

M5L22. Ford Motor EV Business Objectives

Slide #1



The slide cover is divided into two main sections. The left section has a dark background with white and yellow text. It features the Texas A&M University Engineering logo at the top, followed by the title 'Ford Motor EV Business Objectives' in a large white font. Below the title is the name 'Dr. Xiaomin Yang'. At the bottom, it says 'TCMT 612 | Technical Management Decision Making' in yellow and white, with a red banner at the very bottom that reads 'MASTERS OF ENGINEERING TECHNICAL MANAGEMENT'. The right section is a light gray image showing a person from behind, looking at a large, futuristic digital display. The display shows a complex network of nodes and lines, along with several hexagonal icons containing bar charts, line graphs, and network diagrams.

ATM
TEXAS A&M UNIVERSITY
Engineering

Ford Motor EV
Business Objectives

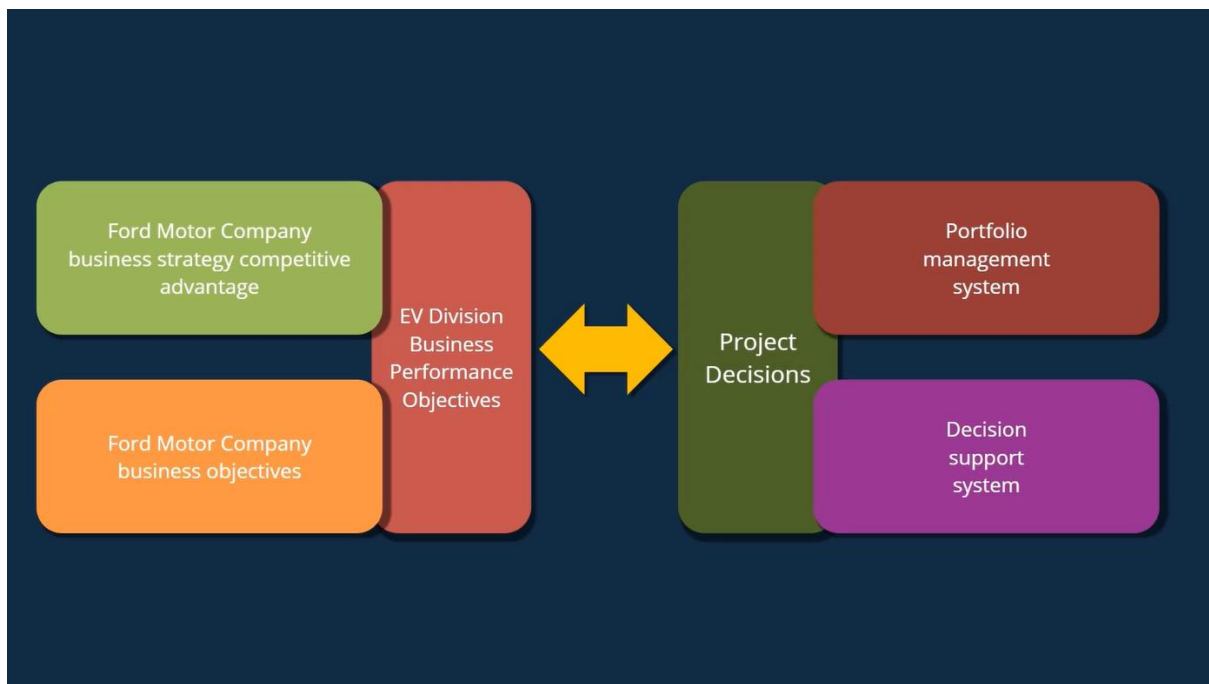
Dr. Xiaomin Yang

TCMT 612 | Technical Management
Decision Making

MASTERS OF ENGINEERING TECHNICAL MANAGEMENT

In this topic, we will discuss how Ford Motor Company can make decisions for its electric vehicle division that align with its business objectives.

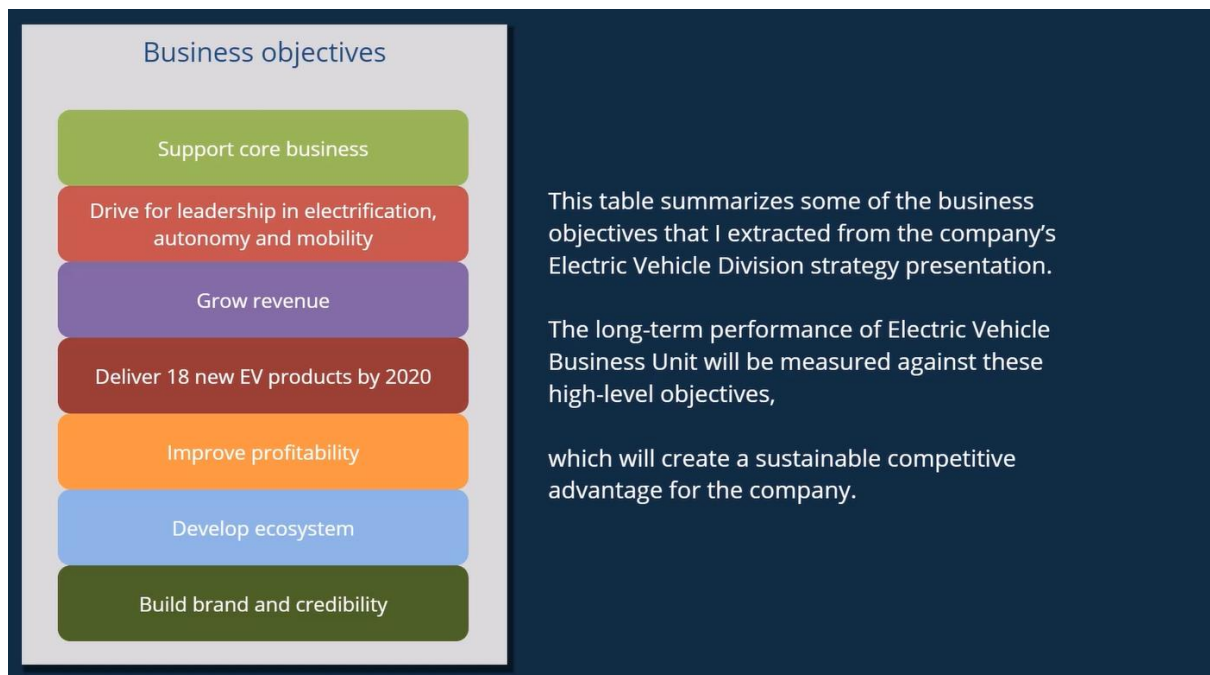
Slide #2



We have discussed Ford's business strategy, competitive advantage, and business objectives of its electric vehicle division.

Now is the time to discuss how we can design a portfolio management system and decision support system to align the project decisions with Ford's electric vehicle division's business performance objectives.

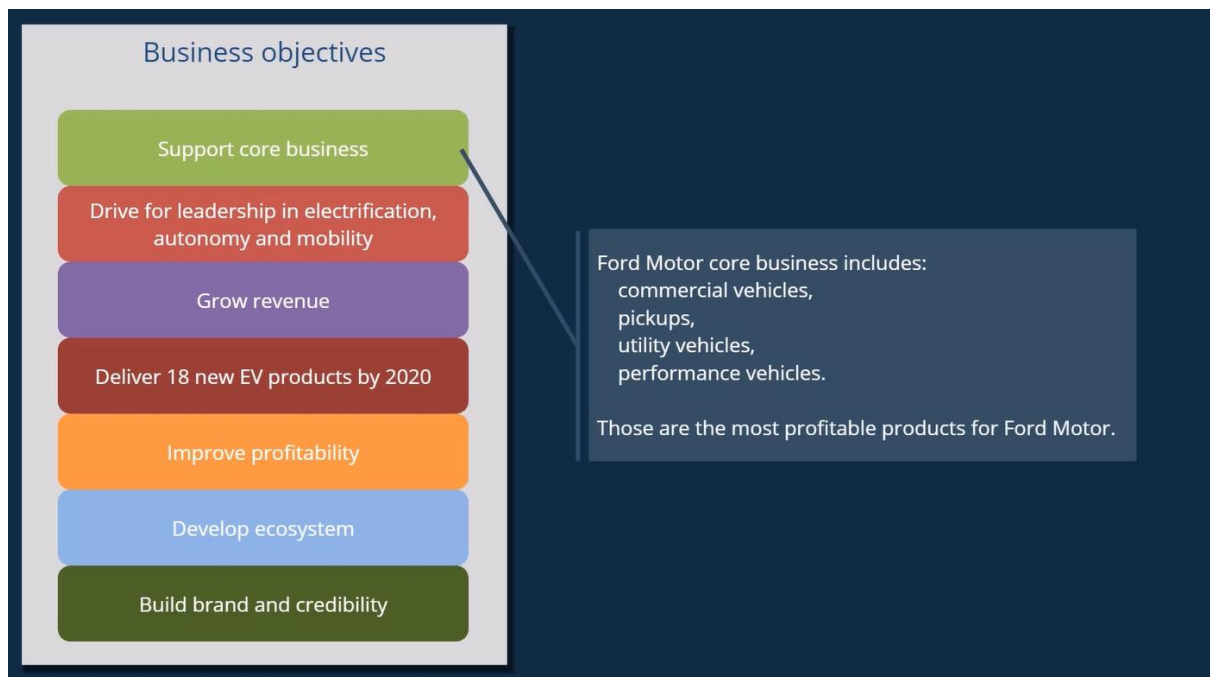
Slide #3



This table summarizes some of the business objectives that I extracted from the company's electric vehicle division strategy presentation.

The long-term performance of the electric vehicle business unit will be measured against these high-level objectives, which will create a sustainable competitive advantage for the company.

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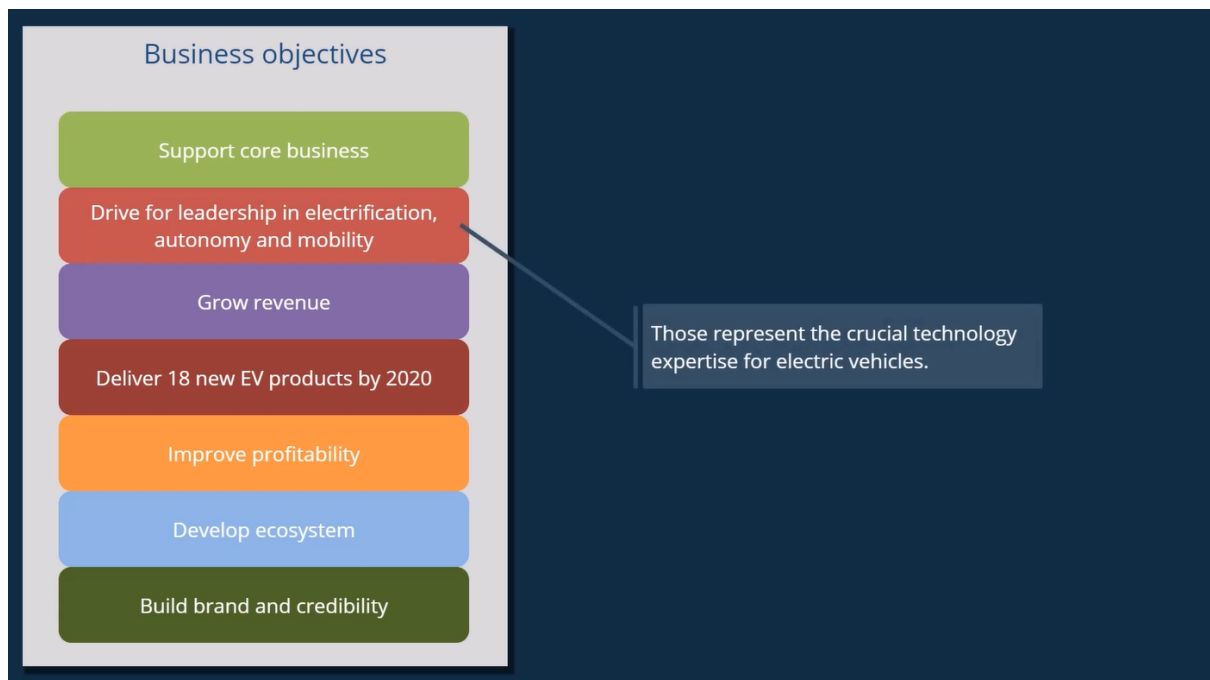


The business objective of Ford's Electric Vehicle Division is to support the core business.

Ford's core business includes commercial vehicles, pickups, utility vehicles, and performance vehicles.

Those are the most profitable products of Ford Motor.

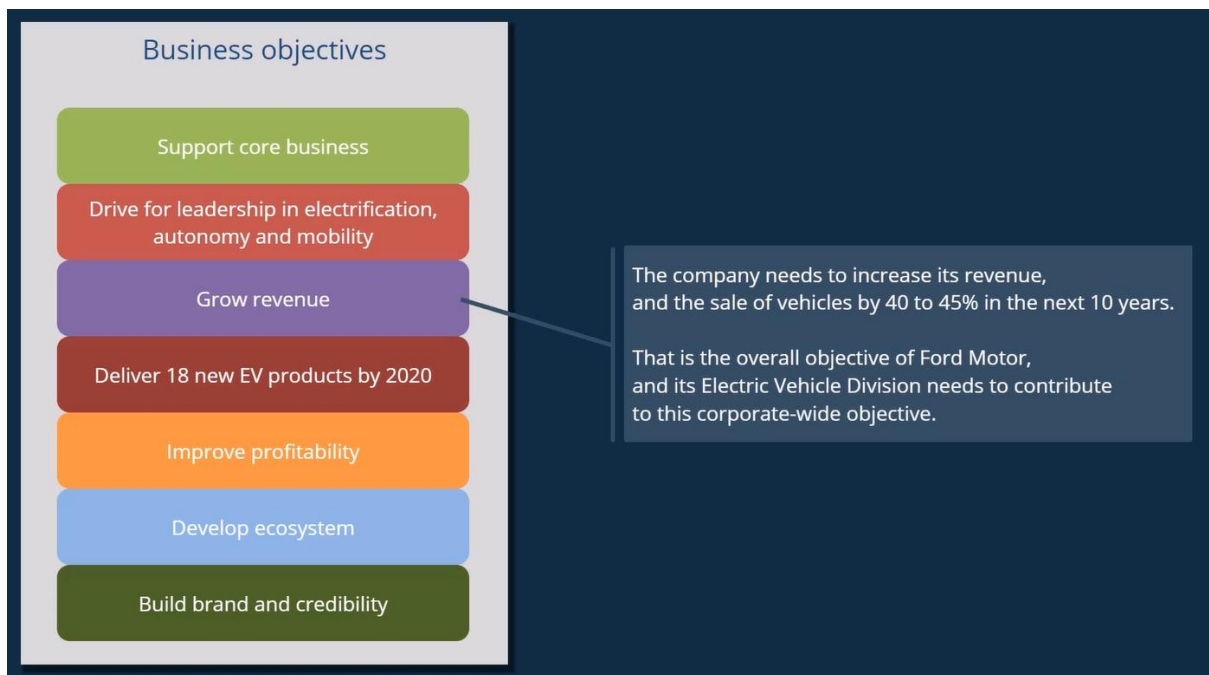
Slide #5



The second area is to build up technology leadership in electrification, autonomy, and mobility.

Those represent the crucial technology expertise for electric vehicles.

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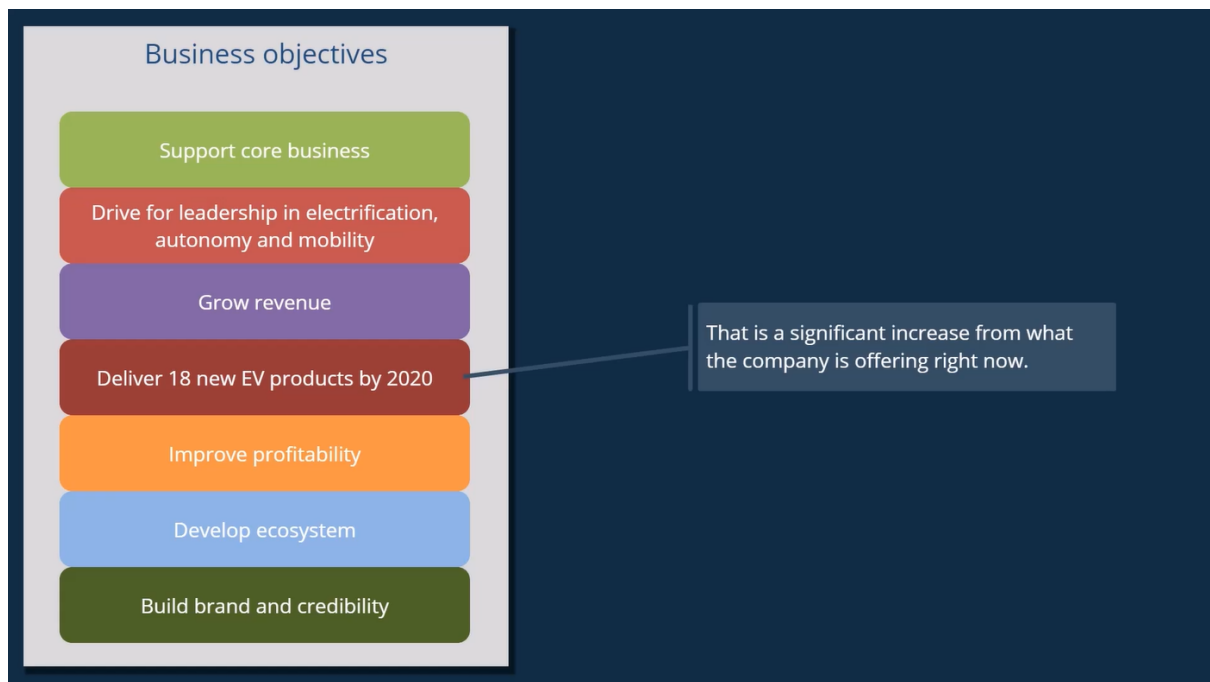


The third objective is to grow revenue.

The company needs to increase its revenue and the sale of vehicles by 40 to 45% in the next 10 years.

That is the overall objective of Ford Motor and its electric vehicle division needs to contribute to this corporate-wide objective.

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To do that, the company had a target to deliver 18 new electric vehicle products by 2020.

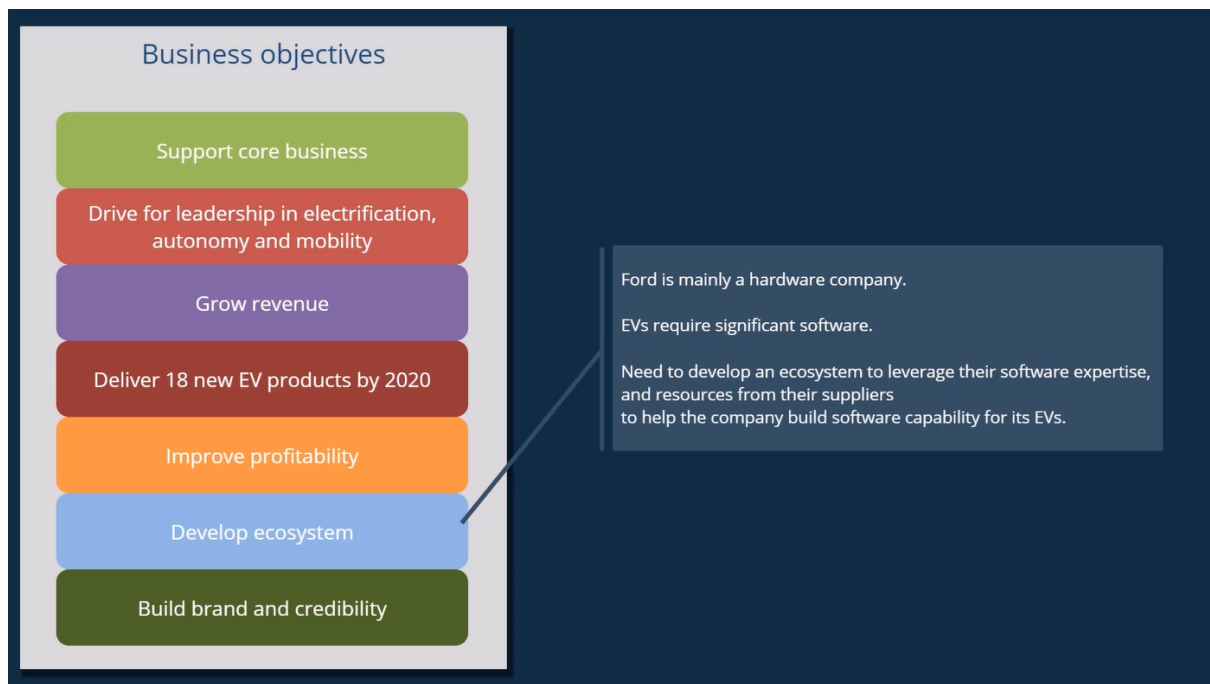
That is a significant increase from what the company was offering at the time.

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Also, the company needs to increase its profit margin from the current level of 6.7% to 8%.

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Ford is mainly a hardware company.

However, electric vehicles require significant software.

The company needs to develop an ecosystem to leverage their software expertise and resources from their suppliers to help the company build software capability for its electric vehicles.

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Ford brand value is a significant competitive advantage over other companies.

Ford needs to continue strengthening its brand in the electric vehicle area, particularly in the zero-emission vehicle area.

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This short list of business performance objectives for Ford Electric Vehicle Division provides guidance to portfolio decisions.

In the next step, we will build portfolio objectives based on the business objectives.