

Ford is a business in the automobile industry

Business



Ford is a business in the automobile industry. The company operates in more than 200 markets across the six continents in the world and it is the third largest automobile company in the world. Due to its diversity, customer relation and satisfaction is the key factor in the realization of its strategic goals and objectives (Cross, 2007). The global business climate change caused by human combustion of fossil fuels and the resulting emission of greenhouse gases (GHGs) is—along with the energy security— widely viewed as a critical global issue in the economy. Indeed, the concerns about climate change on automobile industry—along with the growing constraints on the use and availability of carbon-based fuels—affect Ford Company's operations and its esteemed customers.

However, the company aims at mitigating the long-term challenge that faces the current society by stabilizing the concentration of GHGs in the atmosphere. In regard to Ford's current business initiative that affects customer service, the company has submitted a plan to the US Congress in April 2011. The plan aims at aggressively restricting the company's operations to meet the changing model mix and the current demand in the automobile industry. As the customer's value and wants are in the forefront, the plan aims at accelerating the development of the company's new products to meet their demands. In addition to the company's needs, the plan provides the financial implications and ways of improving Ford's balance sheet.

This will be achieved by working together and ensuring the Ford's global assets are leveraged. As such, the plan will ensure that the aggressive restructuring creates safe, high quality and fuel-efficient vehicles. The North

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American automotives will also incorporate hybrids with advanced plug-in and vehicles using full electric (Gunnell, 2008). Since the appointment of Bill Ford as the company's Chairman, Ford acquired VCC, the Swedish automaker regarded as the Europe's most environmentally proactive manufacturer. In another bold move, in the early 2000, Ford withdrew from the Global Climate Coalition— a lobbying group formed by auto and oil companies to oppose the Kyoto climate treaty. This was the Company's significant shift in the environmental policy of the industry.

In addition, Ford was also the first automaker to have all its plants certified according to ISO 14001, showing commitments to beyond-compliance environmental practices and customer satisfaction (Myers, 2011).

Consequently, the company also relies on the use of internet facilities that will gauge the consumers' satisfaction and provide ways of satisfying them fully. Moreover, the launch of a hybrid vehicle represents an important competitive edge based on ' first-mover advantage' prerogatives. The eventual market success of the New Ford Taurus certainly put the company ahead in the race for hybrid cars. Since the chances are that Ford will reach the break-even point for its hybrid vehicles ahead of its competitors, the environment will satisfy both economic and environmental pre-requisites (Speegle, 2009).

Customer service can be effectively improved through Sales and Operations Planning (S). The S aims at improving the business operations through improved forecasts, and reconciled demand and supply (Sheldon, 2006).

Both these outcomes will drive customer service improvement. In improved

demand forecast, the process ensures that there is consistency in numbers i. e.

the forecast is transparent and accessible for all functions involved in the organization. This forecast base is stated in terms of volume (as opposed to value) because volume is really the “currency” driving the supply chains. In addition, the process incorporates improved reconciliation of demand and supply for the consumers. In this case, the forecast bias is reduced. The actual sales will deviate less from the forecasted volume (Plunkett, 2006). As an outcome of the improved reconciliation of demand and supply, the supply plan will be as realistic as possible at that point in time.

Where supply does not meet demand, alternatives might be sought. If that is not possible, the customer will be warned at an early stage of a possible shortage. Based on that shortage information, alternatives can be agreed collaboratively through contingency planning. Thus, S does lead to improved customer service by improving the forecast and the reconciliation between demand and supply (Gray, 2007). In conclusion, the Company needs to improve its customer service by incorporating Sales and Operations Planning (S in its undertakings. As the economy is characterized by extensive competition, the automotive industry needs to maintain the customer they have and attract new potential customers in the industry.

Therefore, Ford Company needs to improve its customer service to enhance their satisfaction and loyalty.