

Car wars at wolfsburg essay sample



**ASSIGN
BUSTER**

The source of conflict between Porsche and Volkswagen are that both chairman had a breakdown in communication which resulted in different views regarding the company goals and the direction they wanted the company to go. Each chairman had a different perspective on the direction and development of the company; therefore making their goals incompatible which created an internecine warfare between the two. Wiedeking who is Porsche CEO wanted to maximize profit at the expense of the employees; he also displayed a bad attitude toward management which helped to increase the in house conflict between him and the other Chair. Another source of conflict was that Wiedeking believed that Volkswagen could be more profitable if they got rid of the luxurious Phaeton and Bugatti because they are too pricey.

Piech the other chair saw his vision being threatened by Wiedeking which created a conflict of differences amongst the two. The disagreements between the two CEO continued to intensify because Piech placed more emphasis on impressive engineering rather than outstanding profits therefore creating more turbulence between the two. Because the two men didn't communicate their visions to one another before the merger caused many problems which resulted in them displaying relationship conflict between one another.

The conflict handling style exhibited by both in my opinion would be forcing. Although Wiedeking conflict handling style was much stronger than Piech however Wiedeking was trying to win the disparity at each other's expense. The conflict handling style was not appropriate in this case because they were jeopardizing the business. They should have utilized the problem

solving technique where they both tried to find a solution that was beneficial for both of them. They also should have used the compromising technique so that they could have found a common ground in which they both would have had to give up a little something in order to gain something so that the growth and development of the company wouldn't have been jeopardized. Because they were not able to resolve their conflicts, Porsche ended up in financial trouble resulting to the termination of Weideking.