



TOYOTA

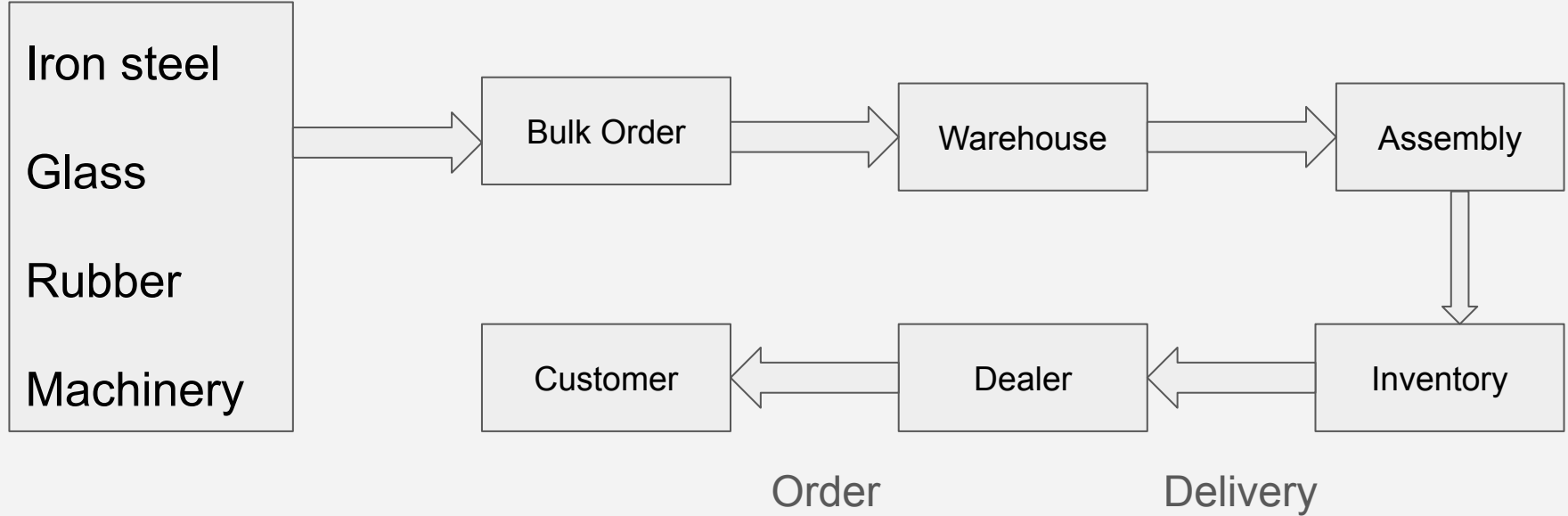
Business Case Study of TOYOTA

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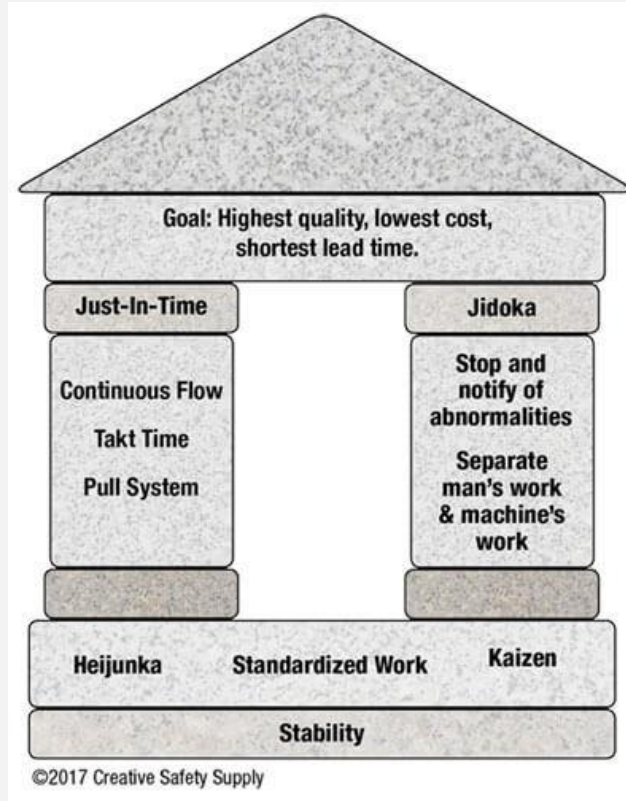
Toyota Background

- Largest car manufacturers in the world as of 2008.
- After WWII, Toyota barely survived by pivoting between making trucks and cars for the military needs.
- They had no way to compete with capital and machinery against global brands.
- They can compete with efficiency.

Lean Manufacturing Strategy



Lean Manufacturing Strategy



Major Inefficiencies

- Surplus in Production
- Excessive Inventory
- Eliminated Inventory and Demand Forecast
- Born of just in time

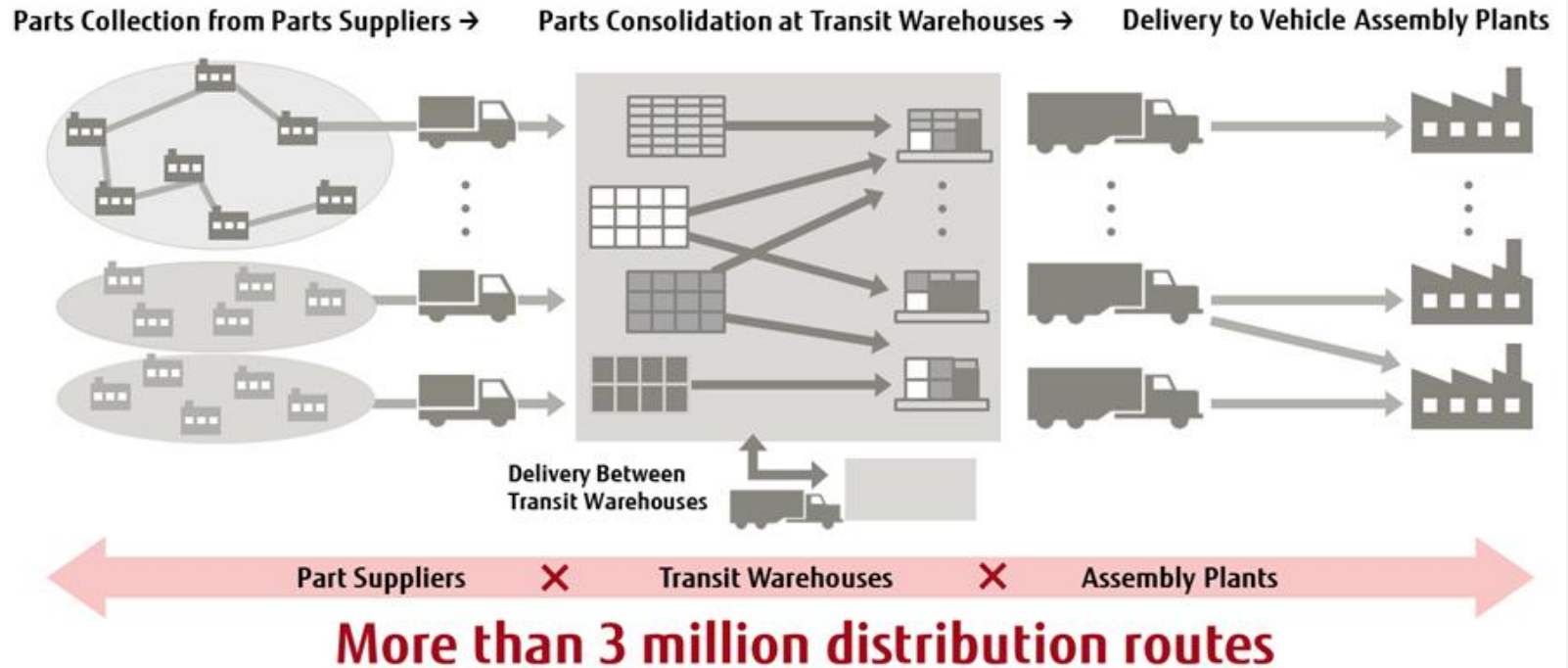
Surplus in production

- Surplus Labour
- Surplus Machine
- Surplus Raw Materials
- Overproduction
- Excessive Inventory (Land, Maintenance, Labour, Transportation)
- Unnecessary Capital Investment

Excessive Inventory

- Excessive Resource Allocation
- Overproduction
- Wasted Capital

Toyota Supply Chain



Toyota Supply Chain Benefits

- A Collaborative Culture
- Identify Strategic Partnership
- Clear Goals and Expectations
- Technology and Data Sharing
- Works Based on Demand, not Demand Forecast

Superpowers

- Minimum damage in case of disaster / less demand / less stock of components and close to zero inventory.
- Suppliers reduced costs by following Just-in-time
- Waste eliminated, cost cutting.
- Applying just-in-time → 50% reduction inventory, 80% reduction lead time.

Just In Time Strategy

Just-in-Time



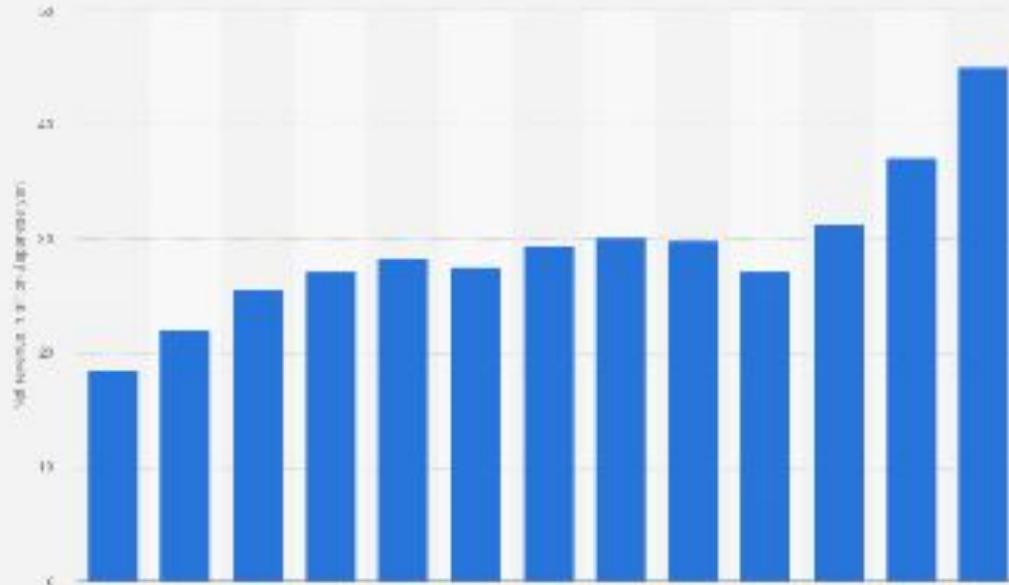
Toyota SWOT Analysis

SWOT ANALYSIS OF TOYOTA



Toyota Revenue

Toyota Motor Corporation's net revenue from FY 2012 to FY 2024 (in trillion Japanese yen)



Source:
Toyota
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Business Lessons

- Adversity is the breeding ground of innovation.
- Never copy the systems of your competitors.
- Understand the constraints.