

# Analyzing a Company: Alfa Romeo

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In this project, we analyze Alfa Romeo as an organization. Alfa Romeo is a well-known Italian car brand that operates in a very competitive and fast-changing industry. The automotive sector is facing major current challenges such as electrification (EV transition), sustainability pressure, new regulations on emissions, supply chain issues, global competition, and changes in customer expectations (for example, more digital features and connected services). These challenges require organizations to adapt their strategies, structures, and leadership decisions over time. For this reason, Alfa Romeo is a good case to discuss how organizations respond to uncertainty and change.

**Keywords:** Alfa Romeo; Organization; Strategy; SWOT

## I. Introduction

### 1.1. Organization Definition

An organization can be described as a group of people who work together in a planned and coordinated way to achieve common goals. Organizations usually have some basic elements: people, goals, resources, and a system that helps coordinate activities (for example, rules, roles, communication, and decision-making). In daily life, we interact with many organizations without noticing it—universities, hospitals, banks, transport companies, governments, and businesses. Because organizations shape how work is done, how resources are used, and how value is created, they have a large impact on society.

### 1.2. Importance of Organizations in Society

Organizations are important in society for several reasons. First, they create employment and income. They also produce goods and services that improve living standards. Second, organizations contribute to economic growth through investment, exports, innovation, and productivity. Third, organizations influence social life by shaping consumer behavior, culture, and even identity. For example, large brands can influence lifestyle choices, technology use, and sustainability awareness. In addition, organizations often affect public issues such as the environment, safety, and fairness in markets. This means that understanding organizations is not only useful for managers, but also important for citizens and communities.

### 1.3. Why Alfa Romeo? (Choice Justification)

We chose Alfa Romeo because it is also an interesting example of a brand with a strong history and identity. It has a reputation for design, performance, and racing heritage, but at the same time it must compete with large premium rivals that have bigger budgets, wider product ranges, and strong global networks. Alfa Romeo is also part of a larger group (Stellantis), which adds another organizational dimension: the brand must balance independence and brand uniqueness with group-level coordination and shared resources. This creates a realistic organizational situation where strategy and structure must align with both internal needs and external pressures.

#### 1.4. Work Objectives

The main objective of this work is to examine Alfa Romeo's history and current position and then analyze the company using key organization concepts. The analysis follows the practical work guide:

- Introduction (choice justification and objectives)
- The Company (history and current position)
- SWOT Analysis
- Current strategy
- Leadership (current leader and key decisions)
- Conclusion

We will use SWOT analysis to connect internal factors (strengths and weaknesses) with external factors (opportunities and threats). This helps us understand where Alfa Romeo is strong and where it has problems, while also considering what is happening in the industry around it. In addition, we will discuss Alfa Romeo's current strategy and how it fits the competitive environment and industry transformation.

#### 1.5. Theoretical Concepts Used

Even though we are students and this is not a professional consultancy report, we still use key ideas from organization studies. One important concept is the idea that organizations are like open systems. This means they do not operate alone; they constantly interact with the environment, such as customers, competitors, governments, suppliers, and technological trends. Another key idea is contingency thinking: there is no single "best" organizational structure for every company. Instead, organizational design should fit the situation of industry conditions, market uncertainty, size, strategy, and technology.

We also consider basic structural dimensions.

These include:

- Centralization (how much decisions are made at the top vs. lower levels),
- Formalization (how many rules and procedures exist),
- Complexity (how many departments, locations, or layers the organization has),
- Coordination mechanisms (how teams and units work together).

These dimensions matter because they influence speed of decision-making, communication, innovation, and control. In a fast-changing industry like automotive, organizations must often balance control (to ensure quality and safety) with flexibility (to innovate and adapt quickly).

Another important part of the report is leadership. Leaders influence strategy, structure, and organizational culture. In this work, we focus on the current leader and key decisions, but we also reflect on leadership as a broader organizational factor—how leaders respond to challenges, manage change, and align people around a strategy.

#### 1.6. Research Method

This project is based mainly on secondary research. This means we use public information such as: official company and group communications (e.g., Stellantis press releases and brand information), business news articles, and general organization theory concepts from our course. This approach is common in organization studies when students analyze real companies without direct access to internal data. The goal is not to "prove" everything like a scientific study, but to build a reasonable and well-structured analysis using credible sources and course concepts.

Finally, the report aims to show that understanding organizations is not only about describing what a company sells, but also about analyzing how the company is designed and managed in a challenging environment. Alfa Romeo helps us connect organization concepts

(structure, strategy, contingency, and leadership) with a real business case in a clear way.

## II. The Company: Alfa Romeo (History and Current Position)

### 2.1. Brief History and Brand Identity

Alfa Romeo is an Italian automobile brand known for its sporty design and strong racing heritage. The origins of the company go back to 1910 in Milan, when ALFA (Anonima Lombarda Fabbrica Automobili) was founded. Later, the name became Alfa Romeo, and the brand built an image strongly linked to Italian engineering, style, and performance.

Throughout its history, Alfa Romeo has been closely connected with motorsport and performance culture. Even during difficult periods, its identity remained associated with a distinctive driving experience and strong design personality. From an organizational perspective, this brand identity is important because it influences strategy, organizational culture, product development decisions, and marketing communication. For Alfa Romeo, ideas such as “being different” and “being emotional” are central to its value proposition.

Over the decades, Alfa Romeo experienced both success and decline as the automotive industry became more global and competitive. Rapid technological change and shifting consumer expectations created pressure to invest in new platforms, safety standards, emissions compliance, and digital features. These industry developments strongly influenced Alfa Romeo’s strategic and organizational choices.

Historically, Alfa Romeo also went through different ownership and group structures. A key milestone was becoming part of the Fiat Group, later FCA, and finally Stellantis after the merger that created Stellantis in 2021. This evolution is important because organizational design changes significantly when a brand moves from operating more independently to being part of a large multinational group.

### 2.2. Alfa Romeo as Part of Stellantis

Today, Alfa Romeo operates as part of Stellantis, one of the world’s largest automotive groups, which owns multiple brands across mass-market, premium, performance, and commercial vehicle segments. Being part of Stellantis affects Alfa Romeo’s organizational position in several ways.

On the one hand, there are clear advantages. Alfa Romeo benefits from access to shared resources such as technology platforms, production systems, purchasing power, and global distribution networks. The group structure also improves the ability to finance large investments, especially in areas such as electrification and digital transformation. Sharing components and platforms helps reduce costs, which is critical in an industry with very high development expenses.

On the other hand, there are also constraints. Alfa Romeo cannot operate with full strategic independence, as many technical and strategic decisions are influenced by group-level priorities. There is pressure to align with cost efficiency targets, platform standardization, and global product planning. At the same time, the brand must protect its unique identity while relying on shared technologies and systems.

This situation illustrates contingency thinking: being part of Stellantis changes the organizational context, and therefore affects how Alfa Romeo designs its strategy, structure, and operations.

### 2.3. Current Product Portfolio and Market Position

In its current market position, Alfa Romeo is generally considered a niche premium brand. Rather than competing through high volumes, it focuses on style, performance, and driving experience. This positioning can be an advantage because it creates a clear and differentiated identity, but it also brings challenges, as premium competition requires strong quality perception, continuous innovation, and effective dealer networks.

Alfa Romeo’s current product portfolio includes models such as the Giulia, Stelvio, and Tonale, as well as the Junior model (initially presented as “Milano” and later renamed). These models show a strategic focus on key segments: sporty sedans and SUVs, compact premium SUVs, and an entry-level offering aimed at broader market access.

The brand also uses special editions and limited series to reinforce its identity and attract attention. In addition, Alfa Romeo has simplified its lineup and trim strategies in recent years. From an organizational point of view, reducing product complexity can improve efficiency in production and logistics, while also making brand communication clearer and more consistent.

#### 2.4. Industry Transformation and Its Impact

A central factor shaping Alfa Romeo's current position is the transformation of the automotive industry toward electrification, sustainability, and digitalization. This transition requires heavy investment and the development of new capabilities, such as battery technology, software integration, and charging ecosystems. It also changes customer expectations, with greater emphasis on range, charging speed, connectivity, and digital interfaces.

At the same time, the speed of this transition differs across regions, depending on infrastructure, regulation, incentives, and consumer readiness. This creates uncertainty for automotive companies. For a niche premium brand like Alfa Romeo, the challenge is to adapt quickly to these changes while preserving its emotional and performance-oriented brand identity.

Recent developments, such as Alfa Romeo's entry into the EV segment with compact models offered in both electric and hybrid versions, reflect this adaptive strategy. These decisions show how environmental pressures, regulation, and competition influence organizational choices and product planning.

#### 2.5. Summary of Current Position

Overall, Alfa Romeo can be described as a historic and emotionally strong brand that is seeking to reinforce its position in the premium segment while adapting to major industry transformations. Rather than competing on volume, the brand focuses on differentiation through design and driving experience, supported by shared resources from the Stellantis group.

This creates a complex organizational situation in which Alfa Romeo must balance brand identity with efficiency, autonomy with group coordination, and tradition with innovation. As a result, strategic clarity, effective structure, and strong leadership play a crucial role in shaping the brand's current and future position.

### III. SWOT Analysis

A SWOT analysis helps evaluate a company by separating internal factors (Strengths and Weaknesses) from external factors (Opportunities and Threats). In this project, SWOT is used to understand Alfa Romeo's current situation in the automotive industry and to connect its internal capabilities with its external environment. This fits well with the idea of organizations as open systems: strengths and weaknesses are internal, but opportunities and threats come from the environment.

#### 3.1. Strengths

- **Strong brand identity and heritage**  
Alfa Romeo has a long history and a clear identity linked to Italian design, driving experience, and performance culture. This is important because in premium markets, brand identity is often a key competitive advantage. Customers do not only buy transportation; they also buy image, emotion, and lifestyle.
- **Distinctive design and sporty positioning**  
Many people see Alfa Romeo as different from mainstream premium brands. The design and driving feeling are part of its differentiation. This supports a strategy where Alfa Romeo competes by offering something unique rather than copying competitors.
- **Support of a large automotive group (Stellantis)**  
Being part of Stellantis provides access to shared resources such as platforms, investment capacity, and global networks. This can reduce costs and make technology development easier, and it can also help the brand survive during difficult economic periods.

- **Emotional connection and loyal customer base**

Alfa Romeo has loyal fans and a strong brand community. This can support marketing and long-term brand value. Loyalty is especially helpful for niche brands because they cannot rely on mass-market volume.

### 3.2. Weaknesses

- **Smaller product portfolio and limited market coverage**

Compared to large premium competitors, Alfa Romeo has fewer models. This reduces its ability to cover many segments and customer needs. In premium markets, wide product coverage helps brands capture more customers.

- **Lower global visibility and sometimes weaker distribution**

In some markets, Alfa Romeo has less visibility and a weaker dealer/service network than big rivals. This can reduce customer confidence and affect sales, especially for premium buyers who expect strong after-sales support.

- **Brand trust and consistency issues**

Even if the brand is attractive, some customers may worry about reliability perception or resale value. In premium markets, trust and consistency are critical because customers pay more and expect stable quality.

- **Dependence on group-level decisions**

Being in a large group brings resources, but it can also reduce flexibility. Some decisions may be centralized or driven by group priorities, which can slow down brand-specific innovation or create compromises.

### 3.3. Opportunities

- **Electrification and new technologies as a chance to modernize** The EV transition creates an opportunity to refresh the brand and attract new customers who want modern technology. New platforms and electrified models can help Alfa Romeo appear more future-oriented.

- **Premium lifestyle demand in some markets**

In many regions, demand for premium and lifestyle products continues. Customers often want unique products and express identity through brands. Alfa Romeo can use its emotional identity to appeal to these customers.

- **Digital marketing and direct customer engagement**

Digital channels allow smaller brands to reach customers more effectively. Alfa Romeo can strengthen community engagement, storytelling, and brand image through online marketing and social media.

- **Selective expansion and stronger positioning in key regions**

Instead of trying to be everywhere, Alfa Romeo can focus on markets where premium demand is high and where its identity can be communicated clearly. Focused expansion may fit the brand better than mass expansion.

### 3.4. Threats

- **Strong competition in the premium segment**

Alfa Romeo competes with brands that have stronger global presence, bigger budgets, and wider product portfolios. These competitors can respond quickly with new models, marketing campaigns, and pricing strategies.

- **Fast industry change and high investment needs**

EV transition, software development, safety regulations, and sustainability requirements demand major investment. Investing too slowly risks falling behind; investing too quickly can increase financial risk.

- **Economic uncertainty affecting premium demand**

Premium car demand is sensitive to economic conditions. When inflation rises or consumers become cautious, premium demand can decline. This is a risk for brands relying on discretionary spending.

- **Regulations and sustainability pressure**

Emissions rules and political/institutional factors influence product planning and manufacturing decisions. For example, Alfa Romeo changed the name of a model from "Milano" to "Junior" after political criticism related to national law and production location showing how external institutions can affect company decisions.

### 3.5. SWOT Summary and Implications

Overall, the SWOT analysis shows that Alfa Romeo's main strengths are its heritage, design differentiation, and emotional brand value, supported by group resources. Its weaknesses mainly relate to scale, market coverage, and consistency perception. Opportunities come from modernization and premium lifestyle trends, while threats are driven by intense competition and rapid industry transformation.

#### Implications for the next sections:

- Because the brand is strong in identity but smaller in scale, Alfa Romeo should focus on differentiation rather than volume.
- Because electrification and regulation are major threats/opportunities, Alfa Romeo needs a realistic transition plan.
- Because the brand depends on group resources, organizational design and coordination inside Stellantis becomes a key factor.
- Because competition is strong, leadership decisions must be fast and aligned.

## IV. Current Strategy

Based on the SWOT analysis, Alfa Romeo's current strategy can be understood as a focused differentiation strategy in the premium automotive market. Instead of competing on high volume like mass-market brands, Alfa Romeo aims to compete by offering a distinctive driving experience, Italian design, and a strong emotional brand identity. This approach leverages internal strengths such as heritage, loyal fans, and sporty positioning.

### 4.1. Strategic Positioning

A clear part of Alfa Romeo's strategy is to maintain the brand as premium and performance-oriented. The company positions itself as "different" by focusing on:

- Design and brand image (Italian style and uniqueness),
- Driving dynamics and a sporty feeling,
- A brand personality for customers who want something "less mainstream."

This differentiation is critical because it gives Alfa Romeo a reason to exist in a crowded premium market. Competing by copying larger premium rivals would likely fail due to their superior scale and resources. A clear identity allows Alfa Romeo to compete in a more focused space.

### 4.2. Product Strategy

As a niche brand, Alfa Romeo must manage product decisions carefully because each model has a large impact on performance and brand perception. There are signs of simplification, such as reducing trims and consolidating the lineup in some markets, while still using special editions to maintain brand identity and generate marketing attention.

From an organizational perspective, reducing complexity can improve:

- production planning,
- quality control,
- cost management,
- and overall communication clarity (a simpler lineup supports a clearer brand message).

### 4.3. Electrification Strategy

A major strategic area is electrification and sustainability. While many brands announced “EV-only by X year” plans, Alfa Romeo has shown a more flexible direction recently by moving toward a multi-energy approach. This reflects the reality that EV adoption does not progress at the same speed across regions due to differences in infrastructure, incentives, energy costs, and customer readiness.

This is a practical example of contingency thinking: strategy is adjusted to environmental conditions rather than following one fixed plan. The introduction of compact models offered in both electric and hybrid versions supports this adaptive approach by addressing different customer needs and market conditions.

### 4.4. Growth Strategy

Another strategic focus is selective growth. Because Alfa Romeo is not a mass-volume brand, it cannot expand everywhere at once. A realistic growth logic is to prioritize:

- markets where premium demand is strong,
- customer segments that value design and driving experience, ● and communication that strengthens identity and loyalty.

This fits the logic of a niche premium brand: it aims to be strong in a smaller space rather than average in a very large space.

### 4.5. Strategy and Organizational Design Fit

Strategy does not work alone; it must fit the organizational design. Alfa Romeo’s strategy is shaped by its context inside Stellantis. Shared platforms and resources support cost efficiency and technology development, but they also require coordination and alignment. In practice, this implies:

- strong cross-functional coordination (engineering, design, marketing, after-sales),
- clear decision-making lines with group-level alignment,
- balancing standardization (platform sharing) with differentiation (brand uniqueness).

This connects to structural dimensions:

- Too much centralization can slow brand-specific innovation.
  - Too little centralization can create duplication and cost inefficiency.
- Therefore, the organization must find a workable balance between control and flexibility.

### 4.6. Strategic Risks and Trade-offs

Even a strong strategy involves trade-offs and risks:

- Differentiation requires consistent quality and trust; otherwise brand image weakens.
- Electrification requires heavy investment; moving too slowly reduces competitiveness, but moving too fast increases financial risk.
- Platform sharing reduces costs, but too much sharing can weaken uniqueness and brand identity.

Overall, Alfa Romeo’s strategy can be summarized as strengthening its premium identity through differentiation while adapting to industry transformation through electrification and group-level resource sharing.

## V. Leadership (Current Leader and Key Decisions)

Leadership is important in organizations because leaders influence strategy, structure, culture, and how the company reacts to changes in the environment. In the case of Alfa Romeo, leadership is especially critical because the automotive industry is in a major transformation period, and the brand must manage uncertainty while protecting identity.

### 5.1. Current Leader

Alfa Romeo is currently led by Santo Ficili. Stellantis officially announced his appointment, and Stellantis also provides an official biography document describing his role (CEO of Alfa Romeo and COO of Maserati).

This matters because the leadership structure reflects how Alfa Romeo is connected to the wider Stellantis organization. Many key decisions are not only “brand level,” but also influenced by group strategy, shared platforms, and overall performance goals.

### 5.2. Leadership Challenges in Alfa Romeo

From an organizational perspective, Alfa Romeo’s leadership must manage several key challenges:

- **Change management:** guiding teams through industry change, improving communication, and sustaining motivation during transformation.
- **Strategic clarity under uncertainty:** making decisions despite uncertainty (e.g., pace of EV adoption), requiring flexibility and realistic planning.
- **Maintaining brand identity:** balancing uniqueness with group standardization – too much similarity weakens differentiation.
- **Coordination inside a large group:** aligning with multiple stakeholders (engineering, finance, supply chain, marketing, dealer network) becomes more complex in a multinational group.

### 5.3. Key Decisions and Leadership Direction

Based on official communication and credible coverage, Alfa Romeo’s leadership context is connected to several major strategic directions:

**Decision 1: Moving toward a more flexible electrification approach (“multi-energy”)** Recent reporting and statements around product planning indicate a shift toward more flexible powertrain choices (not a one-speed EV-only path across all markets). This reflects contingency thinking: adapting plans to market reality (infrastructure, demand, regional differences).

#### **Decision 2: Product timing and “bridging” decisions for key models (Giulia & Stelvio)**

Reports indicate Alfa Romeo extended production timelines for major models like Giulia and Stelvio due to delays and slower-than-expected EV adoption, affecting investment planning, production coordination, and transition timing.

#### **Decision 3: Managing external institutional pressures**

The Milano → Junior case illustrates how external institutions (politics/regulation/national rules) can affect decisions. It shows leadership is also about stakeholder management and institutional relationships, not only internal operations.

#### **Decision 4: Aligning the brand with group performance needs**

Stellantis’ leadership and organizational changes positioned brand leadership appointments as part of a broader performance push. In this context, Ficili’s appointment can be seen as part of a wider change effort where Alfa Romeo leadership is expected to support group-level goals while improving brand performance.

### 5.4. Leadership Style Reflection

In simple course terms, Alfa Romeo leadership needs to combine:

- Strategic leadership (clear direction, long-term priorities),
- Adaptive leadership (flexible responses under uncertainty),
- Transformational elements (motivation, culture, protecting brand identity), ● Operational discipline (quality, cost control, coordination).

Because the automotive sector is complex and highly regulated, leadership cannot be purely “creative”; it must also ensure control, safety, and execution reliability. A balanced style is required: strong direction + realistic adaptation.

### 5.5. Overall Leadership Evaluation

Overall, Alfa Romeo’s leadership under Santo Ficili can be described as change-oriented and adaptation-focused, operating under strong external pressure and group-level expectations.

The key leadership challenge is to modernize the brand (electrification and technology) while protecting what makes Alfa Romeo unique.

### 6. Conclusion

In conclusion, this project has shown how Alfa Romeo can be analyzed as an organization by linking its internal characteristics with its external environment. Alfa Romeo provides a clear example of how organizational choices related to strategy, structure, and leadership influence competitiveness in a fast-changing industry. The SWOT analysis highlights that Alfa Romeo’s main strengths are its strong heritage, distinctive design identity, and differentiation, supported by access to group-level resources as part of Stellantis. At the same time, internal weaknesses such as limited market coverage and the need to maintain consistent trust and quality remain relevant challenges. Externally, the brand operates under strong pressure from electrification, sustainability expectations, regulation, and intense competition in the premium segment.

Alfa Romeo’s current strategy can be summarized as a focused differentiation approach: rather than competing on mass volume, the brand seeks to compete through premium positioning, emotional brand value, and driving experience, while taking a more realistic and adaptive approach to electrification as EV adoption differs across markets. From an organizational design perspective, being part of Stellantis provides access to technology platforms, investment capacity, and global networks, but also requires coordination and alignment with group-level priorities, showing the importance of structural dimensions such as centralization, formalization, and coordination mechanisms. Finally, leadership under Santo Ficili is central in balancing differentiation with standardization, flexibility with control, and long-term direction with short-term performance needs, confirming that environment, strategy, structure, and leadership are closely interconnected and must continuously adapt.

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