

November 12

Case Study

Ford Motor

This case study will focus on Ford Motor Company. It will start with a description of Ford and introduce various aspects of the company that is important to broadly understand what Ford is made up of. Their brief history and the industry business environment will also be looked at. Their IT organization will be looked at next to point out what their goals are within the context of Ford. The last portion of the paper will talk about one specific aspect of IT that the case study specifically looked at. SWOT analysis is used there as well to find out more about Ford's IT department. Finally, a change will be proposed to their communication service that will be about improving their phone systems and note how the integration will ultimately impact their IT.

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Description of organization

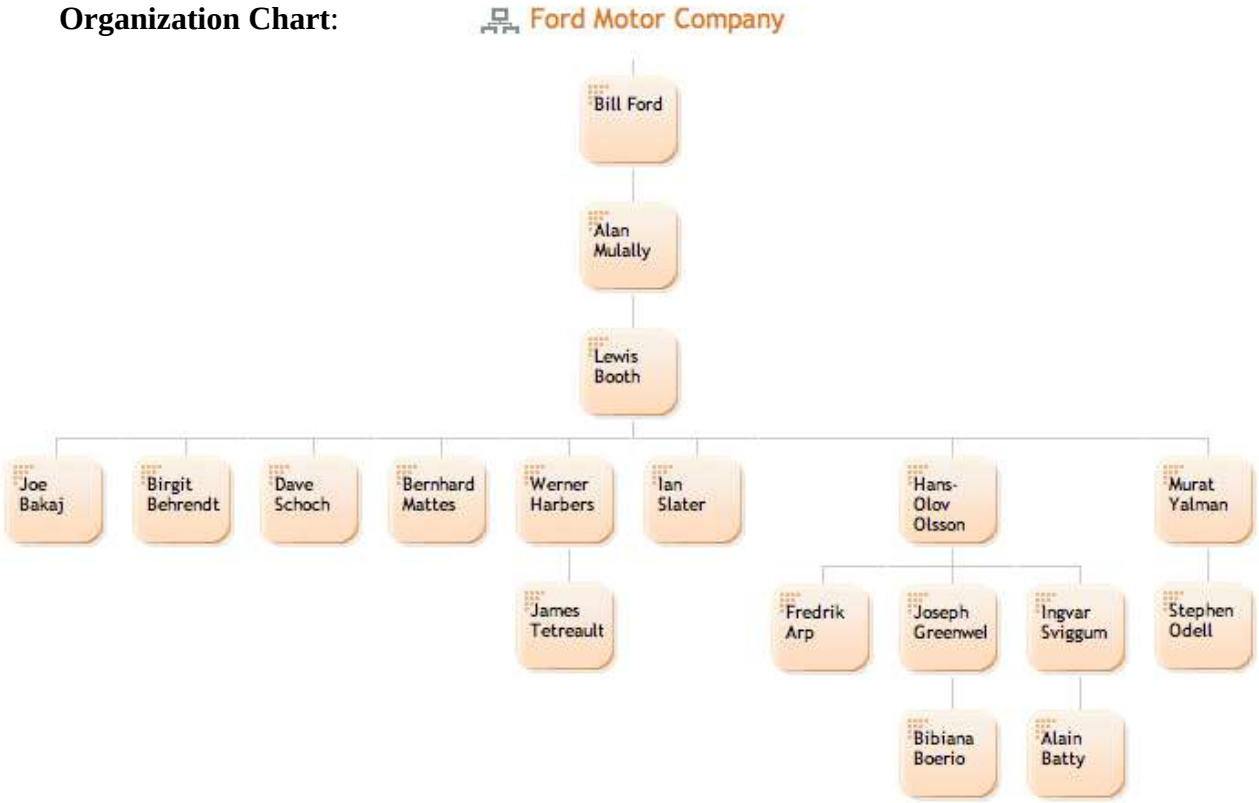
Mission statement:

One Ford**:**

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 Motor Company Heritage - History and Innovation, 2012)

Organization Chart:



(Ford Motor Company Organization Chart | Cogmap Org Chart Wiki, 2012)

Brief history and current business environment (competitors, etc):

Ford Motor was founded in 1903 by Henry Ford. It was first started in a single factory in 1903 that Ford paid $28,000 in cash with twelve total stockholders; Ford held 25.5% of the company's holdings at that point (MergentOnline, 2011). They were the first company to use a mass production system known today as "Fordism." By 1919, the Ford family had purchased the remainder of the holdings and had full control over Ford Motor's holdings. One of the first companies they acquired was Lincoln Motor Company in 1922, and it became a division of Ford. From that point on, they quickly grew to become one of the largest motor companies in the world to reach the current level with revenue soaring at $136 billion.

Today, Ford is the third largest company in the US based on its market share behind only Toyota and General Motors (IBISWorld, 2011). They own close to 100 plants worldwide and had employed about 164,000 people worldwide in 2011 (IBISWorld, 2011). Their main competitors include GM and Chrysler in the U.S. Other international competitors include Toyota, Nissan, and Honda. All of them were impacted recently in the recession as their annual revenue dipped down significantly. They had to take drastic measures to try to limit their losses, including shutting down plants, suspending research & development, fired many employees and received government bailouts (IBISWorld, 2011). After the bailouts and significantly changing how they do business, they have slowly begun to get back to normalcy. Ford, for example, has higher yearly revenue in 2011 than they did in 2007 with operating income back to profit level.

Stakeholder Analysis

Core Groups

IT Department - The IT Department for the building is a core stockholder because they are the ones who will have to implement the entire system throughout the building. It is there

responsibility to make sure everything is working and also that the transition is smooth so that there is a very small footprint via the disruption caused by a new system being implemented. The IT Department has connections to the General Employees group. The reason being is because they are the ones who work on their systems and provide maintenance and support when needed. The speed and efficiency that they work at will determine how soon they can get back to work.

General Employees - The General Employee group is a core stockholder because they are the ones who will be directly affected by this system implantation. They will have to work with the IT Department in getting this new system working by being the testers per say and reporting any issues that may occur. Also, because of this system being launched, there work effectiveness for the install period may drop because of a lack of communications to other sectors or Ford locations.

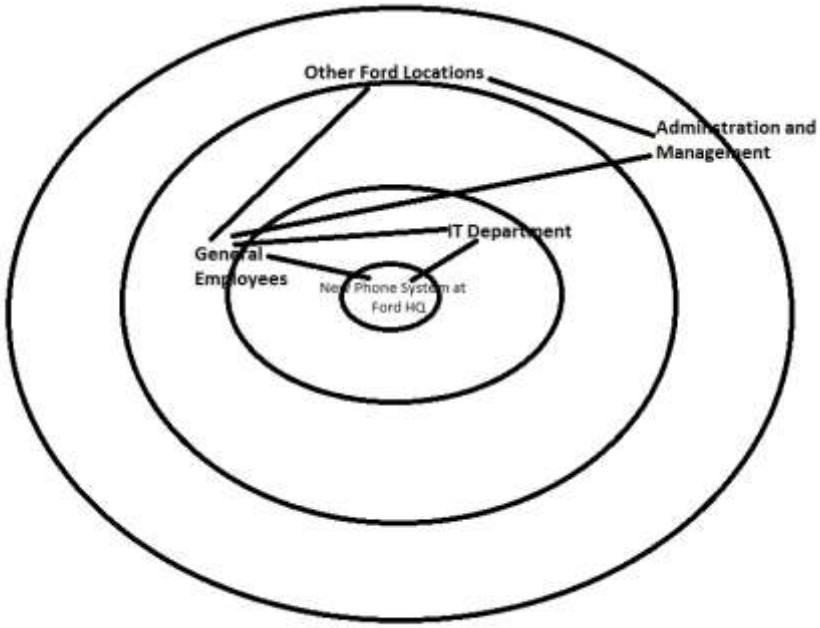
Loose Tie Stake Holders

Other Ford Locations - Other Ford Locations will have a tough time with this because they will not be able to communicate directly to their Corporate Headquarters for a period of time. They will need to wait or use other means of communication besides voice to see what is going on or contact any respective offices located at the HQ. Although, this may disrupt some of their work they will not be entirely affected because they are not on scene and instead located elsewhere. Their main connection is to the General Employees because that's who they would be working with at a normal time.

Peripheral Stake Holders

Administration and Management - This group would be a peripheral stake holder because they only need to oversee and make sure this is being done. Because they are looking down, it is there job to make sure this task is being worked on in a good precise manner. Also, they are the

ones who are funding this endeavor for a new phone system. Asides from that, they are connected to the General Employees because they oversee them and they are connected to other Ford Locations because they are their superiors in the work hierarchy chain.



Description of IT Organization

Description, Function, and Purposes:

Ford's IT department does not work with the actual automotive products. Instead, its responsibility is to manage the company's information resources. It services the computer and phone networks, and keeps them maintained and repaired. It also manages Ford's information databases, keeping them up to date with information on sales, stocks, and supplies. The IT department also manages the computer network's security with the most up to date anti-spyware and firewall technology. The IT department does not actually sell cars or car parts. It makes it

possible for the salesman to do their jobs more quickly and efficiently.

Relationship of IT Department to the Organization's Competitive Environment:

Ford's competition depends on their IT departments just as much as Ford does, and for the same things as Ford does. If their systems are down for any amount of time, they lose productivity. The purpose of an IT department is to maintain the technology around the office, as well as the databases that store information relevant to the company's goals. If Chrysler or General Motors' databases were out of date or compromised, or if their office equipment could not function, they would lose productivity, sales, and money. The same is true for Ford. A good IT department to maintain databases an d office equipment is essential for any company to maintain a competitive front in any industry.

Strategic Alignment of IT:

In the field of business administration, strategic alignment is important to understand in order to get a mutual insist between the organization and its environment. In Ford Motors, it is essential that the IT department is strategically aligned with the goals and expectations of the company as a whole so they may be able to get the results they desire. Their functions of the IT department in regards to the strategic alignment would mainly include keeping an open line of communication between the company, keeping its technology up to date, assessing the different strategies they use and its growth and progress in a quarterly or annual schedule in order to determine how they have succeed or failed and what can be done to reach its goal of delivering profitable growth for all.

Description of Focus Area of IT Assessment

Specific Aspect of IT in business:

Ford joined the slew of companies who discovered that listening to consumer suggestions and complaints was just as important as producing their product. Ford signed a contract with

BrandIntel, which tracks exactly what customers are saying via the Internet about Ford and their vehicles. The results of these findings influence modifications to Ford's product, reevaluation of its product-launch strategy, and adjustments to its PR strategy and its ad messages. BrandIntel helps the automaker realize what consumers' opinions are concerning the style and performance of their vehicles, along with aiding the company in possibly identifying issues that were not apparent to them. When BrandIntel identifies questions about Ford's product or service complaints, the information is flagged and forwarded to the customer-service staff at Ford. Ford employees can even respond online in appropriate situations by identifying themselves as Ford representative and asking permission to join any online discussion where an issue is being discussed. This is an essential strategic advantage because it can save the company a significant amount of time an effort if they are able to eradicate potential issues sooner rather than later, which in turn would lead to higher customer satisfaction (Halliday, 2007).

Synopsis of IT Organization Objective:

Our IT organization is looking to implement a new phone system inside the main corporate headquarters for Ford Motor Company. The reason behind this is that, our IT Department has found that the current phone system does not meet the technological and communication based needs for the company and the building itself. After looking at our departments work capacity, and looking at the long term plans for the near future, we have determined that implementing a new phone system now would be most beneficial. The technological advance in IT phone services in the next few years will not witness any major jumps, and with our current environment a definite upgrade is needed.

	Helpful to achieving the objective	Harmful to achieving the objective
Internal Factors	Strengths: Size of company, resources available, readily available technology, large IT department to ease the installation.	Weaknesses: 8-hour workday, time restraint, working around people, faulty equipment, bad software.
External Factors	Opportunities: Better communication, Creating partner (through purchase), more reliable system, more efficient system.	Threats: Employees, power surges, blackouts, hackers/spyware/harmful software, poor maintenance, Supply shortage, budget cuts, outsourcing/in-sourcing.

SWOT Analysis Summary

Strengths – When looking at our organization's strengths we realize that we are a large company with many resources. Because we have many resources available we can easily incorporate new technology that is readily accessible to us. Also, because we are a large company, our IT Department has a high work capacity to do the job quickly and efficiently. **Weaknesses** – After seeing our strengths, our group also has some weaknesses to deal with. First, is the restraint of the 8 hour work day, overtime pay would need to be incorporated if we were to keep our employees later than expected. Also, since we are a large organization we will be working around many people, making sure we get through at the right time will be difficult. Also, when dealing with new equipment there is always the chance of getting lemons, and also when setting up the new phone system, the computer software used may not be user-friendly and could have a steep learning curve. **Opportunities**- There seems to be a plethora of opportunities that could come from this new

phone system. First, because our new phone system is going to be a improvement over the old one, we will have more efficient communication throughout the building and possibly the company itself. Also, by purchasing these new phones, we will create a new partner in this deal with whoever is the provider. With that, they will be working with us to implement the new system so from that we also have a support base for the future. With a new system comes improvements, normally those improvements are better reliability in that we do not need to worry as much about system issues and efficiency in that the system can better manage incoming calls and readily add more phones to the system.

Threats - Possible threats may include problems with devices or software, power outages, lack of supply, or personnel and budget shortages. Employees may cause problems and be in the way, which is why the IT department will attempt to move through each office politely and quickly. If changes should occur to the budget or personnel, the implementation may take longer or we may have to sacrifice surplus supply for backups or purchase cheaper technology. The personnel will oversee the installation of software to prevent any mistakes or malfunctions.

IT Area Narrative

At our corporate headquarters for Ford located in Dearborn, Michigan our IT Department began to receive numerous complaints about our phone system having faults. After long deliberation between our Department and others located throughout the building we decided that a new phone system would benefit our building. From looking at it, we determined that with a more modern phone system, we could easily streamline our up keep on the system so that we can then further our attention elsewhere.

The first thing our Department began to look at was who would be affected by these changes in the phone system during its implantation. One way tool we used to figure this out was a Stakeholder Analysis. In doing so we determined a few things, first the core groups involved. The core groups would be our IT Department and the General Employees throughout the building. Us because we are the ones who will be implementing the system and our General Employees because they will be the ones directly affected by the new transition. Next, we have our loose tie group, which consists of our other Ford Locations. At the time, they will not be able to directly communicate with us during the implantation of the new system. At that point, they will not be able to speak to the General Employees throughout the building. Next we have our peripheral group, which would be Administration and Management. They will need to oversee this entire operation, and make sure everything is running smoothly during the transition between all other Ford Locations and the Headquarters. Also, they will be funding this new phone system.

After looking at who will be affected by this change, we then looked at how we would approach this project. First we needed to see what our strengths and weaknesses would be. In doing so we realized that strength wise, we are well funded, have a high work capacity and our department is very versatile in their work. Weakness wise, we are handy-capped by our work day limitations, we will need to be working around others, and also deal with human mistakes. Although, with this we can have some definite gains, some such as better communications throughout the building along with a more reliable and efficient system, and with this new system we will develop a good relationship with our supplier. On the other hand though, there are some risks to this such as power surges, blackouts, cyber-hackers, and limited supplies via supplier, budget cuts or the technology itself. In looking at this all, we still decided that this endeavor is well worth the risk.

Our plans to implement this new system are very straightforward. Prior to actually installing the system, we will have our Department attend a workshop that will teach them the basics about the new phone system and its software. First, at certain points during the day we will disconnect departments from the main system. In doing so, we will first work on that department and try to get it fully running to the new system as soon as possible. Although, this will leave that first department alienated for a certain period, once we complete that first department we will then be able to work out any issues we may encounter. Next, we will just progressively roll between departments throughout the building in order to add them to the new system. In doing so, we will need to work around employees, we will need to work closely with the department managers to make sure we won't be hindering there work in a large way. We know that we are going to be running into some unforeseen problems so from that we will try to fix them as fast as possible. Also, during the time we are installing the new system, we plan on having a consultant from the supplier here to help us work out any problems. At the time also, our helpdesk will start to be asked questions about the new system from the General Employees. To make sure we can handle this, we will be sure to have extra hands at the helpdesk during those times to make sure they can adequately help our employees. We will also, have user guides for the new systems for each employee just so they can have a reference point before contacting us if they have any questions or issues. Implementing this new system will be difficult but with hard work and determination our IT Department will be able to succeed.

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