

Business_and_Society_Essay.edited.docx

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Business and Society

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Business and Society

General Motors employs over 85,000 people in the United States and generates hundreds of millions of dollars in economic growth for communities throughout the United States. Since 2010, GM has been responsible for moreover one dollar of every investment made by U.S. automakers across America. General Motors has been at the vanguard of automotive innovation for more than a century. The company is committed to expanding the future of the neighborhoods they are proud to serve as they progress toward a future with minimal collisions, zero greenhouse gas emissions, and reduced congestion (Smink et al., 2017).

Primary Products

General Motors Corporation creates, manufactures, and retails trucks, crossovers, automobiles, and vehicle components globally. Kaur and Sharma (2018) maintain that the Establishment offers automotive funding services through General Motors Financial Company, Inc. OnStar LLC, which includes car connectivity services; Cruise LLC, which develops and commercializes self-driving machinery; GM Financial Co., which is the company's finance supplementary; and BrightDrop, that produces a bionetwork and electrified goods and services to assist in initial to last-mile distribution operations, are among the company's subsidiaries and business units.

Three Ways the Primary Stakeholders Can Influence Financial Performance

The first way primary shareholders can influence the organization's monetary performance is by employing their shareholder power to affect its financial performance. This factor includes the ability to vote and economic, political, legal, and informational capabilities. The stakeholder would be able to vote during an organization's annual meeting if they had voting

power. It could include electing new board members, as well as mergers and acquisitions. Customers, suppliers, and retailers are all examples of stakeholders who have economic influence. Economic power as a consumer would include boycotting a product by refusing to consume that organization's service or product, thus influencing the organization's financial performance.

Secondly, pushing for laws or rules on how the company conducts its daily operations would be an example of political power. Voting for a leader with the same values and perspectives is another type of political power and stakeholder influence on the organization's financial performance. The legal authority would include the stakeholder suing the company for a defective or dangerous product or service and suing the car manufacturer, for example, if the airbags failed to deploy or malfunctioning parts caused the failure. The revelation of secret information to the public or business rivals would constitute informational power. For instance, GM's management should develop positive stakeholder relationships early to reap future benefits. If they hesitate to create bridges until a crisis, they might miss out on the rewards.

Thirdly stakeholders can impact the organization's financial performance when the company performs well (beyond the norm for its sector); excellent stakeholder connections will help it stay in business for a longer time. Employees may labor harder, or consumers may purchase more products or pay a higher price. In addition, when the company performs poorly, excellent stakeholder connections help it recover faster. Even though other capabilities, like technological knowledge, are context-specific and can lock businesses into both good and harmful habits, stakeholder relationships, on the other hand, are successful across settings and adaptable enough to accommodate a range of tactics.

Two Critical Factors Where the External Environment Can Affect the Success

Lawrence (2020) suggests that a variety of circumstances influences external key success variables. Environmental variables such as economic health and vitality, the present business climate, and technology developments are among the first critical factors that affect the company's success. Changing economic conditions may necessitate adjusting production levels and differentiating your products and services. Attracting new consumers with value-added services or getting funding for a new product line are two essential success elements that may help your company accomplish modified objectives and meet new difficulties in this sector. Maintaining competitiveness in today's market also necessitates keeping an eye on the industry and competitors

Another factor is rivalry from other organizations. Not unless a firm remains unique, it will always face competition. When an organization starts a business, they compete against more established, more experienced firms in the same sector. After establishing themselves, they will have to contend with newer companies that want to acquire their clients. Competition may make or break a firm. For example, many brick-and-mortar bookshops have failed in their attempts to compete with Amazon. Customers and suppliers may be the most crucial individuals the organization interacts with, after the staff. Suppliers have a substantial influence on the company's expenditures. The leverage of some suppliers is determined by insufficiency: if GM cannot procure elsewhere, their negotiating power is limited. Thus they would face stiff competition from their rivals. Therefore, their procuring power is determined by how intense the rivalry for their finance is, the quality of their products, and if their advertising makes consumers want to buy their products, among other aspects.

Biggest Success or Missed Opportunity to Respond to a Recent or Current Social Issue

Keeping an eye on electric cars is the major success GM possesses in response to climate change concerns. One of the secrets to GM's success is its constant focus on the growth of the automobile industry. The automaker has long been known to derive a large percentage of its profitable growth from its line of attractive full-sized light trucks and sport utility vehicles. Akerson and his team now recognize that with the rapidly increasing volatility of oil prices combined with the transformation of small, fuel-efficient automobiles, GM has no choice but to venture onto the clean-energy, electric car carriage. If it wants to stay relevant with its competitors even if it calls shifting its focus away from its higher-profit cars.

Recent or Current Social Issue

Transport is the single most significant contributor to greenhouse gas emissions in the United States, with light-duty passenger vehicles contributing to around two-thirds of those pollutants. Plug-in electric vehicles may considerably cut greenhouse gas emissions by employing efficient electric motors and connecting them into a system powered by more renewables.

Company Response

According to the 2012 balanced scorecard, GM intended to deploy over 500,000 cars on the road with some electrification by 2017. Furthermore, the company planned to renovate about 70% of its brands between 2012 and 2013, ensuring that vehicles were more enticing to consumers who were increasingly conscious of how increased oil costs were driving the auto industry. Similarly, Elon Musk's 10-year-old firm isn't on its approach to challenging GM's 104-year-old industry, which is why Akerson has established a task group to investigate Tesla to assist him to comprehend how and why the electric automaker is connecting so well with

consumers. With this new information, Akerson thinks that he will compete more effectively with Tesla and the Model S as he strives to improve his company's design, efficiency, and price proposition.

Biggest Success or Missed Opportunity

GM has been producing robust statistics in China. This foreign success has helped offset losses suffered by the automaker in Europe due to the region's economic crisis. Therefore, I believe that this has been the company's most considerable success. GM is still wedged between Toyota Motors Co. and Volkswagen AG in the battle for the world's top manufacturer. Still, the newest revelations from the U.S. automaker are officially giving Toyota cause for concern.

Impact on Performance

Because GM has once again officially led foreign manufacturers in yearly sales in China for nine consecutive years, I think this has demonstrated that competence in the luxury market cannot prevent the company from overtaking Volkswagen in the region's sales and other car manufacturers globally.

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