

All You Wanted to Know About How to Write a Case Study

Audi Trains Mexican Autoworkers in Germany

In the modern world, large multinational corporations often start up branches in overseas countries to realize more profits and obtain a significant market share. However, the corporations consider a plethora of factors mainly technological, environmental, political, legal, and resource availability before they can start up the overseas branches. Every corporation has its own distinct way of doing business, culture, and values that the workers must conform with to realize the company set goals and preferences; hence in a move to instill the business culture, the corporation conducts employee induction and orientation. Audi is one of the largest automotive companies in the world and has its headquarters in Ingolstadt, Germany; thus, it establishes some of its overseas branches in Mexico to build on the market share and overall profits.

The video talks about the move by Audi automotive company to introduce one of its overseas branches in Mexico and not in the U.S since Mexico is a free trade area for the European Union (EU). In this connection, the corporation trains its potential workers in different fields in the assembling industry to gain the experience they will use in the new branch in Mexico. In the film, professionals such as Martha Palacios who is an Industrial Engineer for Logistics is training how to manage Audi systems and her work when she goes back to work in Mexico in the same position. Besides, to realize standardization, Hubert Walzl a member of the executive board says that they are training people at the headquarters because they have the same processes and same machines that they are installing in Mexico to ensure that the new workers acquire the requisite skills and experience right from the beginning that they will take back to Mexico.

Moreover, the business culture is a critical aspect for a company that operates in the international market since it would like to maintain its brand name, hence customer loyalty.

Therefore, the management of Audi automotive takes the Mexican workers to a training process in Germany to show them what is expected of them and how to do things in the Audi way. For instance, Palacios who is training to be an Industrial Engineer for Logistics at the Audi branch in Mexico accompanies Claus Steppan, the Industrial Engineer for Logistics, Audi headquarters to meetings, assembly lines, and warehouses where she is taught how to manage the systems and culture of the corporation. Even though the trainees acquired the necessary skills and expertise that will enable them to work effectively in Mexico, they experienced an array of problems such as language barrier and cultural difference.

In the era of international trade, purchasing power parity (PPP) theory asserts that the price of a particular identical good should be roughly equivalent in each country. However, to realize this, the multinational corporation must ensure standardization of its products; therefore, it is essential for Audi to train its Mexico workers at their headquarters to obtain the standard skills and experience for the company. Furthermore, different countries have different legal rules and regulations that can allow or inhibit trade with other countries. Stringent bottlenecks such as tariffs, ban, and quotas restrict trade between two or more countries; however, Mexico and any European country are in an economic integration that allows free movement of goods and services between the states, hence promoting trade. Audi as a European company finds it profitable to establish an overseas assembly point in Mexico because of the free trade area.

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