

Introduction

General Motors Company majorly known as GM, is an American multinational corporation which is headquartered in Detroit. GM designs, manufactures, markets, and distributes vehicles, and sells financial services, with global headquarters in Detroit's Renaissance Center. It was originally founded by William C. Durant on September 16, 1908 as a holding company (General Motors Corporation, 2018)[1]. GM company is ranked among the largest American automobile manufacturer. Most recently General Motors is ranked #10 on the Fortune 500 rankings of the largest United States corporations by total revenue (Fortune reveals America's top 500 companies, 2017)[2]. The company was founded in 1908 by William Durant. First he had started out as a manufacturer of horse-drawn vehicles. General Motors initially owned only Buick Motor Company but later in the following years acquired more than 20 other companies including Cadillac, Oakland – today known as Pontiac – Germany's Opel, and Chevrolet. During the second world war, GM supplied the allies with more than \$12bn of materials including airplanes, lorries and tanks. Durant was forced out of the company in 1920 and was succeeded by Alfred P. Sloan, Jr., who served as president (1923–37) and then as chairman of the board of directors (1937–56). Sloan reorganized GM from a sprawling, uncoordinated collection of business units into a single enterprise consisting of five main automotive divisions—Cadillac, Buick, Pontiac, Oldsmobile, and Chevrolet—the activities of which were coordinated by a central corporate office equipped with large advisory and financial staffs (General Motors Corporation, 2018)[1]. GM's Annual worldwide sales volume reached a milestone of 10 million vehicles in 2016. General Motors employs 212,000 people and does business in more than 140 countries (About GM, n.d) [3]. GM defense is General Motors'

military defense division, it helps the military for advanced technology and propulsion systems for military vehicles (Wayland, 2017)[4]. General Motors led global vehicle sales for 77 consecutive years from 1931 through 2007, longer than any other automaker, and in 2012 was among the world's largest automakers by vehicle unit sales. General Motors acts in most countries outside the U.S. via wholly owned subsidiaries, but operates in China through 10 joint ventures. In 2009, General Motors closed several brands including Saturn, Pontiac, and Hummer (General Motors Corporation, 2018)[1]. In 2010, the reorganized GM made an initial public offering that was one of the world's top five largest IPOs to date, and returned to profitability later that year (Top Ten Largest Car manufacturing Companies in the world, 2017)[5]. GM's oldsmobile toronado was the first car to be manufactured with Air Bags. In 1911, Cadillac developed the first engine electric starter. It is committed to launch at least 20 new all-electric vehicles by 2023. GM produces several flexible-fuel vehicles that can operate on E85 ethanol fuel or gasoline, or any blend of both. GM is the leader in E85 flex fuel vehicles, with over 6 million FlexFuel vehicles on the road in the U.S. In 2010, GM pledged to have more than half of their annual vehicle production be E85 or biodiesel capable. As of 2012, GM offers 20 ethanol-enabled FlexFuel cars and trucks in the US, and offers more FlexFuel vehicles models than any other automaker. General Motors was the first company (in the modern era) to release an all-electric automobile. In 1990, GM debuted the "Impact" concept car at the Los Angeles Auto Show. It was the first car with zero-emissions marketed in the US in over three decades. The Impact was eventually produced as the EV1 for the 1996 model year (General Motors Statement on Flex-Fuel Vehicle Pledge, 2010)[6].

Ford Motor Company similarly is an American multinational automaker headquartered in Dearborn, Michigan, a suburb of Detroit. It was founded by Henry Ford and incorporated on in 1903. The company sells automobiles and commercial vehicles and most luxury cars under the Lincoln brand. Ford also owns Brazilian SUV manufacturer Troller, an 8% stake in Aston Martin of the United Kingdom, and a 49% stake in Jiangling Motors of China (Ford Motor Company, 2018)[7]. The company is listed on the New York Stock Exchange and is controlled by the Ford family; they have minority ownership but the majority of the voting power. Ford is the second-largest U.S.-based automaker (behind General Motors) and the fifth-largest in the world based on 2015 vehicle production. At the end of 2010, Ford was the fifth largest automaker in Europe. The company went public in 1956 but the Ford family, through special Class B shares, still retain 40 percent voting rights. During the financial crisis at the beginning of the 21st century, it was close to bankruptcy, but it has since returned to profitability. Henry Ford built his first experimental car in a workshop behind his home in Detroit in 1896 (Henry Ford's First Car, n.d). After formation of the Ford Motor Company, the first Ford car was assembled at the Mack Avenue plant in July 1903. Five years later, in 1908, the highly successful Model T was introduced. Demand for this car was so great that Ford developed new mass production methods in order to manufacture it in sufficient quantities. Ford introduced methods for large-scale manufacturing of cars by moving assembly lines in 1911; by 1914, this methods were known around the world as Fordism. Ford's former UK subsidiaries Jaguar and Land Rover, acquired in 1989 and 2000 respectively, were sold to Tata Motors in March 2008. Ford owned the Swedish automaker Volvo from 1999 to 2010 (Ford Motor Company, 2018)[7]. In 2011, Ford discontinued the Mercury brand, under which it had marketed entry-level luxury cars in the

United States, Canada, Mexico, and the Middle East since 1938. Ford was the eleventh-ranked overall American-based company in the 2018 Fortune 500 list, based on global revenues in 2017 of \$156.7 billion. In 2008, Ford produced 5.532 million automobiles and employed about 213,000 employees at around 90 plants and facilities across 5 continents (Annual report Ford, 2017)[9]. In October 2017, Ford announced its Team Edison battery-electric vehicle group to lead the company's renewed efforts into the EV market, in which it currently offers only the Focus subcompact and has plans for a small 300-mile SUV by 2020.

General Motors vision is to be the world leader in transportation products and related services. One of the leaders mentioned “We will earn our customers’ enthusiasm through continuous improvement driven by the integrity, teamwork, and innovation of GM people.” (Winning the integrity, nd)[1]. From past few years GM is trying to improve its car by adding technology and new features to drive innovation. All car companies want to have a higher customer satisfaction but GM tends to focus more on innovation and technology and to be the top game player in the business. “We’re generally trying something right at the limit of what could be done”- Norman James, general motors designer (About GM. n.d)[2]. Retrieved December 5, 2018, from <https://www.gm.com/our-company/about-gm.html>. Every department in GM is trying to work on improving its product technologically. They believe that technology is the future and comfort/safety will always remain constant. GM believes that producing cars with loaded features will attract more customers leading to a more technologically advanced society. General Motors perceive them not only an automotive company but a technological company. As one of the leader claimed “Making the best vehicles has never been enough. It has always been about creating the best technology.” General Motors has a vision to manufacture cars that drives

innovation and holds best technology. All things don't go as planned and GM faced a huge loss in 2014. On February 6, 2014, General Motors recalled about 800,000 of its small cars due to faulty ignition switches, which could shut off the engine during driving and thereby prevent the airbags from inflating. The company continued to recall more of its cars over the next several months, resulting in nearly 30 million cars worldwide recalled and paid compensation for 124 deaths (Blau, 2016)[3]. The fault had been known to GM for at least a decade prior to the recall being declared. In 2014, General Motors saw its Quality score drop from a high of 12 in early March to a low of -12 later that August, meaning that more US adults viewed GM as representing poor quality than good quality. Today, however, GM's Quality metric sits at 14 – two points higher than what it achieved prior to the ignition switch scandal. This suggests that not only has the public's trust returned to GM, but it's grown, too. This can be due to GM has openly accepted its mistake and apologized to the public. As mentioned GM also paid compensation to its customer. Since 2014 GM has focused a lot on improving its technology and also on building more electric vehicles that are safer for the environment. People perceive GM as a big giant in its business domain and believe it has an advantage as GM includes many car companies that target different audience. Cars from chevrolet are usually considered to be common man's car while cadillac and buick are considered to be more luxurious. GM evaluates its target audiences and sets each brand's promise accordingly. For chevrolet GM's brand promise is "Cars for life's journey", and for buick it is "Inviting Luxury". Holistically GM is perceived to be a technological sound brand and people also perceive it like this.

Ford Motors Company vision is "People working together as a lean, global enterprise to make people's lives better through automotive and mobility leadership." (Our Company Ford,

nd)[4] The company also explains, “Automotive leadership is measured by the satisfaction of our customers”. Since its early development stage Ford has turned out to be one of the most trusted car company in America. Ford believes in producing car that offers best customer comfort and safety. Every year Ford spends millions of dollars in improving safety of its cars. Ford is a brand which is totally concentrated in becoming people’s most favorite car brand. Their vision and belief always include people satisfaction. As mentioned earlier Ford measures itself by how satisfied its customers are. With no doubt Ford has developed its brand value in the USA but it has still lot to do in foreign markets. Country like India can be its main target. As most of its customer perceives, Ford in India is underrated. It produces good quality cars in India which as usual focuses on safety but Ford should focus more on lowering cost depending upon the country. In India, people always think of best car with lower services cost and high resale value. In Spite of spending millions of dollars in marketing Ford in India is perceived as car with low resale value. Similar to GM, Ford is also focusing in its technology and is investing tons of money in improving its software to create better interactive cars. “Ford has always turned to different regions for different specialties. “Now that focus is starting to pivot toward the software side of things and the services it can provide through technology”- Casey Feldman HMI Designer, Ford Motor Company (Feldman, nd)[5]. Both companies now know that customer satisfaction is always the higher priority but innovation will get in new customer. In one of the article Ford’s CEO mentioned that “evolving to become most trusted mobility company, designing smart vehicles for a smart world.” (Jost, 2017) [6] Ford’s luxury segment manufacture Lincoln has remained constant in number of sales in past years. The sales are increased but it doesn’t show a significant increase. The trend is similar in GM’s luxury segment cars like Buick

and Cadillac. It can be realized that customers are generally relying on company's budget segment car. According to debate.org many customers are happy with Ford's car safety, customer service and technology but a common complaint was regarding the engine failure after 90k miles. In conclusion Ford has come out to be a company which majorly relies on people's satisfaction by improving customer service, and car safety and this is generally how people perceive Ford as well.

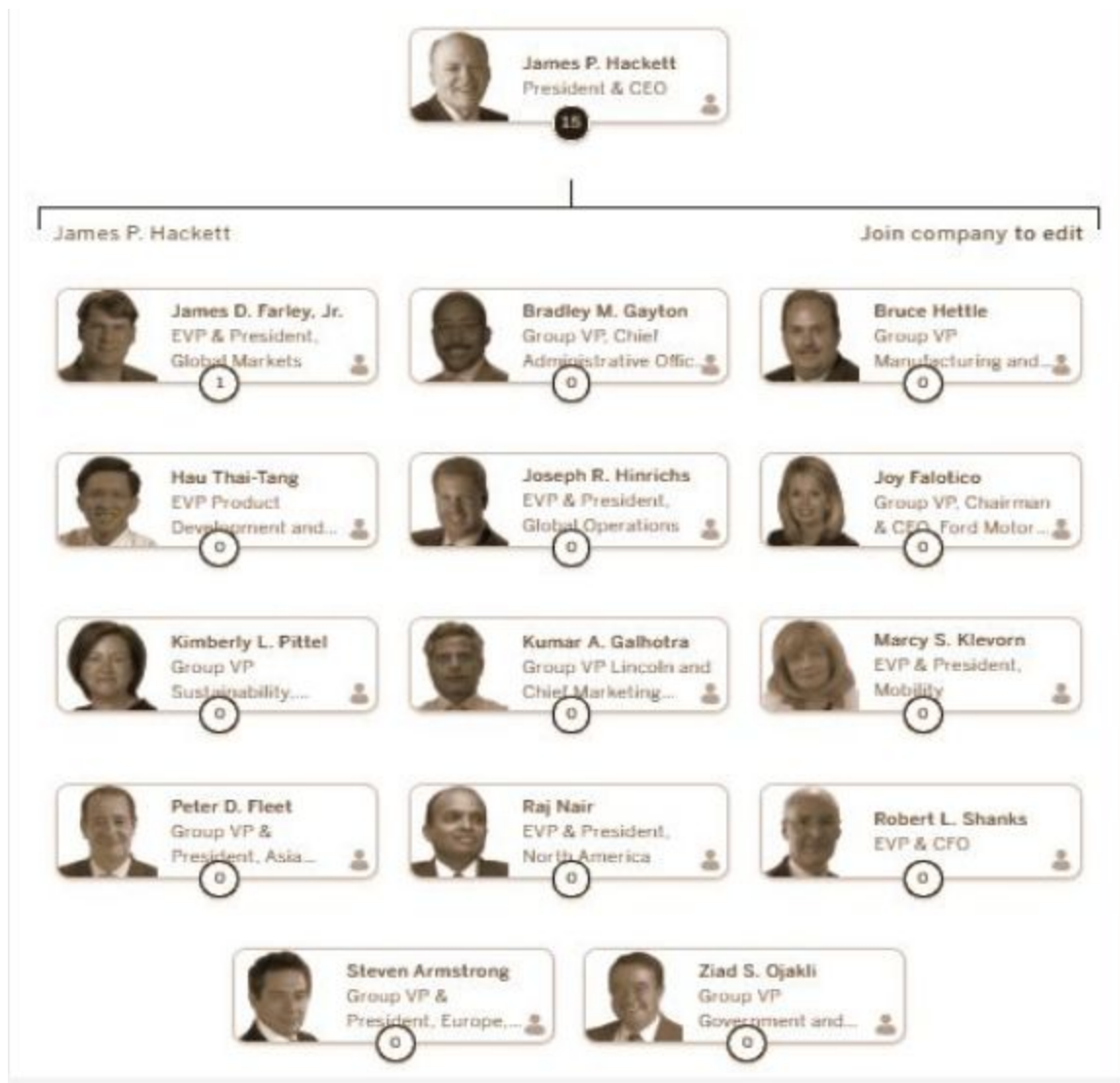
Organizational Design

Introduction:

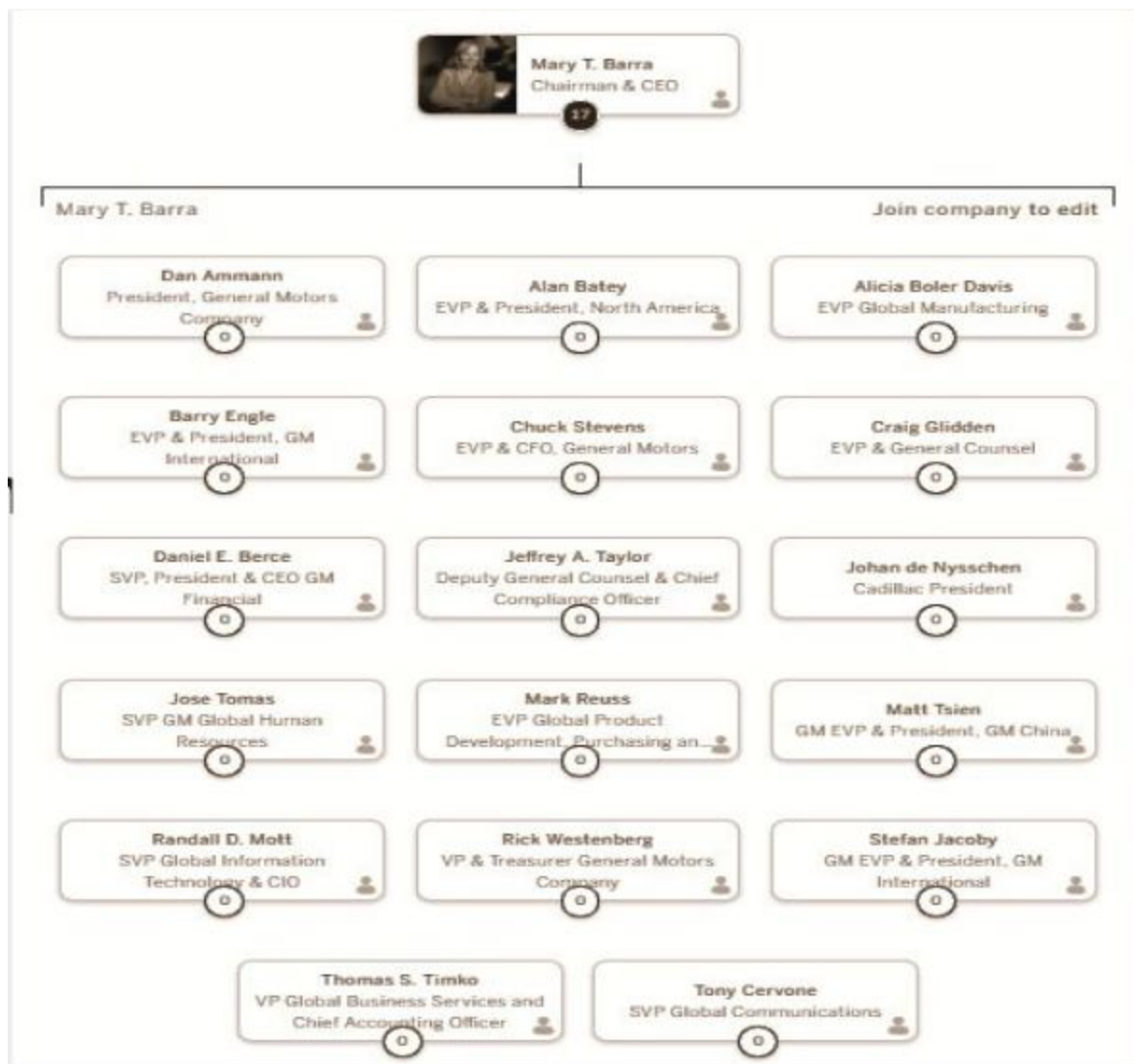
Organizational structure provides guidance to all employees by laying out the official reporting relationships that govern the workflow of the company.^[1] For any company, organizational structure is crucial to provide transparency and direction on certain human resource matters.

Current Organizational Design:

Ford



General Motors



Leadership:

Henry Ford - Founder of the Ford Motor Company

Henry Ford (July 30, 1863 – April 7, 1947) was an American captain of industry and a business magnate, the founder of the Ford Motor Company, and the sponsor of the development of the assembly line technique of mass production.^[2]

Leadership Lessons:

1. Pioneered mass production
2. Feared changes of any sort
3. Loved to be in control
4. Top to bottom approach
5. Refused delegation of authority

Alfred Sloan- President, Chairman and CEO of GM

Alfred Pritchard Sloan Jr. (/sloʊn/; May 23, 1875–February 17, 1966) was an American business executive in the automotive industry. Sloan, first as a senior executive and later as the head of the organization, helped GM grow from the 1920s through the 1950s^[3]

Leadership Style-

1. Decentralized authority with centralized control by reporting systems
2. Made divisions like - Chevrolet, Pontiac, Oldsmobile, Buick Cadillac for more delegation
3. No one person headed GM
4. Committees were formed

	Ford	General Motors
Structure Complexity	Low	High
Formalization of Process	High	Low
Centralization of authority	High	Moderate

Company's effectiveness in terms of their "environment structure" fit	Constant autocratic approach led them to quickly adapt to the decision of the top level management	Due decentralized approach no one was actually accountable for the risky decisions
Reason of profit/loss in 1980's	>Focus on high utilization of resources >Pragmatically took downsizing decisions to reduce the fixed costs incurred	Failure of proper training to employees. > GM was overwhelmed by the hugely ambitious undertaking it set for itself; they sim

Why was Ford considered more effective?

1. More adherence towards rules
2. Rational decisions were made
3. Achieving Goals
4. GM despite of being dependent on the human resource did not focused on the training or skill development of the workforce

Human Resources

Numerous business owners and founders are specialists in their specific business; however, management abilities don't always come as the second characteristic. As business progresses, it can be challenging to balance duties like employee benefits, payroll concerns, and interoffice conflicts.

Ford:



ONE FORD
ONE TEAM • ONE PLAN • ONE GOAL

ONE TEAM

People working together as a lean, global enterprise for automotive leadership, as measured by:

Customer, Employee, Dealer, Investor, Supplier, Union/Council, and Community Satisfaction

ONE PLAN

- Aggressively restructure to operate profitably at the current demand and changing model mix
- Accelerate development of new products our customers want and value
- Finance our plan and improve our balance sheet
- Work together effectively as one team

ONE GOAL

An exciting viable Ford delivering profitable growth for all

Ford follows a 'One Policy' that means no matter what location, work as one team towards one plan with one goal

Human Resource Management Strategies

Ford has a dedicated team to handle all the Human Resource related concerns named 'Ford Talent Team'. Applicants with a broad range of competencies, skills, ready to use talent, innovative mind and ability to work as a team with less training and efforts are employed. Selection is mainly based on team interview and behaviorally based evidence of innovative performance. The team also works towards developing many training programs that focus on creative thinking skills, work in teams, making decision and enhance.

Competitive Benefits:

1. Medical, dental and prescription drug plan.
2. Paid vacation with Flex account
3. Flex hours
4. Pension benefits.

Performance Management System : Ford evaluates it's employee into three categories using a grading system i.e

1. Top Achiever
2. Achiever
3. Improvement Required (These employees are given constant training)

Some Major Success:

Only major American car manufacturer of the “Big Three” (Ford, GM, Chrysler) that did not declare bankruptcy and accept government bailout money in 2009

- Company returned to profitability
 - In 2009, had net income of \$2.7 billion; increased 120% by 2010 to \$6.5 billion
 - Profit of \$3 billion in 2010
 - Market share jumped 1.4 points
- Renewed commitment from employees and 94% CEO approval rating
- Ford earned four top brand image awards by Kelley Blue Book in 2012

General Motor

General Motors provide personalized mentorship, exceptional training, and plenty of networking opportunities to all it's employees. During the training process, live projects help employees apply their skills and passion and start their career with a boost in confidence. It beliefs in 3 T's that has following objective:

Technology: Completely revamp HR processes

Talent: Develop and retain talent

Transformation: Training for professionals

Competitive benefits:

1. Medical, dental and prescription drug plan.
2. Vacation time, generally ranging from 3 weeks to up to 6 weeks, based on service
3. Approximately 16 annual paid holidays

4. Competitive paid parental leave for mothers, fathers and adoptive parents
5. Life insurance, disability benefits, tuition assistance

Some Major Success

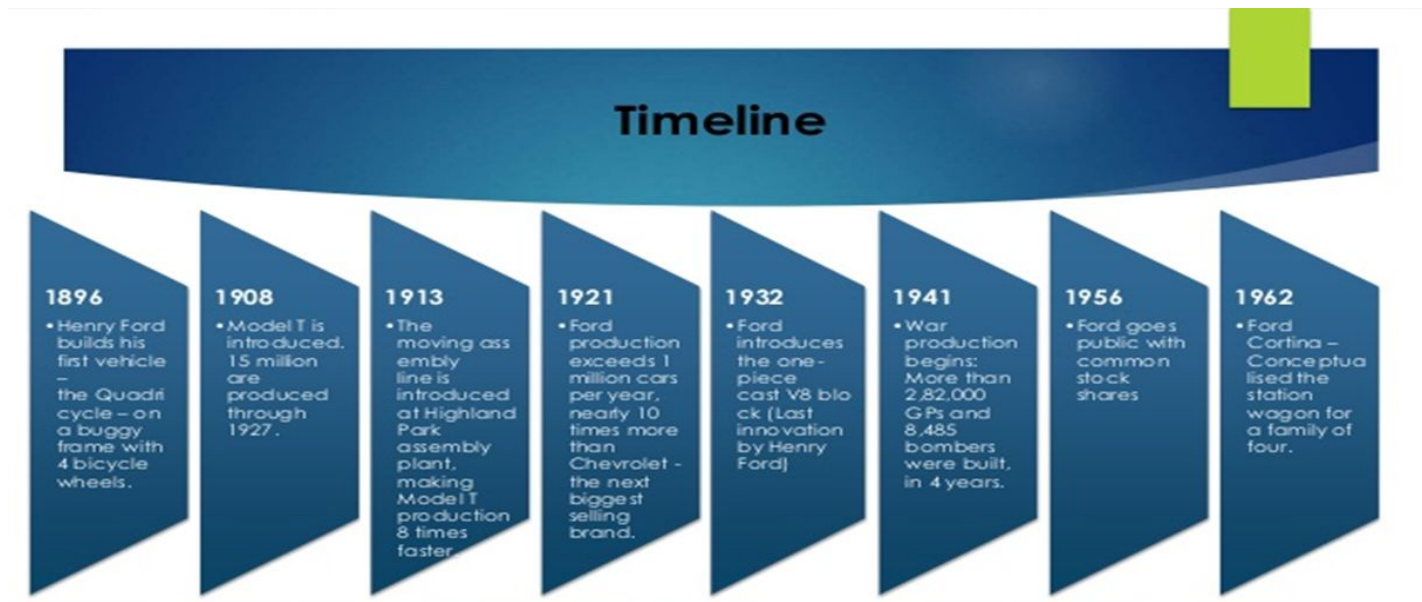
1. General Motors accounts for 54% of the auto market in the United States, up from 12% in 1921
2. GM announces that the company made \$4.7 billion in 2010, its first profit since 2004.
3. GM is officially the top automobile manufacturer in the world. Nine million vehicles sold in 2011 helped to make it the largest automaker in China also.

INNOVATION:

1) Ford:

Ford is known for its innovations right from the early 20th century when Henry Ford created an Assembly Line in order to increase the production of the cars at a quicker rate.

Below is the timeline of innovations made by Ford over the years:



1896: The **Ford Quadricycle** was the first vehicle developed by Henry Ford. Ford's first car was a simple frame with an ethanol-powered engine and four bicycle wheels mounted on it.

1908: Built Model T with the idea of providing a large enough family car but small enough for an individual to run & care for.

1913: On December 1, 1913, Assembly line was introduced by Ford. Ford installed moving lines for bits and pieces of the manufacturing process: For instance, workers built motors and transmissions on rope-and-pulley-powered conveyor belts. In December 1913, he unveiled the pièce de résistance: the moving-chassis assembly line.

1921: Due to technological advancement by Ford in the way the cars were built, in 1921 Ford exceeded producing more than 1 million cars which was almost 10 times more than Chevrolet.

1932: V8 engines were introduced by Ford which provided more power in terms of drivability of the Ford cars.

1941: Though Henry Ford had not been in favor of war, his company helped America by producing around 282,000 Ford GP and around 8,485 bombers during 4 years.

1956: Ford goes public.

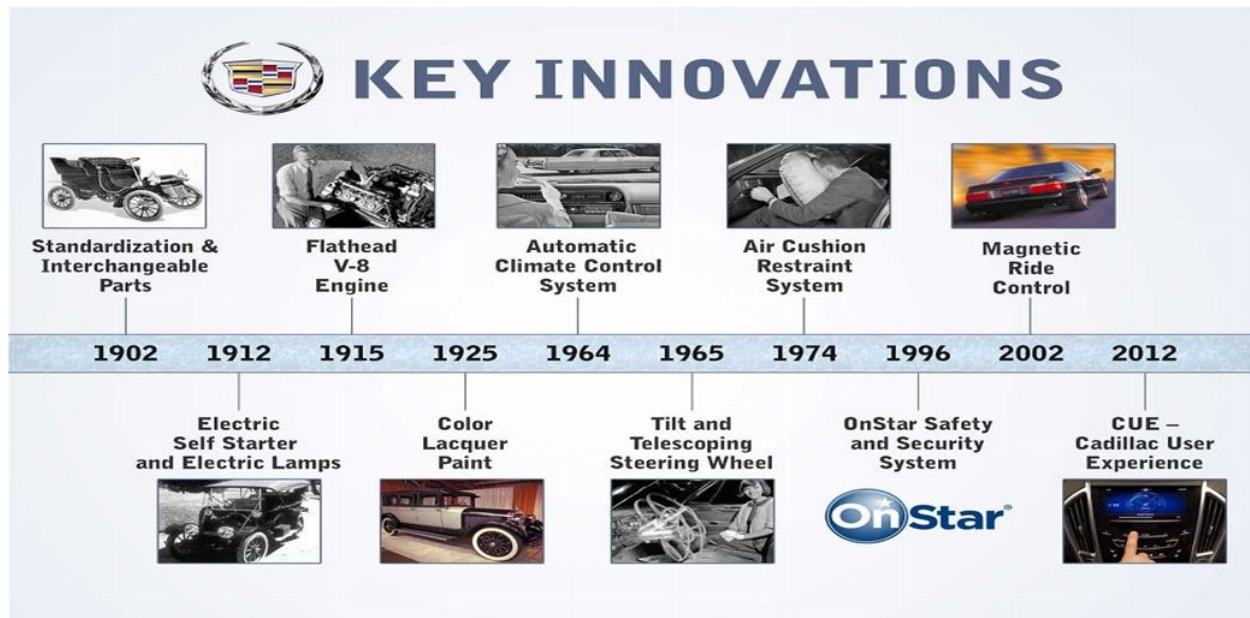
1962: Ford Cortina was introduced with the idea of providing people a sedan type of car for a family of 4.

Today: Ford is planning to invest 11 Billion dollars and plans to have 40 hybrid and fully electric vehicles in its model line up which shows how Ford is thriving to innovate and succeed more in the future.

2) General Motors:

GM is also in a close competition with Ford when it comes to innovations. GM has a lot of companies under it like Buick, Cadillac, Chevrolet etc.

Below is the innovation timeline of one of GM's partners i.e. Cadillac.



1908: GM was started in 1908.

1909: Two motor companies namely Cadillac and Oakland were bought by GM.

1912: Electric starter replaced hand cranks on all Cadillacs.

1915: The first mass-produced V8 engine introduced by Cadillac which was a significant innovation.

1925: Introduced Lacquer paint on its Cadillacs. If you want a hard, durable finish that has a high glossy finish, you need lacquer spray paint. Lacquer is a clear or colored coating that gives the illusion of depth. It is typically used to paint cars but is being used more for other projects.

1964: Automatic Climate Control System which can be in modern terms as Air-conditioners.

1965: Tilt And Telescoping steering wheel introduced which is somewhat similar to today's power steering.

1974: Air Cushion Restraint System was introduced to avoid injuries to passengers in the cars during heavy accidents.

1996: Safety and Security system was introduced in 1996.

2002: Magnetic Ride Control was debuted this year, a suspension system that creates a smoother and more enjoyable ride for the passengers.

2012: Cadillac User Experience was introduced during this year which could provide air entertainment and information data from up to 10 Bluetooth-enabled mobile devices, USBs, SD cards and MP3 players with a vehicle infotainment system that reduces complexity through customized information, natural voice commands and fewer buttons and larger icons.

Today: GM has different ideas than Ford, it plans to ditch fuel running cars and plans to go all electric. It plans to build 23 electric cars by 2023.

FINANCE:

In 2008, USA was hit by a major financial crises. This had a great effect on automobile companies like Ford, GM and Chrystler because the prices of fuel were increasing and people were not willing to buy cars due to which these automobile companies became almost bankrupt.

Automotive Industry Crisis (2008–2010)

- 2009 Financial Crisis severely hurt the industry, especially the American 'Big Three'
- Big Three: Originally focus on SUV and Pickup Trucks

Higher Fuel Price → Reduced Sales



5

Below is the explanation of the recovery strategy of both Ford and GM post 2007 crises.

1) FORD RECOVERY STRATEGY:

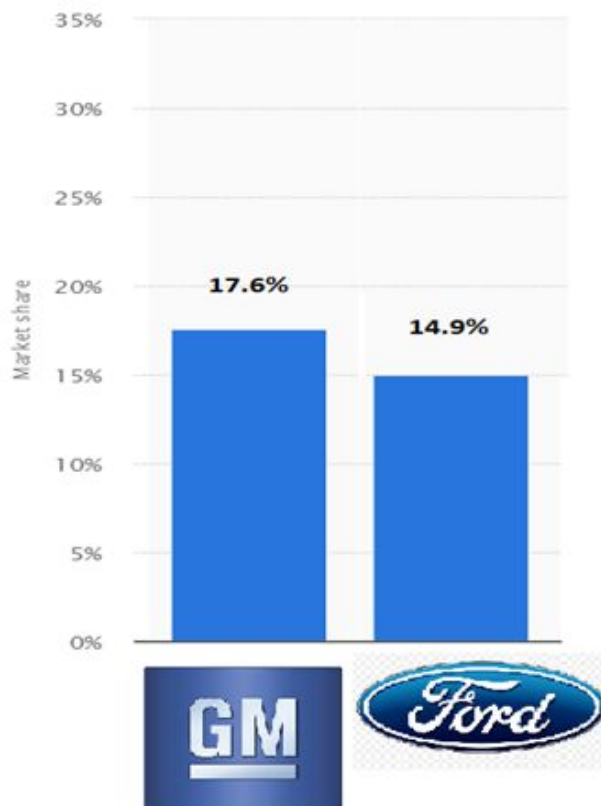
- A fortuitous \$23 billion loan provided an escape from bankruptcy so the company could focus on strengthening its core brand and invest in small cars, fuel-efficient engines and lightweight, aluminum-bodied trucks.
- ONE FORD PLAN: It didn't need distractions like Volvo, Aston Martin, Jaguar and Land Rover, so it got rid of those brands.
- It doubled down on its most profitable vehicles -- F-series and Super-Duty pickups -- with an innovative redesign.
- Ford's focus on fuel-efficient engines like its 3.5-liter EcoBoost has set a new benchmark for the full-size truck market.
- Revenue from Sales were around 156.78 Billion Dollars in 2017 which shows that Ford have recovered well over a decade.

2) GM RECOVERY STRATEGY:

- In November 2008, with its stock price hovering at \$2 a share, GM leadership told Congress that unless it received a federal bailout it would not be able to pay its suppliers, meet its loan obligations, or cover the health-care costs of its worker's labor contracts.
- GM received \$5 billion from the departing Bush administration and \$17.2 billion from President Obama's.

- GM let go of unprofitable brands like Saturn, Saab, Pontiac and Hummer and devoted itself to produce fuel efficient cars.
- Even though GM went bankrupt in 2008, it has recovered since then and the 2017 revenue from sales were around 145.59 Billion Dollars.

After recovery from the 2007 financial crises, today both GM and Ford are back to the top and competing at their highest level as they used to before. This can be deduced from the sales market share comparison of both the companies for the year 2017. It can be observed that both the companies were pretty neck and neck in terms of the sales of their cars for the year 2017.



Strategic Planning

According to Global Market Insights, the global car sharing market will reach **\$11** billion by 2024. According to Market Research Future, the autonomous vehicles market will reach **\$65** billion by 2027.

Hence to make sure that General Motors and the Ford Motor company continue to retain their market share, they have ventured in to the car sharing and autonomous vehicle market by acquiring the most innovating companies and also starting their own companies.

General Motors Strategy:

To continue to retain the market share, General Motors has decided to invest in the following 3 companies:

1. Maven
2. Cruise
3. Strobe

Maven

Maven is a car sharing service announced by General Motors in January 2016.

Maven has implemented the strategy of dividing the car service according to a variety of customers. Every type of Maven is extremely customer centric in order to suit different types of customer needs.

Maven Home- Maven home is a car sharing service built for specific residential communities that provides members with 24/7 access to cars parked right inside of their building.

Maven Gig- Maven has a specific service that is intended for people that are doing gig economy type jobs, but don't have a vehicle of their own. Eg. Instacart, GrubHub.

Maven Electric-Only Service- Maven launched its first all-electric fleet in a community with 20 Chevrolet Bolts in Austin, Texas in March 2018.

Maven Reserve - It is a car sharing service for customers who need a rental car from 7 to 28 days.

Cruise

Cruise is a driverless car company of General Motors. Cruise tests and develops innovative autonomous car technology.

Strobe

Strobe is a company that specializes in laser-imaging technology. It is geared towards enhancing the development of autonomous vehicles.

Ford Motor Company Strategy:

In order to maintain its market share, the Ford Motor Company has decided to further invest in the following companies:

1. Ford Smart Mobility
2. Argo AI

Ford Smart Mobility

This is a subsidiary of Ford Motor Company which is going to develop innovative ways to make electric vehicles and autonomous vehicles. Ford has made a \$3 billion investment to make sure that the cars have the best technology to be the most advanced car company in the market.

Argo AI

Argo AI is the company backed by Ford and is one of the major competitors of all self driving car companies. It is currently developing a system using artificial intelligence and LIDAR technology which is a laser based navigation system in order to be an advanced self driving car company.

Comparison

The following is a **comparison** of GM vs Ford based on financial figures.

In 2017, the pretax profit of General Motors was \$11.9 billion while the pretax profit of Ford Motor Company was \$9 billion.

The share price of General Motors was \$40 in 2007, fell to \$1 in 2009 due to the financial crisis and has rose to \$35.27 in 2018.

The share price of Ford Motor Company was \$6 in 2007, \$4.31 in 2009 and is \$9.47 in 2018.

The current market share of General Motors in United States is 17.6% and is number 1 in the market.

The current market share of Ford Motor Company in United States is 14.9% and is at number 2 in the market.

The First's of Both

The following are the inventions made by the Ford Motor Company:

Assembly lines, Lifeguard Safety Package, Child proof Door Lock and Seatbelt
Reminder Light.

The following are the inventions made by General Motors:

Electric Starter, V8 Engine, Automatic Transmission, First Turbo charged Engine,
Rear-wheel Anti-lock Brake System

Social Responsibility:

Every company is tasked with unwritten responsibilities, such as social responsibility.

Social responsibility is defined as “a business’s obligation to pursue policies, make decisions, and take actions that benefit society” (Williams, 2017). As a whole, an organization that is operating in ways that ultimately lead to negative consequences will face backlash from society and the people it’s actions directly affects. All of this is rooted in the core ethics and culture of an organization.

Social responsibility is perceived differently by all parties; therefore, it is difficult to determine a standard. “According to the late Nobel Prize-winning economist Milton Friedman, the only social responsibility that organizations have is to satisfy their owners, that is, company shareholders” (Williams, 2017). This view is known as the shareholder model. A shareholder’s main interest is money so any decisions that prioritize higher yields will be supported by them.

On the other hand, stakeholders, otherwise known as “persons or groups with a legitimate interest in a company” (Williams, 2017) are more concerned with long-term sustainability other than maximizing profits. Based on the importance of a stakeholder, whether primary or secondary, will determine the priority of their interests. Based on those factors, influences on company decisions are determined.

As previously mentioned, a company’s core ethics and culture will drive which of these approaches are taken. Regardless of the approach, Drucker’s principle outlines one should “never knowingly do harm” (Attfield, 2015). This relates to every profession

and all decisions whether they affect the environment, a specific set of people, or any other party in a negative way.

Making sound decisions leads to an increase in positive community relations as priorities between the two parties are aligned. Caring about the community your organization resides in is important for many reasons, including that is where your employees come from. Community relationship building can be achieved in many ways including philanthropy. By being active in a community, a company shows that it is not simply there to reap the benefits of all the location has to offer but shows that their presence makes a difference. This is especially needed for companies that reside in a place where their primary market does not exist.

Companies can increase positive community relations quicker by being transparent. Being open with their intentions, communities gain a better understanding for decision making. This not only includes publicizing when something good is being done at a company, but also owning up to mistakes when they are made. Hiding issues and having them pile up will result in worse backlash as opposed to the initial backlash incurred when opening up and admitting to a situation as soon as possible.

A company's social responsibility effort is continuously kept in the spot light. Therefore, companies find ways to mask themselves as organizations who are always doing something good. It is important to evaluate companies further than just what their website shows. By visiting either the Ford or General Motors website, once will see an entire section dedicated to social responsibility. Today's society expects companies to do something for them, therefore, if this wasn't highlighted, they would be heavily

scrutinized. Many large organizations require employees to work a minimum amount of community service hours within a calendar year. While this is certainly without a doubt beneficial to communities, it essentially provides an easy way out to showing societal efforts.

Between Ford and General Motors, both companies are putting in efforts to make a difference in their communities and across the globe. Jim Vella, the President of Ford Motor Company Fund states, “Our mission is to strengthen communities and help make people’s lives better. This is rooted in the timeless wisdom of Henry Ford who believed that a sustainable company goes hand-in-hand with a sustainable society.” (Ford Motors Inc.) One of the most notable efforts Ford is involved with is a program that empowers women. “Ford Driving Skills for Life for Her launches in Saudi Arabia to help women acquiring first driver’s license.” (Ford Motors Inc.) With such a global story regarding Saudi Arabia, Ford’s efforts are surely to be recognized.

General Motors also partakes in programs that will allow it to make a difference worldwide. “General Motors is committed to fostering smart, safe and sustainable communities around the world. Our social investments promote economic growth through STEM education, vehicle and road safety and community development.” (General Motors Inc.) One of their most notable successes is outlined in a recent headline, “General Motors Engineer Guides Award-Winning Girls’ Robotic Team”.

Both companies are without a doubt making a difference globally with their efforts, however, this comes as an expectation in today’s society. Either way,

companies will enter the spotlight for many reasons, why not make it something that positively affects them?

Role of Information Technology:

Information Technology is affecting every industry in multiple ways. Ford and General Motors, along with many other companies, see themselves as more of a technology company than anything else. Clint Boulton of CIO.com states, "With several IT initiatives underway, Ford is demonstrating that it is as much a technology transportation company as it is a motor vehicle manufacturer." (Watson, 2016)

Additionally, GM states "To General Motors, making the best vehicles has never been enough. It has always been about creating the best technology." (General Motors Inc.)

However, if you were to ask this same question 20 years ago, their responses would probably be much different. This simply shows that Information Technology is indeed crucial to businesses today and companies have had to put it in the forefront of their initiatives.

One of the largest ways technology is affecting organizations is via communication.

"Communication is the process of transmitting information from one person or place to another." (Williams, 2017) Applying technology to a communication channel will not automatically enhance a process. Unless it is implemented in an appropriate manner, it is more likely to cause harm and hinder capability rather than enhance. Information and Communication Technologies, otherwise known as ICTs, are specific channels of communication that when implemented correctly can provide enhancements.

If a communication process is already broken, it must be fixed before adding technology to it or it will simply remain a broken process with technology. Ensuring that the appropriate method is picked will result in accurate perception of the information being relayed. Internal communication will be handled differently than external. Email and instant messaging platforms such as Slack may be used internally for communication. As for external, there are many modes for Ford and General Motors. The process of buying a car and interacting with car dealerships has always been a traditional face-to-face process with a salesperson. With the inception of television and the internet, advertisements now enter households daily. The implementation of technology to external communication channels vastly increases reach compared to legacy protocols. The previous examples show how technology has changed the way these car manufacturers communicate both internally and externally over the past couple decades.

Ford has taken on an initiative similar to many companies as “it offered its American employees personal computers, and 90% of them accepted. Ford hopes that the free PCs will save its own and its employees’ time by moving services online.” (The Economist, 2001) However, supplying employees computers allows for around-the-clock availability. On the other hand, “General Motors, Ford’s great rival, considered a similar scheme but found that most employees willing to use PCs already had them. It is helping staff to pay for high-bandwidth connections instead.” (The Economist, 2001) Either way you look at it, both appear as benefits from the companies, but they ultimately are opening a communication channel that they control.

Ultimately, in widespread news, General Motors has seemed to utilize technology as a resource to the greatest extent. GM started an information technology transformation in 2012 as “a massive effort to undo years of outsourcing those increasingly critical function and rebuild them in-house from virtually nothing... GM also has created a private internal cloud — nicknamed Galileo — to improve its business and IT operations, including four innovation centers and two data centers.” (Wayland)

Looking at their statistics and seeing that General Motors has transformed the organization from 90% of operations outsourced in 2012 to only 5% in 2017 is absolutely mind-blowing. All of the above clearly outline that General Motors is the frontrunner with implementing technology.

IT overhaul

These are some of the ways GM has transformed its IT organization over the last 5 years.

Operations outsourced	
2012	90%
Goal	10%
2017	5%
In-house IT employees	
2012	1,400
2017	10,000
Data centers	
2012	23 outsourced
2017	2 internal
Time spent on innovation	
2012	25%
2017	80%

Source: GM

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Conclusion

Looking at the history of both the companies, I believe General Motors has come a long way inventing technologies which have revolutionized the automobile sector. Ford too has definitely made some crucial advancements in the field of automobile development. But if we compare the technological inventions of both, we believe General Motors is the winner.

However, if we look at Ford, it is way ahead of General Motors in terms of Human Resources Management. Ford has come a long way in making sure that its people come first and has always taken measures to ensure the welfare of its employees.

To sum it up, both the companies are exceptional at some functional areas and are not that upto the mark at few in comparison to each other.

However, its due to their sheer exceptional efforts since their inception, that they have revolutionalized the automobile industry in the world and its because of this that they are top 2 automobile companies of the United States of America.

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