Entrepreneur Henry Ford had a funny way of describing the hiring practices of his enterprise, Ford Motor Company. He made the unlikely comparison between the notorious Sing Sing Prison (a rugged high-security prison opened in New York in the late 1820’s) and Harvard College (a prestigious institute for higher learning in Massachusetts). Regardless of which of these two establishments a man was derived from, Ford wanted him at Ford Motor Company only if he could effectively do the work. And, those guidelines certainly worked.

In 1913, with the adoption of standardized parts and the assembly line, Henry Ford was able to transform the technique for automobile production. This new approach had one major setback, though—there was a monthly labor turnover of 40 to 60 percent.

To combat this problem, Ford began to choose his employees more carefully. When he found the type of laborer that he was looking for, he provided him with a daily wage that was double what was being offered by his competitors in the industry. The result was phenomenal. His workers became more effective, operating costs decreased, and the profits of the Ford Motor Company doubled in a two-year period.