

Greenwashing in the Automobile Industry

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Notes**

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Conclusion - Islam

The Root Cause Analysis (RCA) of the greenwashing practices of Volkswagen highlights that the Dieselgate scandal cannot be viewed as a single technical failure, but rather as the result of a complex interaction between physical, human, and organisational factors. This supports Adair's (2019) argument that organisational crises typically arise not from isolated errors but from systemic weaknesses in decision-making and leadership. Grouping the causes into these categories makes it clear that the scandal was the predictable outcome of deeper structural issues rather than an unfortunate accident. From a physical perspective, the RCA identifies genuine technological limitations in achieving full sustainability within the automotive industry. Designing vehicles that meet strict real-world environmental standards poses major engineering challenges, an issue also noted in governmental analyses of emissions testing (GOV.UK, 2024). These difficulties likely contributed to Volkswagen's decision to pursue shortcuts rather than long-term innovation. Additionally, the industry's continued reliance on fossil fuels fundamentally restricts sustainability progress. The pressure to present diesel engines as environmentally friendly—despite their dependence on carbon-intensive fuels—created conditions in which greenwashing became an attractive strategy. These physical constraints did not justify Volkswagen's actions, but they formed part of an environment where deception could flourish, as also documented by investigative reports (BBC, 2023). Human factors identified in the RCA reflect the role of consumer behaviour. Modern consumers increasingly demand environmentally friendly products and are willing to pay more for "green" alternatives, as demonstrated by Topal's (2020) findings. This demand created strong incentives for Volkswagen to market diesel vehicles as "clean." At the same time, the RCA shows that consumers often experience confusion about environmental terminology due to limited expertise or understanding of emissions data. This vulnerability made Volkswagen's claims more convincing and contributed to the longevity of the deception. Such factors illustrate Proctor's (2019) argument that innovation and problem-solving must be transparent and ethically aligned, as public misunderstanding can easily be exploited. The organisational causes in the RCA were the most direct contributors to the scandal. Volkswagen's leadership placed excessive emphasis on minor green attributes, promoting superficial environmental features while ignoring the substantial ecological impact of diesel emissions. This behaviour is consistent with what Siano (2017) describes as "green glossing," where companies exaggerate minor improvements to appear environmentally responsible. Additionally, Volkswagen capitalised on growing consumer demand for greener products by presenting itself as a sustainability leader, even as it actively installed defeat devices to avoid compliance. These organisational behaviours reveal broader cultural issues—weak ethical oversight, lack of accountability, and prioritisation of short-term market gain over long-term transparency. Adair's (2019) emphasis on leadership failures is therefore particularly relevant, as unethical practices became embedded within Volkswagen's corporate culture. In conclusion, the RCA demonstrates that physical limitations created the challenge, human factors enabled the continuation of the deception, and organisational misbehaviour ultimately allowed greenwashing to occur on a large scale. Together, these elements show that greenwashing thrives when companies exploit technological constraints and public expectations to gain competitive advantage. As highlighted by both academic and investigative sources (BBC, 2023; Proctor, 2019), the Dieselgate case should prompt organisations to adopt stronger ethical leadership, greater

transparency, and meaningful investment in sustainable innovation to prevent similar scandals in the future.

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