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1. Task 1: Tesla Motors Opportunities and Challenges Analysis:

Tesla Motors has become a global market leader in electric, sustainable, digital, and reliable vehicles. The company focused on providing an extended driving range with a single charge and

a desirable feature of autonomous driving in its modern and advanced vehicles to create attraction for customers. The company is equipped with modern and digital technologies to disrupt old technologies and provide ease of affordable vehicles to prospective customers. The business organization is operating in an agile and disruptive business environment which brings several opportunities and challenges for the company to operate successfully in the global automotive industry (Tesla, 2025). Major opportunities, challenges, and digital transformation objectives of Tesla Motors are given below:

1.1 Tesla Motors Opportunities:

Tesla's expansion and global recognition are mainly due to its use of advanced digital technologies and their positive environmental impact, which is linked to manufacturing sustainable products. Tesla is a market leader in full-self-driving (FSD) as the company has gained expertise in autonomous driving technology which can help the business organization monetize its autonomous driving technology through software subscriptions, licensing, partnerships, and joint ventures with other market players (Schöttle, 2024). The company has established its competency in the market of autonomous driving. It can collect vast data for training artificial intelligence models in autonomous driving which can help the company improve technology and provide superior autonomous driving capabilities to the customers compared to other market players (Chen, 2024).

The company can also launch a robotaxis network using autonomous driving rides for customers all over the world to generate more business revenue and improve the profitability of the business. The company also has vast opportunities in its sustainable products due to the high demand for the power wall, megapack, powerpack, solar integration for car charging, and building its charging stations in the countries of business. The company can expand its business operations to the areas of the world where sustainable vehicle demand is continuously increasing due to their positive impact on environmental health (Wang, 2024).



Fig.1 (Matthews, 2018)

1.2 Tesla Motors Challenges:

The business organization is facing many challenges in a digital disruptive environment which include increasing competition in electric vehicles, autonomous vehicles, and long-range electric vehicles due to increased demand in the market. The major competitors of the company such as Toyota, Ford, General Motors, Volkswagen, and several others are heavily investing in electric and autonomous driving vehicles to capture more market share which is also proving to be a challenge for Tesla (Hopkins & Lazonick, 2024). Another major challenge faced by Tesla is rapid technological obsolescence which if ignored can lead to the failure of the company as a whole. The company is facing challenges of evolving technologies related to AI, autonomous driving, battery tech, and digital technologies are pushing the company to invest more in research and development to go ahead of its competitors to be the first choice of its customers worldwide (Singh, 2024).

The company is also facing increased challenges of cybersecurity risks as the company vehicles are highly connected which leads to increased unauthorized access to the vehicles, affecting autonomous driving vehicles, and also data privacy risks. The company needs to focus

continuously on these risks to build customer trust and provide them with secure rides. The failure to protect customer data and their lives can also cause huge losses to the company in the shape of lawsuits and declining goodwill in the market (Szymonik, 2024).

1.3 Tesla Motors Digital Transformation Objectives:

The company acknowledges that to improve its pace of progress it is necessary to improve the pace of digital transformation of Tesla as the survival of the company is closely connected with it. The digital transformation objectives of Tesla include the development of autonomous driving technology using modern digital tools such as deep learning and AI to reduce flaws and make the customer journey safe (Ojji, 2024). The company also aims to use machine learning and neural networks to improve its capabilities of self-driving vehicles with real-world data to counter the challenges successfully.

Tesla aims digital transformation of the company to improve over-the-air (OTA) updates to the existing vehicles to equip and update autopilot features of the vehicles. The company aims to improve its business operations by using the Internet of Things (IoT), cloud-based applications, machine learning, and AI (Ghar, 2024). The company has spent up to \$6.1 billion on ICT and digital transformation of the company during the year 2024 which helps improve operational efficiency and the ICT department of the company (Globaldata, 2024). This huge investment is also helpful for the company to improve direct communication with the customers as Tesla sells the vehicles directly to the customers through online platforms which reduces interference of dealers and also improves the profitability of the company (Zada, 2024).

2. Task 2: Tesla and the Digital Business Agility Model:

The business organization is concerned with remaining competitive in the market, capturing more market share, and becoming a trusted name for the customers. The company is focusing on its business processes to identify gaps and weaker areas to make agile improvements and reduce unproductive costs in the business organization (Dabić, et al., 2021). The digital business agility model consists of three main areas hyper-awareness, informed decisions, and fast execution which can be further subdivided into two more areas each which include situational awareness, behavioral awareness, inclusive decision-making and augmented decision-making, dynamic processes, and dynamic resources (Bittinger & Yngve, 2024) As can be seen in the model below:

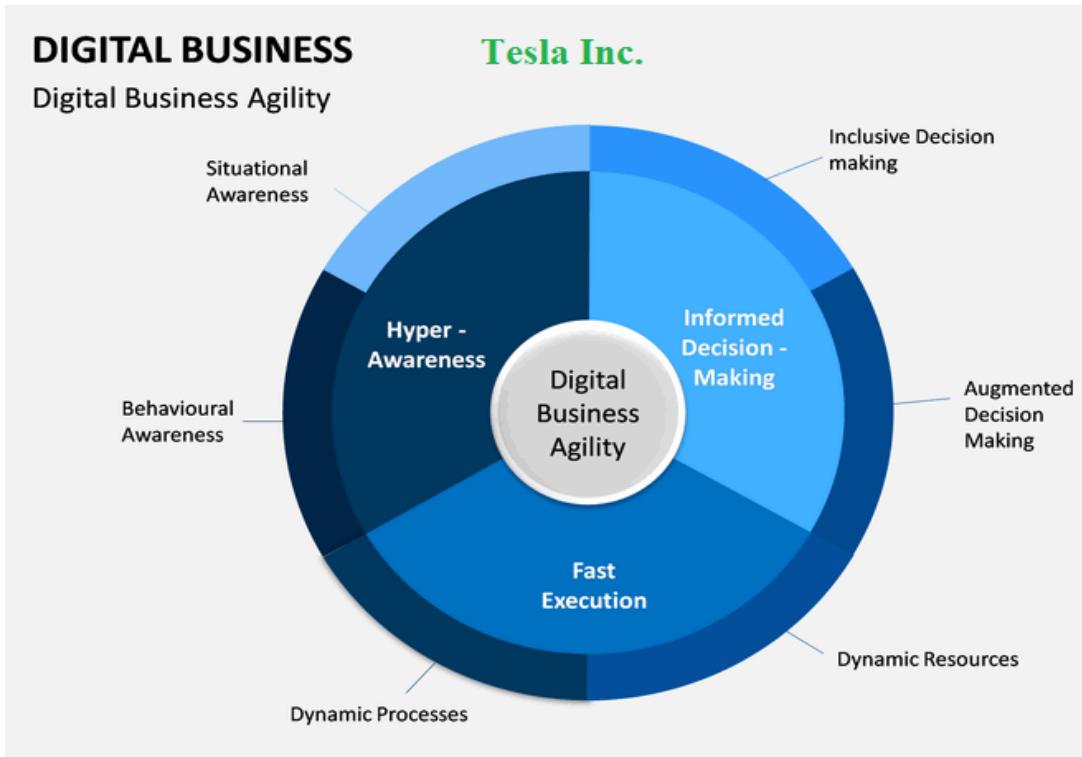


Fig. 2 (Junior, et al., 2024)

Hyperawareness helps the business organization to detect changes in technological advancements and the business environment to effectively compete in the market. The company can get awareness from its internal sources such as employees and external sources such as customers, competitors, and business partners. Informed decision-making is beneficial for the company to get real-time information and then make better decisions instead of considering past information and decisions. Fast execution is crucial for Tesla to utilize hyperawareness and informed decisions for effective implementation and put the plans into practice to become successful (Rane & Narvel, 2021).

The emerging technologies are beneficial for Tesla to continue its leadership in the market in EVs and the following are technologies proposed and evaluated for the business organization:

2.1 AI and Machine Learning:

Tesla is engaged in manufacturing and providing electric vehicles, self-driving vehicles, and several other products that use artificial intelligence and machine learning. It is evaluated that the use of AI and machine learning technologies is essential and beneficial for the company to support and run self-driving cars as they use deep neural networks, ultrasonic sensors, automatic systems,

and radars to process real-time data taken from cameras and other input devices and then make decisions to operate smoothly (Wang, 2024). These systems help the vehicles to detect objects, lane recognition, 360-degree vision and avoid unwanted events easily. AI is also beneficial for the company to predict component failure in its manufacturing lines make schedules for proactive maintenance and improve the operational efficiency of assembly lines through AI-driven automation at manufacturing facilities (Zoppiello & Orlandi, 2022).

2.2 Internet of Things (IoT):

The company operates its business operations by integrating IoT-connected devices, cloud-based controls, and real-time data collection to avoid hurdles and failure risks. It also helps the company vehicles to use smart vehicles for everything (v2x) communication to communicate with other cars, cloud services, traffic updates, safety alerts, and better navigation which leads to better services for the customers (Sun, 2024). The company can also enhance the use of the supercharger network by integrating with other energy centers to optimize energy distribution and effective vehicle charging at all points. IoT systems of the company can also help the customers to check battery levels, location of the vehicles, temperature, and working of the vehicles remotely as well and the engineers can fix software problems easily sitting at remote positions (Kesavaraj & Shabanabi, 2024).

2.3 Extended Reality (XR):

The business organization uses virtual reality in simulations to design and conduct tests even before the production of the vehicles. This technology can also be used by Tesla to visualize components at the assembly line in the factory. Augmented reality (AR) is used in the company by technicians who use smart glasses equipped with AR technology for remote assistance and guided repair instructions to smoothen business operations. It is also used to improve operational efficiency and troubleshoot issues at manufacturing facilities (Raković, 2024). The extended reality (XR) is used to train company employees in vehicle assembly, maintenance, and customer services to ensure customer satisfaction which is the ultimate goal of the company. The company can also use extended reality for building Tesla dashboards and heads-up displays to provide better controlling and monitoring methods to the management. It is also proposed that these emerging technologies can help the company to improve products and customers experiences (Soltanifar & Smailhodžić, 2021).

3. Task 3: Tesla and Digital-Ready Culture:

Tesla can become a successful business organization by achieving digital transformation objectives, implementing emerging technologies, and using the four pillars of digital culture to remain competitive and profitable in the market (Chithra & Bhambri, 2025).

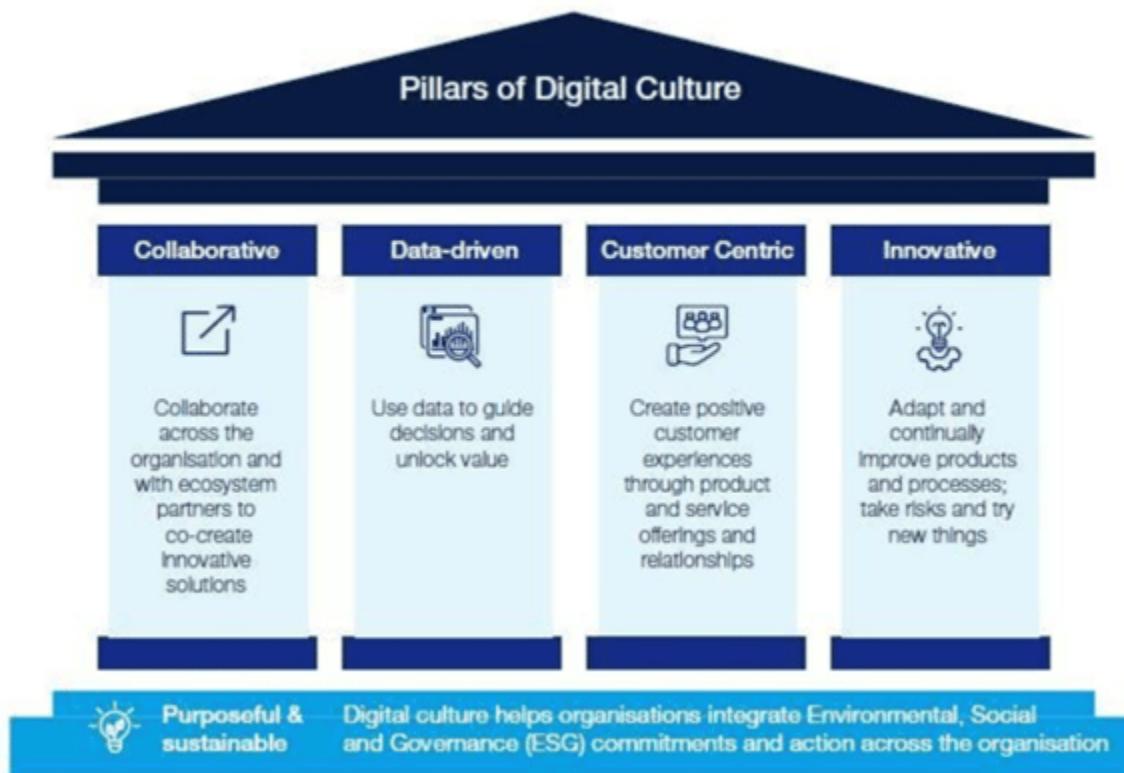


Fig. 3 (Velosio, 2022)

The pillars of digital culture for Tesla implementation are given below:

3.1 First Pillar Collaborative:

The collaborative pillar of digital culture can help Tesla promote transparency in business operations and establish better relationships within the teams in the business organization. This pillar emphasizes that teamwork should be given more importance to promote a culture of collaboration to achieve business goals. Tesla can also improve collaboration with its partners such as suppliers as their cooperation is crucial in meeting the production demands and earning the targeted business revenues. The company can also use cloud-based platforms and collaboration

software such as slack and Microsoft Teams to improve collaboration in the business organization (Eberl & Drews, 2021).

3.2 Second Pillar Data Driven:

The business organization can enhance its operational efficiency by prioritizing data collection from AI tools and data analytics tools which help to make better decisions. Data provides a solid base for the strategic management to make better and well-informed decisions. The data driven pillar of digital culture leads to make the business organization futuristic instead of traditional and historical. Tesla can use business intelligence software (BI), data visualization, and AI-driven analytical tools to make better business decisions (Leal-Rodríguez, et al., 2023).

3.3 Third Pillar Customer-centric:

This pillar is crucial in establishing the long-term business strategy of the company to make it customer-centric or otherwise. Tesla focused on becoming customer-centric business organization as it worked on providing unique customer experience, building better relationship, and dealing directly with the customers to decrease the intermediaries. This customer-centric approach helped the company to improve its vehicles and become a leader in the electric vehicles. The customer-centric approach allowed the business organization to sell its products directly to customers and getting the feedback directly which revolutionized the business operations of Tesla (Eberl & Drews, 2021).

3.4 Fourth Pillar Innovative:

Tesla is considered to be a successful market player in electric vehicles due to its innovative approach as it has continuously introduced more facilities for the customers such as long-range electric vehicles, autonomous driving, and more advanced features. Tesla needs to focus on innovative digital culture to go ahead of its competitors and should invest more in research and development to be an innovative leader in the auto industry. Innovative digital culture is crucial for market leadership as technological advancements work as a competitive edge and leads to enable the business organization to earn more business revenue and profit. The innovative products are preferred and demanded by the customers due to their numerous benefits such as autonomous driving vehicles of the company provide ease of driving without human efforts which ensure safer journey and no tiredness for the customers (Wijaya, 2024).

4. Task 4: Digital Leadership Styles and Tesla:

The proposed digital leadership styles for the company include hyperaware agile leaders and ethical-tech leaders.

4.1 Hyperaware Agile Leaders:

The leaders who possess a heightened sense of awareness about the business environment are considered as hyperaware agile leaders. The proposed digital leadership style is beneficial for Tesla as these leaders anticipate market changes, identify market fluctuations, find more opportunities, and quickly respond to benefit from the changes in the market. These leaders have deep insight into famous market trends, changing customer needs, technological advancements, and ability to respond quickly to the impacts (Woro & Herachwati, 2024). The Hyperaware agile leaders in Tesla can identify trends in electric vehicles and related products and quickly respond to the global market trends to remain competitive in the market. The company leaders can also anticipate the changes in autonomous driving vehicles, improvement in batteries, energy storage ways, AI, data analytics, and robotics. The hyperaware agile leaders can make quick decisions as Tesla provides ease of flat organizational structure for these leaders to make quick decisions to achieve business goals (Woro & Herachwati, 2024).



Fig.4 (Wijaya, 2024)

The hyperaware agile leaders can also play an important role in scaling the business organization toward success as Tesla allows flexibility in its manufacturing facilities which can help the leaders to make right and quick decisions. The company also allows the managers and leaders to learn from their experiences and failures are not taken critically but taken as a step toward new opportunities which leads to enhance confidence of hyperaware agile leaders and also allow the business organization to make progress (Fatima & Masood, 2024).

4.2 Ethical-tech Leaders:

The business organizations gain positive popularity in the customers who prefer ethics over business practices and Tesla is concerned more with ethics in providing the products to customers. The ethical-tech leaders prioritize social responsibility, transparency, and integrity in making company products. It can be further explained that Tesla is against the products which emit carbon and pollute the environment so the company prefers sustainable products which are beneficial for customers as well as for the environment (Moles, et al., 2024). The leadership of the company allows for implementing ethical standards at the business organization to avoid conflicts and harm to the interests of society. The ethical-tech leadership style is proposed for the company as these leaders can play better role for Tesla, customers, and the environment. The manufacturing facilities of the company run on renewable energy which helps to reduce carbon emissions to the environment and inspires other market players to adopt sustainable business practices to improve environmental health. The ethical-tech leadership style is good for the company to continue with existing sustainable business strategies and to enhance its goodwill in the market. These leaders also focus on providing more safety features in the vehicles without affecting the performance of vehicles which is demanded by majority of customers (Moles, et al., 2024).

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