

Farley's Expanded Role at Ford Demands 'Near Genius'

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Alan Mulally's vision of a unified Ford Motor Co. officially goes under the microscope with today's appointment of Jim Farley as global head of marketing, sales and service, industry experts say.

Farley represents a lynchpin of the "One Ford" culture espoused by Mulally. The CEO's goal is to align the auto maker's global resources.

Each of Ford's major functions is now led by an executive with global responsibility: Derrick Kuzak, product development; Tony Brown, purchasing; and John Fleming, manufacturing and labor affairs.

However, the 48-year-old Farley has the toughest assignment, says Gerald Meyers, who led American Motors Corp. as CEO and now is a consultant and business professor at the University of Michigan.

"He has to understand the idiosyncrasies of Australia and Vietnam and the Philippines and Germany and around the world," Meyers says of Farley. "It will take a near-genius to do a good job. If anybody could do it, he might be able to do it."

Describing his vision to Ward's in a 2008 interview, Mulally said integration is the "most important strategy at Ford." Asked if the auto maker needed a partner, he added: "Yes, we have to merge with Ford."

Mulally's vision "makes a lot of sense," adds Van Conway, CEO of Michigan-based management consultancy Conway McKenzie Inc.



Jim Farley being groomed as Alan Mulally's successor?

“The buck stops with him, but the local input would still be very important,” Conway says. “He makes the final decision, but (not) without local guidance.”

The move marks the second time in less than year Farley's job has expanded. In September, he added overall responsibility for Ford's operations in Canada, Mexico and South America.

This led to speculation he was being groomed as Mulally's successor. “Sure, he's being groomed,” Meyers says.

But Ford is far from anointing anyone. Farley, if he were considered, would face “stiff competition,” Meyers adds.

Meanwhile, Ford of Mexico President and CEO Eduardo Serrano assumes Farley's duties atop the auto maker's operations in Mexico and South America.

And Fleming fills a seat vacated when Joe Hinrichs, another Ford up-and-comer, was named to head the auto maker's operations in Asia, the Pacific region and Africa.

Staring Fleming in the face are contract talks with the United Auto Workers in 2011 and the Canadian Auto Workers in 2012. And each union faces assembly-site closures next year: the Ford Ranger plant in Minneapolis-St. Paul, MN, and the Ford Crown Victoria plant in St. Thomas, ON.

Against this backdrop, Ford's deal to sell Volvo Cars is unfolding. Volvo CEO Stephen O'Dell is named to replace Fleming as Ford of Europe chairman and CEO, a transition that will occur when the Volvo agreement is wrapped up in the third quarter.

Also, Volvo Chief Financial Officer Stuart Rowley is picked to become Ford Europe's CFO when the deal closes.

Ford spokesman Mark Truby says talks are on track to complete the Volvo sale as planned.