanding) and repetitive*
5. *Ford increased the daily pay to double the amount other firms were paying and reduced the working hours to eight per day*
6. *staff turnover fell to 16% and car production rose*
7. \$120
8. *profit-sharing, medical assistance, schools and recreational events*
9. *mass production performed by well-paid workers*
10. 10,000
11. 47 (Volkswagen)
12. *He started to have his employees' lives investigated and only gave incentives to those who met his moral standards. He also published anti-Semitic views in his own newspaper, blaming Jews for 'moral decay'.*

Language-building: Adjectives

In the first part of this task, students should try to remember which words followed the adjectives in the article (without looking at the article). Then they should look for the adjectives in the article and write the words that follow them. In the second part, the students should give examples of what else the adjectives could be (commonly or frequently) used to describe.

Key a:

1. *luxury objects*; 2. *skilled craftsmen*; 3. *high-quality car*; 4. *moving assembly line*; 5. *precision tool work*; 6. *heavy car parts*; 7. *costly breaks (in production)*; 8. *better conditions*; 9. *mass production*; 10. *well-paid workers*; 11. *powerful firm (and industry)*; 12. *booming car industry*; 13. *private lives*; 14. *moral standards (and decay)*

Summarizing

Tell students that this word cloud contains all of the words in the article. The larger the word is in the word cloud, the more often it appears in the article. Using the word cloud and their answers from Task 4 (not the

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article), ask students to summarize the text orally in pairs or small groups.

Discussion

These questions give students the chance to think about what they have read and talked about so far and give their own opinions. With lower-level groups, you could allow them five minutes to think about how they might answer the questions and to make preparation notes.

Writing in a template

The template in the task contains the same four section headings as the article. Students should make notes under each heading about a managerial or departmental decision or change that has affected them or their company. Students can then use their notes to structure a well-planned piece of writing. They can also use their notes as an aid to discuss the subject either informally as a discussion or formally as a mini-presentation.

Teaching and learning strategy: Using a template

You've probably heard the mantra 'prepare, prepare, prepare' in connection with presentations and public speaking, but preparing for a writing task is equally important, especially for lower-level students or those who aren't used to writing.

A writing template like the one in Task 7 will help students to get their thoughts and ideas together before they get down to the final version of what they want to write. They can use it to note the main content and points they want to include and also to write down useful fixed phrases, sentence beginnings, linking words and expressions that will give their finished piece of writing fluency and cohesion. And, if they are writing with good old-fashioned pen and paper, it will save a lot of crossing out and make their finished piece of writing much neater and easier to read.

Vocabulary record

Here, students should be encouraged to record all the new and useful vocabulary they have learned during the lesson, not only in the form presented in the article but also in related forms.

Related topics on onestopenglish

For follow-up lessons on the same or related topics go to the following lesson plans in the Business section on onestopenglish:

Business Spotlight: Emotional roller coaster
<http://www.onestopenglish.com/business/business-spotlight/emotional-roller-coaster/550434.article>

Business tasks: Decisions
<http://www.onestopenglish.com/business/business-tasks/decisions/>

You may also find topical and relevant *Guardian* news lessons here on onestopenglish:
<http://www.onestopenglish.com/skills/news-lessons/>

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1 Lead-in

a. Do you have a company car?

- If yes, who decided on the make and model?
- If no, what make and model would you choose if you were told you could have a company car?

b. Which makes and models of cars are especially popular in your area? Why is this?

2 Key words

Write the key words and expressions from the article next to their definitions. Then, find them in the article to read them in context.

assembly line

consumerism

craftsmen

incentive

megalomania

plant

productivity

shift

staff turnover

streamlined

union

welfare capitalism

1. people who make beautiful or practical objects using their hands _____
2. a factory that makes cars, machines, equipment, etc. _____
3. a moving belt in a factory that moves a product from one stage to the next, at which each worker is responsible for adding or checking a particular part _____
4. improved a business, organization, process, etc. by making it more modern or simple

5. the rate at which employees leave a company and new employees arrive

6. an organization that represents the workers in a particular industry and tries to improve pay, conditions, etc. _____
7. a system in which a company not only pays its employees but provides other social benefits

8. a period of work time in a factory or other place where some people work during the day and some work at night _____
9. the enjoyment of power and a strong wish to have more of it _____
10. the belief that it is good for a country if people buy and use a lot of goods and services

11. something that makes you want to work harder, because you know that you will benefit by doing this

12. the rate at which goods are produced, especially in relation to the time, money and workers needed to produce them _____

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3 Find the information

Scan the article and answer the questions below.

1. How old was Henry Ford when he started the Ford Motor Company?
2. How much did a Ford car cost at that time; how much did it cost 11 years later?
3. Which manufacturing development made this price change possible?
4. Why was staff turnover so high at the Ford Motor Company in 1913?
5. What happened in 1914 which made so many foreign workers want to work at Ford?
6. How did this affect staff turnover and car production?
7. How much is the \$5 that Ford paid his workers in 1914 worth in today's money?
8. What incentives did Henry Ford offer workers who did not join unions?
9. What business model did Henry Ford instigate (which became the car industry standard)?
10. How many cars was Ford producing per day by 1925?
11. How many years was it until another car manufacturer produced more cars a day than Ford?
12. How did Henry Ford's egotistical mental attitude (megalomania) show itself?

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by Vicki Sussens

Managerial decisions can change companies and even whole societies. Vicki Sussens takes a look at decisions that have had lasting consequences on the economy.



Image: Timothy Hughes

The background

When Henry Ford (1863-1947) started the Ford Motor Company in Detroit in 1903, it produced only 11 cars a month, each costing \$850 (roughly \$22,400 today). At the time, cars were luxury objects handmade by skilled craftsmen. But Ford had a vision: to mass-produce a high-quality car that everyone could afford.

Ford's Highland Park Ford Plant, which opened in 1910, revolutionized car production by using a moving assembly line. This had 32,000 machines doing precision tool work and moving heavy car parts into place. It now required fewer workers and hardly any skills to make a car. By 1914, Ford had streamlined the process so that one car was made in only 93 minutes and could be sold at just under \$300. By then, Ford was producing more cars than all other US carmakers together. But there was a problem.

The problem

Working on an assembly line was hard. Workers stood in one place, repeating the same action on the same car part for nine hours. Staff turnover was extremely high — 52,000 people were hired in 1913 for the 14,000 available jobs. Some workers simply walked out, causing costly breaks in production.

Ford's solution

In 1914, Ford increased pay to \$5 (about \$120 today) a day, which was double what other firms were paying. He also reduced working hours to eight per day. This offer started what newspapers called a “gold rush”, attracting workers from every corner of America and even from places as far away as Mexico, Italy, Scotland and Eastern Europe.

At the time, factory owners were introducing better conditions to stop workers from joining unions. Ford was a leader of this so-called welfare capitalism, offering, for example, profit-sharing, medical assistance, schools and recreational events for staff.

What happened next

Staff turnover fell to 16 per cent in 1915. Car production rose from 170,000 before the pay rise to 202,000 a year. By reducing hours from nine to eight, he could have three shifts instead of two. By 1925, the company was making 10,000 cars a day, a record not beaten until 1972, when more Volkswagen Beetles were produced. Ford's business model of mass production performed by well-paid workers had become an industry standard. And Ford became the head of the most powerful firm in America's most powerful industry. But he began to show signs of megalomania.

The booming car industry fed other industries, creating wealth and growing consumerism. It began a new era that Ford did not like. Worried about lost values, he gave himself increasing powers over his workers' lives. He set up a “sociology department” to investigate their private lives, giving incentives only to those who met his moral standards. Ford published anti-Semitic views in his own paper, *The Dearborn Independent*, blaming Jews for, among other things, moral decay. And by the mid-1930s, he employed spies to control moral standards at work. Ford also began to speed up the assembly lines to increase productivity, rather than employ more people. He remained a good businessman — the company survived the Great Depression — but he was no longer seen as a visionary.

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