

FORD CAN'T SHIP BLACK CARS AND WHY THAT IS IMPORTANT FOR YOUR CAREER:

At the Board of Director level, we see an obsession with risk management. Yes, Boards would like to contain costs. But they are obsessed with risk management.

At the operating management level, however, we see an obsession with cost containment to the point of failing to factor in risk management. Think BP oil rigs in the Gulf of Mexico. .

The disparity between obsessions at the top versus obsessions at the middle creates the following scenario: middle management convinces itself that outsourcing work to one company on a sole source contract basis is a tradeoff between having options versus cost containment and ease of administration. In reality, sole source contracting to one vendor is a tradeoff between having options and adding risk versus cost containment and ease of administration.

Like the operators of the BP Oil Rig, they fail to put sufficient weight on the Board's obsession with Risk Management.

From a risk management perspective, failing to consider risk is not a good career move!

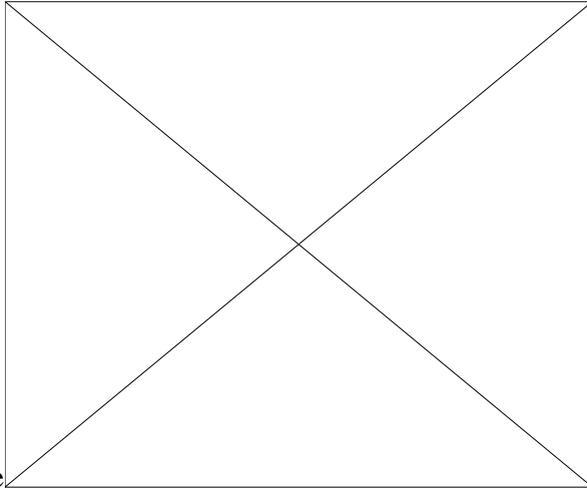
At another level, having a reputation for knowing how to set your telephone speed dial to the "usual suspects" is the well worn path towards turning yourself into a commodity.

High potential leaders take the time to learn who is "best in breed." That knowledge is part of their unique value that they bring to employers. It is part of their jobs.

Once again, the issue is appropriate factoring of risks.

Below is the article about why Ford can't provide black cars for customers:

Published March 25, 2011 | NewsCore



Ford Motor Co. founder Henry Ford used to tell customers they could buy a Model T in any color as long as it was black. Not any more, at least for the time being, The Wall Street Journal reported in its Friday edition.

On Thursday, the auto maker halted all new orders for trucks, SUVs and cars in "tuxedo black" and other hues due to shortages of some pigments made in [Japan](#), following the March 11 earthquake.

Ford, in a memo to its dealers, said its plants will continue producing the vehicles affected. But during the week of April 4, it will produce no F-150s, SuperDutys, Expeditions or Navigators in tuxedo black, the memo said. Ford also will limit production of tuxedo black versions of the Explorer, Taurus and MKS at its Chicago assembly plant.

Production of certain red vehicles also will be limited at the Kentucky truck, Michigan assembly, Ohio truck and Twin Cities truck plants, the memo said. The shades of red include "royal red," "red candy," and "red fire."

"We have recently been made aware of a supply chain issue that will disrupt the supply of pigments for some of our paints," Kenneth M. Czuby, Ford's US sales chief, wrote in the memo, which was reviewed by The Wall Street Journal.

The action by Ford is the latest sign the devastation in Japan is having an impact on auto makers in other parts of the world. General Motors Co. has stopped production at a truck plant in Louisiana and slowed output at two in Europe because of a shortage of air flow sensors made by Hitachi Ltd.'s Hitachi Automotive Systems in two Japanese plants that have been shut down because of the earthquake. France's PSA Peugeot-Citroen SA has also cut production in several European plants because of a shortage of Hitachi sensors.

Ford spokesman Todd Nissen confirmed the auto maker sent the note Thursday as a precautionary measure concerning metallic paints.

"There is a pigment, called xirallic, that is running low in supply," Nissen said. "While we can fill current orders we have asked dealers not to take new orders for certain types of paints."

Nissen said the change will not affect the number of vehicles Ford is able to build, and only affects the colors of vehicles the company is planning to produce.

Read more: <http://www.foxnews.com/leisure/2011/03/25/ford-short-black-red-paint-colors-japan-earthquake/#ixzz1K9kVzVAX>

--Larry Stybel

lstybel@stybelpeabody.com

Tel. 617 594 7627