



Volkswagen case

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Methodology

- Analysis research data
 - Content analysis
 - Case analysis

Volkswagen brands



Volkswagen



Audi



SEAT



ŠKODA



BENTLEY



BUGATTI



LAMBORGHINI



PORSCHE



Commercial
Vehicles



SCANIA



MAN



DUCATI

VOLKSWAGEN FINANCIAL SERVICES

AKTIENGESELLSCHAFT

Volkswagen company

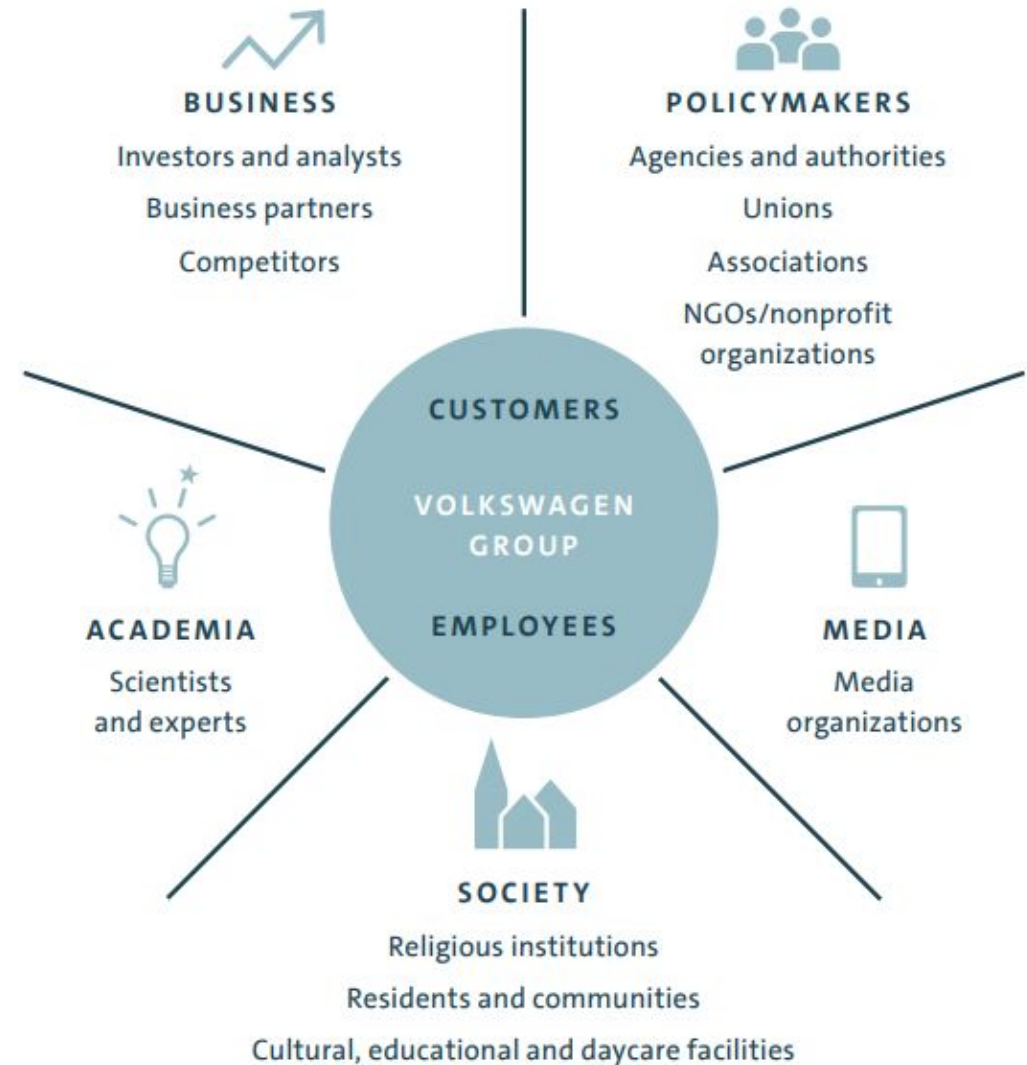
- 1937 – founded by German Labour Front; Wolfsburg, Germany.
- Volkswagen Group (flagship marque) – the largest automaker by worldwide sales in 2016.
- Volkswagen Group of America, Inc – a branch, wholly owned subsidiary of Volkswagen AG.

Number of employees at December 31, 2016	626,715 (+2.7%).
Vehicle sales in units	10,391,113 (+3.8%)
Production in units	10,405,092(+3.9%)
Sales revenue (mln, EU)	217,267 (+1,9.9%)

Volkswagen stakeholders

- Key stakeholders are customers and employees.
- Markets:
 - North America
 - Europe
 - Asia-Pacific region
 - South America ↓

STAKEHOLDERS OF THE VOLKSWAGEN GROUP





The “Diesel Dupe” case

- September, 2015 – the Environmental Protection Agency (EPA) found a “defeat device” in diesel engines that could change the performance in case being tested.
- 482,000 cars in the US; 11 mln cars worldwide;
- November, 2015 – Volkswagen found irregularities in tests to measure carbon dioxide emission levels.
- “Defeat device” hid up to 40 times nitrogen oxide pollutants above allowed in US.

Why did it happen?

2008 – new Chair
A plan to recover after 2007

Pressure

Others do

Genius device

A system that is
difficult to stop

Volkswagen reaction





Recommendations



Admit the failure

Reconsider company`s values

Be transparent

Conduct trainings

Involve senior management

Make a person in charge of tracking company` CSR activity



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