How ford motor company transformed from an e-business to an i-business

How Ford Motor Company Transformed From an e-business to i-business

Ford Motor Company is an America based automobile company and was founded by Henry Ford in 1903. In this writing our focus is on the transformation of Ford from an e- business to i- business. Existing e-business of Ford: In the year 1999 Ford motor company experienced a huge fall in revenue. Then some business strategies were announced to regain its position in the market. The usage of modern technologies was optimum in those strategies. They launched new websites, in-car computer facilities and other entertainments in car were provided. They provided individual PCs to all the employees to connect more closely with the consumers. In this way the company managed to regain their position with the help of e-business (Ford's e-Business Strategy, 2000). Ford's CEO Jacques Nasser has announced some e-business strategies to get closer to the customers. He has decided to build a customer services program powered by Information Technology to make the suitable car ordered by the customers instead of ending up with a car which could possibly not be sold in the market. He has also announced the launch of AutoXchange website for online procurement of car. Ford has planned to commence their database. Only their customer can log into that database using their password and there they can easily access their information previously saved. In this way their time can be saved (Ford Motor Company: E- Business and E- Commerce Strategy, n. d.). From E-Business to i-business: 1. Internet-worked Market: Internet can be easily used as a means of increasing business network. The companies can launch their website where they can campaign for their product, and make people aware of their new business scheme (Redgrave). Ford has already planned to launch their database and website for online purchasing for their

customer. But they should also launch their website where the information about their new scheme or new product will be given. In this way more people will be able to know about their product and their business will expand. Instead of asking a customer to create an account. These informations can be freely given to all. Users need to access the information about the products in most convenient manner. Every component of the car should be visible in a user interactive manner on the website including all relevant details. 2. Internet enabled supply chain: E-commerce has also helped in internet enabled supply chain. The company should keep connection through the internet with their customers, dealers and suppliers. A customer may check the company website where he can select a particular model. An order for a car is placed in the company through the internet. The company eventually places the order at the nearest plant to assemble the car. The plant orders for different parts, assembles the car and sends it to the company. Then the car can be delivered to the customer and the payment can be made online. The second phase of e-commerce is collaborative commerce which integrates the different value chains. The company can therefore be effortlessly linked between its distributors, suppliers, customers and business partners. Besides the internet system should be so organized that it brings about clarity in information and knowledge management. In this way the Ford Company can take a step towards i-business. 3. Inter-organizational Systems (IOS): Ford Company has a number of trading partners. The company should maintain relation with them through the internet. It will help them to reduce inventory cost, share R&D information with each other which will be helpful for both to make new business decisions, provide each other more information about the market.

In this way both will be benefited (Ali, Kurnia, and Johnston, June 24- 26, 2007, p. 1). 4. Integrated Organizational Systems: The employees in the company should be interacted and instructed through the internet as it is not possible to interact with every individual employee in such a huge company. Tools like video conferencing, e-chat and other tools need to be applied in order to integrate different aspects like quality, environment, security of data and enforcing common goals amongst the employees. The goal of the system is to establish trained professionals who can provide assistance to the functions of high levels of management and also the other associated departments. 5. Intelligent knowledge based decision making systems: The Company can contact different consultants through internet and ask them for their advice in different fields. In this way they can acquire knowledge and their research team after working on that can invent new ideas on the basis of which they can make new business decisions. Instead of hiring third party agency for their research activities Ford needs to develop their own knowledge base through extensive research. Conclusion: Thus the above steps can be helpful for Ford Company to transform from e- business to i- business. There are much more scopes of improvement in this field. The e- business should be used not only for customer services but also in each and every field of business including business expansion, R & D development, etc. Therefore i-business can provide a complete and self sufficient business environment. References: 1. Ali, M. Kurnia, S. Johnston, R. (June 24- 26, 2007), INTERORGANISATIONAL SYSTEM (IOS) ADOPTION MATURITY: A MODEL AND PROPOSITIONS, European and Mediterranean Conference on Information Systems 2007, retrieved on July 6, 2011, from URL: http://www. iseing. org/emcis/EMCIS2007/emcis07cd/EMCIS07-PDFs/744. pdf 2. Ford's E-

Business Strategy, (2000), DARDEN, University of Virginia 3. Ford Motor Company: E- Business and E- Commerce Strategy, (n. d.) Retrieved on July 7, 2011 from: http://www. mcm. edu/~gonzale2/jgwebpage/webpages/mis/ford. htm 4. Redgrave, L. (n. d.), The Internetwork Marketing System, retrieved on July 7, 2011 from: http://www. internetwork-marketing. com/ 5. TechSparks, (2010) Internet-enabled supply chain management ushers in a new wave of " c-commerce" for collaborative business, retrieved on July 7, 2011 from: http://www. techsparks. com/Internet-enabled-supply-chain-management. html