

# Volvo Cars – Leveraging Scandanavian Culture and Values to Build New Tech Capabiliteies

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VP HR Americas  
Volvo Car

LEADING THE EVOLVING ORGANIZATION

2017 ANNUAL CONFERENCE

TURNBERRY ISLE MIAMI + AVENTURA, FL

**SIRM** EXECUTIVE NETWORK  
HR PEOPLE + STRATEGY



**V O L V O**  
*The Brand on the  
Move*

VOLVO CARS HERITAGE



YEARS OF  
REFINEMENT  
**1927-2017**





**WHEN YOU THINK OF A VOLVO CAR  
WHAT COMES TO MIND?**



**SAFETY**

# 1991 VOLVO 850 SEDAN



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The Volvo 850 was also the first car in the world to offer side-impact airbags, which were introduced in autumn 1994.



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# THE NEW S90

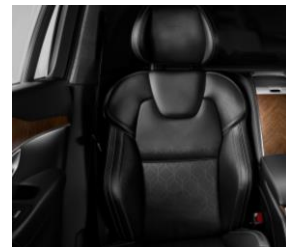
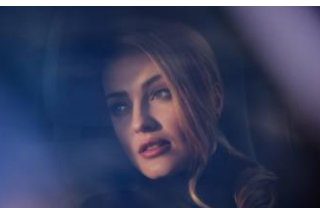
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# LUXURIOUS EVERY DAY

  
EXCELLENCE









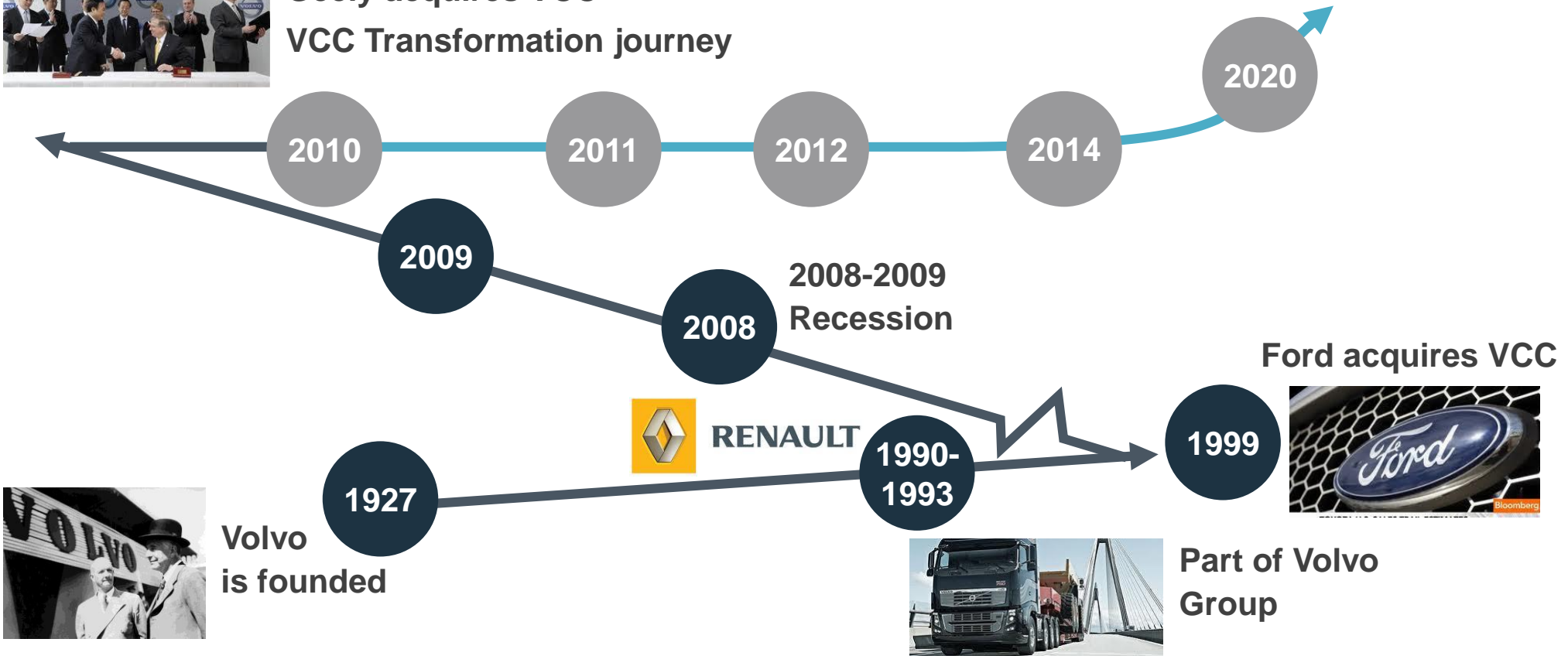
*“Cars are driven by people.*

*The guiding principle behind everything we make at Volvo,  
therefore, is and must remain, safety”*

# VOLVO CARS HISTORY



Geely acquires VCC  
VCC Transformation journey



1927  
Volvo is founded



Part of Volvo Group



Ford acquires VCC

# 2014 - WOULD VOLVO SURVIVE? ...

FORTUNE



*“Under Ford’s management, Volvo reached sales of roughly 140,000 in the U.S., a level that has dropped since then to 60,000 or so, a pace that has prompted some of the approximately 300 U.S. dealers to sell or abandon their franchise.”*

AUGUST 27, 2014

*“Volvo has long been the nearly man of the premium carmakers, caught in price in the no-man’s-land between mass-market and luxury manufacturers and selling only about a quarter of the number of cars as the Germans.”*

AUGUST 18, 2014

*“The brand has killed off numerous products and failed to market others on this side of the Atlantic. If Volvo has a future in North America, it will be as a direct result of the XC90’s successful launch. The pressure is on.”*

AUGUST 14, 2014



# XC90 – ONE OF THE MOST SUCCESSFUL VEHICLE LAUNCHES EVER!









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**THE NEW 90 SERIES HAS NOW BEEN LAUNCHED**

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V O L V O



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**WE HAVE ONLY JUST STARTED!**

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V O L V O

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**WHAT WILL WE BE  
LIKE IN 3 YEARS' TIME?**

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**WHAT WILL WE BE  
LIKE IN 3 YEARS' TIME?**

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**THE COMPANY WILL  
LOOK VERY DIFFERENT**

A COMPLETELY NEW MODEL RANGE  
WITH XC90 AS OUR OLDEST CAR

800,000 CARS A YEAR (150,000 IN THE US)

PREMIUM LEVEL PROFITABILITY

A GLOBAL COMPANY –  
MANUFACTURING IN CHINA, EUROPE AND  
THE USA

US WILL BE ONE OF OUR TOP 2 MARKETS

# THIS IS WHERE WE ARE

## The Telegraph

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*“Volvo has the potential to shape the evolution of the entire industry if its autonomous driving systems become the industry standard.”*

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## THE WALL STREET JOURNAL.

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VOLVO THROWS DOWN THE GAUNTLET TO LUXURY RIVALS

*“Volvo Cars, wheezing just a few years ago, is roaring back under its new Chinese management, forecasting record sales and scrambling to meet surging U.S. demand as it challenges German domination of the global premium car market.”*

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VOLVO'S CRYSTAL BALL SEES GOOD THINGS AHEAD

*“After surviving a very rough patch that could have easily sunk it for good, Volvo is feeling confident enough to be boastful, albeit in a restrained, Scandinavian way. Volvo is riding high after posting record worldwide sales last year, and its CEO claims the groundwork is in place to have that trend continue in 2017 and beyond.”*

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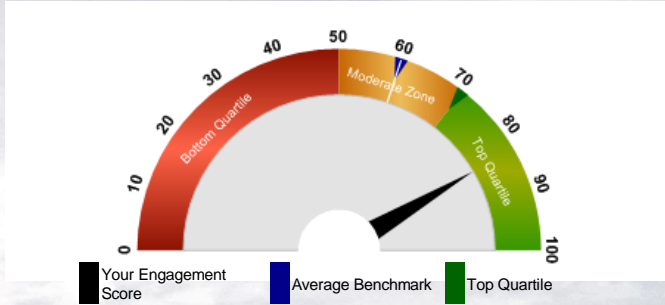
FEBRUARY 8, 2017

# Dashboard

Your selection(s): 19000 AMERICAS

Engagement Score: 83% | Response Rates 96%

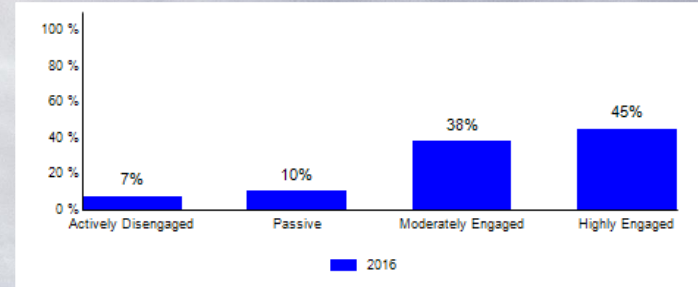
Region selected to display quartile ranges: Global



## Engagement Distribution

Not Engaged: 18%

Engaged: 83%



## Engagement Priorities

Driver Analysis Benchmark: Global Top Quartile

Improve
Learning & Development (62%)
Work/Life Balance (67%)

Sustain
Compliance & Ethics (88%)
Focus on customers (90%)
Harassment awareness (90%)
Our Volvo Cars Culture (83%)

## Engagement Behaviors

	2016	Global Average	Global Top Quartile	Volvo Overall
I would not hesitate to recommend this organization to a friend seeking employment.	83%	65% (18)	75% (8)	75% (8)
Given the opportunity, I tell others great things about working here.	83%	66% (18)	76% (8)	74% (9)
It would take a lot to get me to leave this organization.	78%	60% (19)	69% (9)	65% (13)
I rarely think about leaving this organization to work somewhere else.	75%	53% (22)	62% (13)	59% (16)
This organization inspires me to do my best work every day.	79%	61% (17)	72% (7)	57% (22)
This organization motivates me to contribute more than is normally required to complete my work.	78%	56% (21)	66% (11)	53% (25)



# THE VIKINGS ARE BACK!

## WE HAVE...

...AN INCREASINGLY STRONG BRAND

...AN EXCITING PRODUCT AND TECHNOLOGY PIPELINE

...A SMALL AND NIMBLE SETUP IN AN ERA OF CHANGE

...THE MOMENTUM TO GO AFTER THE PREMIUM LEADERS



## IF ONLY PRODUCT WAS EVERYTHING...



What is AutoMobility?

## AutoMobility isn't a thing...it's a way of doing things...



### Best-in-Class Organizations

- ▶ Deploy a personalized digital experience across all channels, giving internal and external customers what they need, when and how they want it
- ▶ Modernize foundational technology, digitize core processes and deliver a great customer/consumer experience.
- ▶ Leverage data analytics to deliver a personalized brand experience
- ▶ Pull customers in through a content-rich marketing strategy, leveraging channels such as internal ecosystems, blogs, Facebook, YouTube, Instagram, Pinterest and Twitter
- ▶ Use technology advancements linked with physical and digital assets to redefine and reimagine current business practices to create a significant competitive advantage
- ▶ Digitally empower employees



## “Uber-ization” of Everything – It’s Happening



- World’s largest taxi firm in the world
- Owns no cars



- World’s most valuable retailer
- Carries no stock



- World’s most popular media provider
- Creates no content



- World’s largest accommodation provider
- Owns no property

A nighttime photograph of a cityscape. In the foreground, a multi-lane highway interchange is visible, with light trails from cars creating streaks of white, red, and blue. The highway curves from the bottom right towards the center. In the background, several large, multi-story apartment buildings are illuminated from within, showing a grid of lit windows. The sky is dark blue. The text "VISION 2020" is overlaid in the center of the image.

# VISION 2020



*Emissions*



*Congestion*



*Accidents*

## **VOLVO CARS - A COMPANY WITH PURPOSE**

### **Safe, sustainable and convenient mobility**

*Everything we do starts with people. We understand people. We protect what's important to them and want to make them feel special. We take pride in our role within society and recognize our commitment towards the environment. We innovate to make people's lives less complicated and more enjoyable. Our human centric focus is what makes us different from all other car companies, and it is at the heart of everything we create.*

- Our vision is that by 2020 no one should be killed or seriously injured in a new Volvo car.*
- Our vision to give back 1 week quality time per year through a new Volvo by 2025*
- Our commitment to put 1 million electrified vehicles on the roads by 2025*

# AUTONOMOUS DRIVING / CONCEPT 26



*Vehicle &  
Hardware*



*Software*



*Society &  
People*

# AUTONOMOUS DRIVING / CONCEPT 26





# CUSTOMER EXPERIENCE STARTS WITH MAKING LIFE LESS COMPLICATED

Customer Satisfaction  
Operating Efficiency  
Customer Retention  
Sales & Revenue

*Make life less complicated.*

*We understand you  
We protect what's important to you  
We make you feel special*

*Personal  
Adaptive  
Honest  
Effortless  
Proactive  
Innovative*

MISSION

PROMISE

ATTRIBUTES

ECOSYSTEM

THEMES & INITIATIVES

ROAD MAP

CX BRAND FOUNDATION

CX GOALS & PLANNING



# TARGET CONSUMER



My preference for luxury cars is based on a different perspective

– I would prefer a luxury car having **me** as the starting point and not the car and its technology"





## OUR VOLVO CARS CULTURE

- Passion for customers and cars  
Being curious and customer oriented in everything we do
- Move fast, aim high  
Seeing and seizing opportunities
- Real challenge and respect  
Taking initiative and acting on our experience



## OUR COMPETENCE

Key competencies we will all develop for successful performance:

- Business understanding
- Digitalization
- Cross-functional collaboration

# **BUILDING OUR COMPETENCIES**

BUSINESS UNDERSTANDING

DIGITALIZATION

CROSS-FUNCTIONALIZATION

# CONSTRUCTION OF 1<sup>ST</sup> USA PLANT - 4,000 EMPLOYEES





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# MOBILITY & DIGITAL WORLD

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# COLLABORATION

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# No office for the CEO. Just a locker

## At Volvo's U.S. headquarters, interaction goes up as walls come down



# CX STRATEGIC FRAMEWORK

- NO INTERNAL BOUNDARIES
- BOTTOM-UP APPROACH TO PROBLEM SOLVING

Customer Satisfaction  
Operating Efficiency  
Customer Retention  
Sales & Revenue



*Make life less complicated.*

*We understand you  
We protect what's important to you  
We make you feel special*

*Personal  
Adaptive  
Honest  
Effortless  
Proactive  
Innovative*

*A collection of the major touch points and journeys where consumers experience the Volvo Cars brand, online and offline.*

*Strategic themes of focus and initiatives (projects) that represents cross functional endeavours to help Volvo deliver on our CX brand foundation.*

*The mapping of different releases and an implementation plan of our initiatives that will realize our strategic themes, with a clear governance and project structure.*

**MISSION**

**PROMISE**

**ATTRIBUTES**

**ECOSYSTEM**

**THEMES & INITIATIVES**

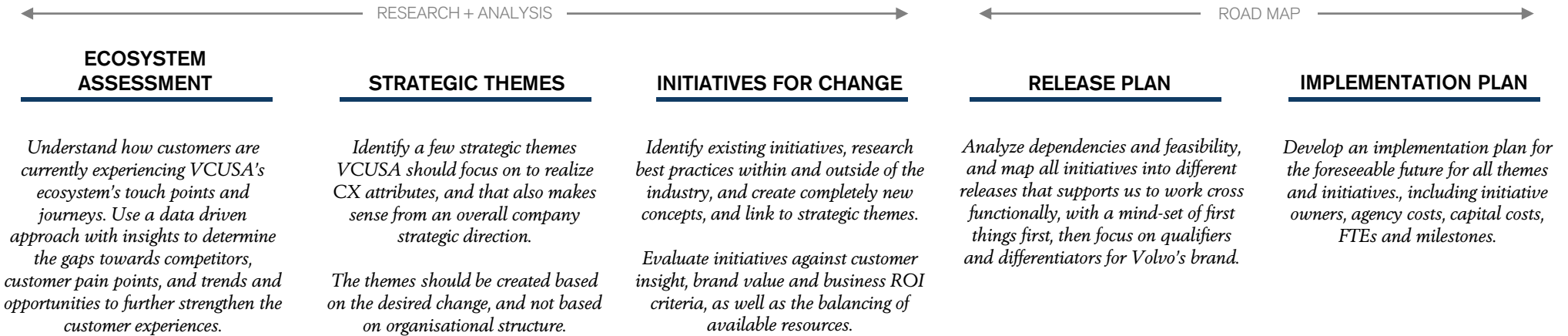
**ROAD MAP**

CX BRAND FOUNDATION

CX GOALS & PLANNING



# CX STRATEGIC METHODOLOGY



# CUSTOMER EXPERIENCE ECOSYSTEM



**VOLVO BRAND** ➤ **CUSTOMER INSIGHT** ➤ **ROI DRIVERS**



**V O L V O**  
*The Brand on the  
Move*

**SRM** EXECUTIVE NETWORK  
HR PEOPLE + STRATEGY