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Introduction

Strategic management must be used consistently on all of the necessary parts for an organization to reach its goals. Because the business world is always changing, companies will need to check in on how well their current strategies are working (Hassan, 2019). The strategic management process helps businesses take stock of where they are, come up with plans to improve things, put those plans into action, and then figure out how well those plans worked. In this paper, we'll look at how Volkswagen manages its business in the long term.

Company profile:

Most people think that VW is one of the best car companies. Volkswagen began in 1937. It is one of the most well-known German car companies. VW can make 8.09 million cars per year, but it has a wide range of cars to choose from. Volkswagen will have sold more cars than any other company by the year 2020. This company makes more than just the well-known Caddies, Caddies Maxis, Transports, and New Crafters. It also makes unique car bodies, cylinder heads, and steering gears. The company's annual report for 2020 says that it made \$254.6 billion in sales. The company has made a total of \$9.52 quadrillion dollars in profits. Even though the company has 6,62,575 employees all over the world, they are still able to give its customers reliable, high-quality goods (Mačaitytė and Virbašiūtė, 2018).

Potential business strategies of VW from the last 5 years

The automotive industry is very competitive in every region of the world; nevertheless, the many different automobile manufacturing companies must face unique obstacles in each market. To be completely truthful, every Volkswagen model is in a fairly terrific spot as of right now. There have been positive reports about the group spreading throughout a lot of countries, including China, Brazil, Russia, and India. It has been challenging for Covid 19 to achieve the boost in sales that was anticipated for the year 2020. During that year, revenues dropped by 15%. The automotive manufacturers Toyota, Honda, Nissan, Ford, and General Motors are among the most recognizable brands in the entire globe (Mansouri, 2016). The company believes that it will be able to achieve its goals for future growth and become the most successful sales company in the world.

Because it transitioned to manufacturing practices that are less harmful to the environment, the VW Group has enjoyed a great deal of success in Europe over the course of the previous five years. The majority of its rivals had only recently begun

manufacturing hybrid cars. It was a clever ploy to capitalize on potential customers' concerns about the environment to increase sales of hybrid vehicles (Hassan, 2019). Given that this was the case, there was no need for them to be concerned that they would have a difficult time entering the market for hybrid products. People were more likely to purchase them because they were released earlier in comparison to similar products that were released later (Merwitz, 2020). To fulfil the ever-increasing customer demand, the VW Group expanded the scale of its production facilities. Around this same period, the initial construction of the first VW Group facility in China was completed.

The VW Group established additional manufacturing facilities in Asia in a period that was far shorter than three years. The number of automobiles manufactured increased from 200,000 to 500,000 by the time the third year came to a close. (Merwitz, 2020). After the first three years, Volkswagen Group had begun producing automobiles in India as well as in Africa. The beginning of the second year saw the launch of not one, but both of these brand-new enterprises. Before embarking on its massive expansion, the corporation has been putting in a lot of effort to enhance its standing in the eyes of the general public (Valentini and Kruckeberg, 2018). They wanted to avoid giving the impression that they were "European invaders" to the Asian market.

After a short introduction, we'll get into an analysis of VW's strategy:

SWOT Analysis

Strengths	Weaknesses
Established brand	Emissions cheating scandal
Wide range of car models	Dependence on the European market
Strong financial position	Dependence on fossil fuel cars
Diversification of revenue	Perception of lower quality compared to competitors

Opportunities	Threats
Growing electric car market	Intense competition from rivals
Increasing demand for SUVs	Stricter government regulations
Expansion into emerging markets	Supply chain disruptions
Technological innovation	Potential lawsuits and legal penalties

The SWOT analysis table provided for Volkswagen lists the internal and external factors that can impact the success of the company.

Strengths: Volkswagen's established brand, a wide range of car models, strong financial position, and diversification of revenue are listed as strengths. These factors give Volkswagen a competitive advantage over its rivals.

Weaknesses: Volkswagen's emissions cheating scandal, dependence on the European market, dependence on fossil fuel cars, and perception of lower quality compared to competitors are listed as weaknesses. These factors put Volkswagen at a disadvantage compared to its competitors.

Opportunities: Volkswagen has opportunities to improve its position in the market by taking advantage of the growing electric car market, increasing demand for SUVs, expanding into emerging markets, and technological innovation.

Threats: Volkswagen is faced with threats such as intense competition from rivals, stricter government regulations, supply chain disruptions, and potential lawsuits and legal penalties.

[The resources and capabilities Volkswagen used over the past five years](#)

Volkswagen's current position in the society in which it works is a direct result of the company's use of many different resources. The company started in Germany, but it has

used several tools and strategies to become a major player in many countries. During the past five years, the company has used many tools, such as human resources (Pries and Schweer, 2008). The company has gone through a lot of trouble hiring only the best experts in their fields. So, the company's leadership teams and middle-level employees should be praised for their smarts, talent, and Driving certification, all of which have contributed to the company's success both at home and abroad. Every year, they hire more people to add to their workforce. As they build their revolutionary new model, they are putting together a great group of new employees. The company offers competitive pay and promotes from within when it makes sense to keep the people they already have on staff. Employees are expected to give regular reports on their performance that can be looked at in the context of the company's goals. Because the management style is based on authoritarianism, workers are often told what to do (Volkswagen, 2022).

The business has used the money it has to expand its operations. The money that an organization has used. When compared to other German automakers, the rate of sales growth is seen as good. Even though there is a lot of competition around the world, the return on investment has stayed the same. In recent years, the rate at which incomes are going up has also sped up a lot. Both new investments in the form of international diversification and the company's use of technology to make and keep making money have been linked to higher profits. The resources of a certain company have helped it build a great reputation in many countries, including Germany. The company's continued dominance and competitiveness on the world stage can be attributed to the fact that its finances are in good shape. If the company can't keep healthy financial reserves, it could lose market share and the trust of its customers.

Employees who are smart, hardworking, and skilled have helped the company in branding, marketing, and coming up with new ideas (Merwitz 2020).

[The way Volkswagen tried to become more competitive while taking into consideration sustainability and the environment](#)

Volkswagen's current plan to reach its business goals is to offer a wider range of products so that it can better serve customers in all of the markets it works in. The company is outsourcing its business tasks to increase the number of products it sells and cut costs so it can stay competitive. The company's branding efforts have helped it build a strong reputation as a leader in its field. The company has done more than just make a successful line of products; it has also built up a strong brand name. Another good thing about the

company is that it has spread to countries all over the world. Because of its success, this company has gotten ahead of its competitors in more than one country (Merwitz, 2020).

Volkswagen has done well, as shown by the fact that they are now in over 150 countries and have 70 places where they make cars. Brands are becoming more familiar to consumers, which has also slowed (Ansoff et al., 2018). The company's top goal is to help customers as soon as possible. It is possible to make 40,000 cars a day (Lee et al., 2021). The company has enough money to grow into new areas and improve the ones it already has. R&D is a very important part of organizations in the modern world. The business is built on the high quality of the cars and the innovative nature of the technology used by the company.

The company is getting a bigger piece of the global auto market (Porter, 2008).

Volkswagen has made sure that a lot of people in all parts of the world have affordable and reliable ways to get around. The strategy of the 2030 Group is a way to solve problems both now and in the future (Boston, 2017). The company's stated goal is to make transportation options that can be used by people now and in the future. The "Mission Statement Environment" gives an overview of our work on the environment. It talks about things like climate change, resources, air quality, and making sure we follow the rules. The Group Environmental Policy Statement tells how the company plans to be a leader in protecting the environment (Zhang, 2017). This kind of commitment means being able to lead, following all laws and rules, and working with people who have a lot of power. The way group companies and brands treat the environment is in line with what they believe in. The company knows how important it is to be a leader in environmental issues at all of its production sites, but it falls far short of that goal. Volkswagen cares about the environment from the time an idea is first thought of until it is thrown away. This means that when making decisions, the company thinks about the whole production process, from mining to recycling. This makes sure that not only is the environmental impact taken away from the plants, but also that the impact on the environment is lessened or even gone (Valentini and Kruckeberg, 2018).

[The way sustainability practices can help the VW Company to develop competitive advantages](#)

The sustainability strategy is important because it helps the organization have less of an effect on people and the environment while also raising the bar for other important metrics,

like financial growth. Sustainability strategies are thought to affect not only the company but also the area around it, other businesses, and society as a whole. But it's also true that these strategies improve how well other systems and participants do in terms of sustainability (Hassan, 2019). The long-term health of a business can be improved in one of three ways.

Change, reform, and keeping things the same are all names for these strategies.

Proponents of the transformation plan stressed how important it was to include voices from outside of the usual places where decisions are made. The reform strategy tries to change the laws and rules that are already in place. This is different from the status quo strategy, which focuses on economic growth as the main way to solve environmental and social problems (Valentini and Kruckeberg, 2018).

VW thinks that if it wants to do well financially, it needs to take steps to protect the environment. Some examples of these methods are using cheap methods, taking care of trash well, and using water carefully. As you can see above, less energy and water use, as well as less trash and recycling of that trash, can make a business more competitive. Also, the adoption of emission control systems, the use of packaging impact control systems, and the setting of an early goal to reduce the company's carbon footprint all have a big effect on how competitive a business is. Evidence suggests that VW Group will have a better chance of being a very successful business if it adopts the studied green initiatives (Mansouri, 2016).

Some suggestions are given to VW. After how the Diesel scandal turned out, it's clear that VW needs to make some big changes to how it does business.

The company's leaders must now put a high value on openness, honesty, and giving employees their own space. Most of the company's plans for the future involve ridesharing and electric cars (Pries and Schweer, 2008). These two fields have a lot of potentials, but the brand has to be willing to take some risks. Last but not least, the Asia-Pacific region is becoming more important, which means that more marketing efforts are needed in addition to making things locally. Volkswagen should keep spending on R&D even though it makes and sells a lot of cars. This will help it grow faster.

Fines can cause a lot of trouble, so it's important to pay close attention to compliance around the world.

Conclusion

In the end, it's possible to say that the organization's strategic moves on the market may be very important, especially when looking ahead. Based on the results of real implementations and an analysis of the organization's needs, management and stakeholders seem to agree that the strategy is important. The company's management is responsible for coming up with long-term plans that meet the needs of the business and for focusing on one plan to make it as effective as possible.

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