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General Motors

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General Motors

General Motors is an American global automobile manufacturer headquartered in Detroit, Michigan. William C. Durant incorporated it as a holding corporation on September 16, 1908, and restructured it in 2009. Mainly, GM designs, manufactures, and sells cars, auto parts, and trucks and offers auto loans. GM International, Cruise, GM North America together with GM Financial are company's segments (GM, 2021).

Organizational Structure

GM has a hybrid structure that combines central and regional organizational patterns (Darmstadter, 2016). The entity's financial department is based in Michigan. GM has core departments in North America, South America, International, and Europe. Besides, a divisional structure differs greatly from GM's existing structure dividing the company by product. However, GM's hybrid structure combines centralized and regional structures. A centralized structure has most of an entity's branches in one place. Most GM departments are based in Michigan. Notably, the European and South American subsidiaries have offices in the corporate headquarters that communicate with top management.

Development History

General Motors was the world's biggest automobile manufacturer (GM, 2021). It has plants in the US, Canada, and other countries. A major focus of the company is financial services and automobiles. By the year 1929, GM had surpassed Ford as America's leading automaker. Globally, GM surpassed Ford in 1931. By 1941, it was one of the world's largest industrial conglomerates, producing 44% of all US vehicles. Darmstadter (2016) claims GM owned Isuzu, Fiat, Suzuki and Subaru by the early 2000s, dropping Oldsmobile in 2004. Toyota surpassed GM

as the world's largest automaker in 2004. In June 2009, General Motors declared bankruptcy protection, alleging $173 billion in debt. Later in 2010, it sold Pontiac, Saturn and Saab, where Chevrolet, Cadillac, Buick, and GMC are now GM divisions (Darmstadter, 2016). GM had one of the largest IPOs in November 2010. The next year, GM reclaimed global leadership.

Mission and Vision

GM creates brands that inspire passion and devotion through cutting-edge technology while serving and enhancing communities globally (More, 2019). This mission statement addresses all external business influences. So, the components or elements of GM's mission statement promise to enhance lifetime customers, creating brands that evoke emotion, new technologies and serving and improving global communities.

GM's vision is clear and centered on leadership.

SWOT-Analysis

Strengths

Being the largest automobile maker in one of the most promising markets is a significant advantage.GM is the US's top automaker and leads the market share with 16.9% in 2019 (More, 2019). GM's global presence, which has operations on six continents, including China, Latin America and Europe, Africa, North America as well as Middle East, will boost its market base.

Weaknesses

From 2011 to 2015, GM deceived the level of pollution produced by its trucks, weakening consumer confidence. This was negative publicity that tampered with its image. Moreover, quality issues have also impacted GM operations as safety is the fundamental rule in

auto manufacture. Furthermore, minor flaws and quality deficiencies might cause GM's death. When General Motors admitted to using defective diesel engines in millions of cars, 124 lives were lost and another 275 were seriously injured in 2015.

Opportunities

GM is embracing eco-friendly options. Globally, eco-friendly buyers and eco-friendly automotive demand are growing. For that reason, since it is a leader in developing long-lasting batteries for EVs, GM is well placed to capitalize on demand (Jurevicius, 2016). Furthermore, GM uses the autonomous market; therefore, it is likely that demand for self-driving cars will increase in the years ahead. As one of the sector's players, General Motors' self-driving cruise offers growth possibilities.

Threats

The receding world has impacted GM as millions of jobs have been lost due to the pandemic, and several countries are in a recession. For example, General Motors' sales in China decreased by 43.3 percent year on year in the first quarter of 2020 (Betz, 2016). Also, strict rules in various countries are a threat to its operations. Governments are establishing strict emission rules to combat the growing threat of climate change; as a result, regulators tightening jeopardizes GM's operations and long-term viability.

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