



Hai Dinh

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### Discussion# 1: Value Innovation - Figure 1-2

#### WSJ ARTICLE: Nissan Ousts CEO Saikawa as Car Maker Seeks to Revive Business

Nissan Motor Co. Chief Executive Hiroto Saikawa is resigning due to controversy (McLain, S. 2019). Nissan's board has sought the removal of Mr. Saikawa after a thorough investigation in 2013, found that as a former executive vice president, has received improper performance-based compensation of an estimated \$439,000. The investigation found that Mr. Saikawa has collaborated with his colleagues to falsified documents to increase performance pay, and Nissan identifies his actions as inappropriate but not categorize as misconduct, (McLain, S. 2019). The company believes the removal of Mr. Saikawa will improve the overall business of the company, eliminating corruption internally, and re-adjust oversight between the board and Nissan management to improve the integrity and performance of the company. The immediate change in Nissan management was to focus on the restructuring of organization management. Eliminating unnecessary cost to the organization and re-investing the money into the overall performance and innovation of the company. The forced resignation of Mr. Saikawa was necessary due to the scandal that had cost the company hundreds of thousands in unjustifiable payout and eliminating the corruptive nature before it can establish a root within the organization. Renault, the majority stakeholder of the company has collaborated with Nissan take the initial step in reshaping the shareholding structure and review their alliance for the better of the business. Conclusively, this strategy is in the hope of reviving the business.

Reference: McLain, S., & Wall Street Journal. (2019, September 10). Nissan Ousts CEO Saikawa as Car Maker Seeks to Revive Business. Retrieved September 10, 2019, from <https://www.wsj.com/articles/nissan-ceo-saikawa-resigns-11568031651>

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