

## 2.5A: Organisational Culture: Activity



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### 2.5 ORGANISATIONAL CULTURE: ACTIVITY A

Read the case study below and answer the questions that follow.

#### PORSCHE CULTURE CONTRIBUTES TO SUCCESS



Perhaps one of the reasons for the astonishing success of the Porsche manufacturing business is the culture embodied by the views of its former boss, Ruby Wells. “The Porsche philosophy is that first comes the client, and then come the workers, then the suppliers and finally the shareholders. When the first three are happy, then so are the shareholders.” Compare this with the typical view in US- and UK-based businesses that often promote ‘shareholder culture’ as being most important. These differences in outlook and culture help to explain why high profile

integrations between BMW and Rover Cars and then Chrysler and Mercedes-Benz were such disasters.

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**QUESTIONS: 20 MARKS, 35 MINUTES**

1. Define the term 'corporate culture'. **[2 marks]**
2. Outline **two** factors that may have affected Porsche's corporate culture. **[4 marks]**
3. Analyse why Porsche's philosophy of focussing on the needs of clients, workers and suppliers will ultimately satisfy shareholders. **[6 marks]**
4. Discuss the problems of adapting the corporate culture of a car manufacturer when it is taken over or merges with a foreign car manufacturer. **[8 marks]**