

# Volkswagen

A Potential Employer for Alliance University Students



Cover 1: Logowik, Volkswagen Logo

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## *Abstract*

Alliance University has become a well-known university at the latest since the move to the city of New York, which can offer its students a large selection of companies and institutions where they can get student jobs or general work opportunities, also due to the good location factor. Due to the large offer and additional factors, such as university duties or sports schedules, it can be difficult for students to find the right company for them and their wishes for a job opportunity. Therefore, I believe that it would be a good idea to investigate companies in more detail and summarize the results of the analysis in order to then create a clear offer with perspective for students. Based on my own experience and my background, I think that Volkswagen is a company that thinks long-term and sustainable and therefore could be an optimal station for our students. In this recommendation letter I will share my analysis results about Volkswagen.

## *Introduction*

### Purpose and Scope:

In this recommendation report, I will analyze the Volkswagen company in terms of different and relevant information and structures for our students. The purpose of this analysis is to share explicit information and structures with you. Furthermore, I aim the analysis to provide our students with a unique opportunity for future potential working student jobs, internships, part-time jobs or even long-term full-time jobs.

### Assumptions:

In my analysis, I assume a positive further development of the company. In addition to Volkswagen's internal factors, external factors, such as the market environment, of course also play an important role, but in my assumptions these factors are positive for Volkswagen. Furthermore, I assume that a lucrative number of students are interested in working at Volkswagen, in areas of finance, management, marketing, communication, sustainability or even mechanics and technology.

### Methods:

I obtained my main information from Volkswagen's international website. In addition, I included my own knowledge from an internship and a phone call with an employee known from the time. I also included various financial portals, such as Onvista, where I could find information about quarterly figures, sales figures, revenue figures, or employee figures in my analysis.

### Limitations:

The recommendation report is written according to my neutral, objective analysis and own experience and is not biased.

## *Background*

Volkswagen AG is a German company founded in 1937 in Berlin, with today's headquarters in Wolfsburg, which is active in the automotive industry. Due to early expansion and international trade/international cooperation, VW is one of the largest automobile manufacturers in the world based on sales, which stood at 8,300,000 vehicles in 2022. In 2022, Volkswagen also increased its own sales to 279 billion euros and has continuously increased its general sales since the company was founded. Worldwide, VW has over 650,000 thousand employees, which are located in Europe, Asia, Africa, South and North America. In the USA, Volkswagen has over 6,000 employees in over 600 different locations. At this point, it can be mentioned that Volkswagen has been a stock-listed company since 1986, which is interesting for investors due to the solutions offered on future topics such as electromobility and digitalization, but also the steadily increasing sales and revenue figures as well as a steadily increasing number of employees. In summary, Volkswagen AG is a traditional, international, growing and profitable company that has a major impact on the automotive market.

## *Topics of Investigation*

### What training is available for employees?

Volkswagen offers its employees a wide range of training opportunities. On the one hand, there is the possibility of receiving further training in person from specialists at a company location. Furthermore, Volkswagen offers a wide range of additional online learning opportunities and materials that are freely accessible to employees. For example, there are various online websites on which employees are encouraged to think and act for themselves. Moreover, there are monthly, freely accessible Zoom meetings for employees, at which various contents are presented. In addition to all these factors, Volkswagen also offers its employees the opportunity to take part in training courses, some of which are free of charge, which in turn have a positive impact on their function in the company as well as expanding their own knowledge.

### How soon is the average entry-level person promoted?

In general, Volkswagen takes a pragmatic approach to promotion. Quality of work, commitment and reliability have the greatest influence on a promotion. At this point, however, it is worth mentioning that Volkswagen also pays attention to an employee's past with the company. For example, employees who have been with the company for a long time and are familiar with the processes and values have a greater chance of being promoted than new and "foreign" employees who have not been with Volkswagen for that long. How long it takes for a promotion, however, always depends individually on the person and their skills.

### How much travel and weekend work are expected?

Volkswagen is a company that has fundamentally classic social working hours. It is therefore usual to work from Monday to Friday and from morning to afternoon. Weekend work is therefore not common, but if so, voluntary training can take place on these days. Due to the expansion, Volkswagen has plants and sales locations on all continents worldwide, which allows employees to make various trips to other locations and work there after consultation with the respective factories. Basically, however, every employee has the possibility to work at his or her "home plant" only.

### Is there a „busy session“, or is the workload consistent year-round?

The automotive market is a very stable market, which has no particular main seasons and resulting sales seasons. Thus, it can be said that a constant workload prevails every year.

### What fringe benefits are offered?

Volkswagen offers a number of additional benefits. These include, for example, that lunch is provided free of charge for employees in the company canteens. Furthermore, Volkswagen offers other additional benefits to their employees, such as insurance and retirement plans or even discounts and rebates if they are interested in owning vehicles from Volkswagen. In addition to these factors, Volkswagen offers 30 days of paid vacation and in some positions, such as finance, employees have the opportunity to work mobile and with flexible working hours.

### What is the corporate culture?

Volkswagen represents an open, diverse and fair corporate culture in which every employee is heard. Figure 2, below this text, shows us an illustration widely used on Volkswagen's international and official website, which graphically represents the corporate culture. The main factors that are included in this diagram are integrity, commitment, accountability, honesty, inclusion and diversity. It can be added that Volkswagen advertises with the slogan "We, not me".



Figure 1: Volkswagen Group Components

### Is the climate non-sexiest and non-racist?

Because of the many manual and physically heavy tasks that have to be performed, about 65% of the employees in Volkswagen plants in the USA are men and about 35% are women. Since the last few years, however, there has been a trend towards an increase in the number of women. At this point, it is also worth mentioning that Volkswagen is the official advertising partner of the USA women's soccer team. This means that the company is also trying to make itself more attractive to more women and thus position itself more broadly and diversely. These facts in combination with the information from the corporate culture and my own experiences show me a clearly non-sexist and non-racist climate in the company.

### How strong is the company economically?

Volkswagen is an economically very stable company, which has been able to increase its sales permanently for many years and is also profitable. The figure below shows the sales revenues that Volkswagen has been able to generate worldwide since 2006. While it had sales revenues of approximately 105 billion euros in 2006, this value is 279 billion euros in 2022. It can be seen that Volkswagen's sales only declined in 2009 as a result of the global financial crisis and in 2020 due to the Corona pandemic.

Over the remaining years, sales have increased steadily and Volkswagen expects this increase in sales to continue in the future.

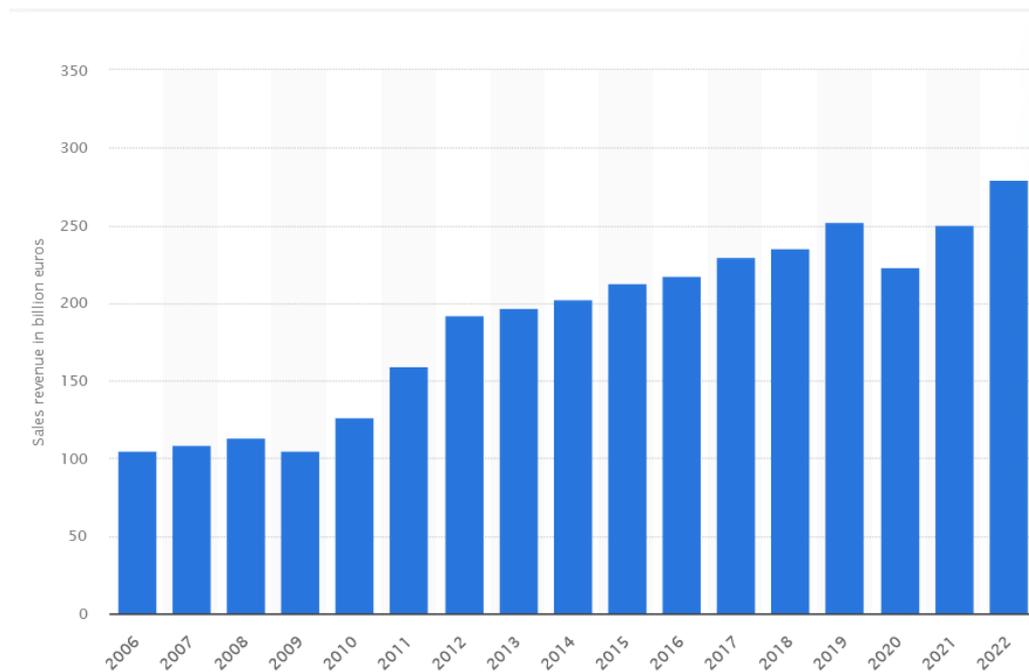


Figure 2: Volkswagen AG's sales revenue, Statista

In addition to the increase in sales, Volkswagen was able to increase their profit by 22.5% in 2022 compared to the previous year 2021, to 2.65 billion euros. In summary, I can say that Volkswagen is an economically strong and leading company in the automotive industry, which operates profitably and with increasing sales and profit year after year.

### How is it likely to be affected by current economic, demographic, and political trends?

Demographic, political, and economic trends have an influence on Volkswagen. However, while demographic trends have a minor influence, economic and political trends in particular have an impact on Volkswagen. This assumption can be explained by the current war in Ukraine, for example. While production facilities in the USA have been relatively spared the effects of the war, production facilities in European countries sometimes have to deal with major problems, such as material procurement or operating costs, which have a negative financial impact on the company. Another example that describes the influence of political trends on Volkswagen is, for example, the current trend toward electric mobility and future directives.

Due to new guidelines, Volkswagen plants and people in management positions already have to develop new strategies and plans to be used in the near future. When the economy weakens and the population has to deal with problems such as high inflation and/or high-interest rates, the purchasing power also decreases and thus has a negative impact on Volkswagen.

### *Conclusion and Recommendation*

Volkswagen is a company that is valued worldwide and operates in an economically profitable and innovative manner. In addition to these factors, Volkswagen offers its employees a wide range of opportunities and relies on fair and equal cooperation in which every employee is valued. For Alliance University students who are looking for a future and innovative company where they can develop themselves and their skills, Volkswagen offers a very good opportunity. Due to worldwide networking and the image, students can take a lot with them for their future. In addition, Volkswagen offers a wide range of opportunities and positions, which students can also use as a guide for their future. In summary, I can say that based on the results of my analysis in this recommendation report, I am of the clear opinion that Volkswagen would be an extremely suitable company for cooperation, as both our students, Volkswagen, and our university would benefit greatly from a cooperation.

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