Articles’ Critique – The Case of Toyota Motor Corporation

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**Introduction**

Organizational effectiveness and improvement/development are defined by the measures and strategies adopted and integrated into the systems, processes, and organizational leadership and management. An effective corporate strategy allows the achievement of organizational objectives, mainly the development of efficient production, promotion, and marketing processes. Efficiency in these processes places an organization on an elevated ground for the achievement of the overall organizational success. In consideration of the importance of effectiveness in all organizational processes, different companies adopt and utilize the key management functions and practices in production and other organizational processes. The Toyota Company has achieved significant success due to the integration of efficient management functions and practices in the production of motor vehicles. Different authors discuss the Company’s application of the practices and function in depth. This essay offers a critical analysis of Lander and Liker (2007), Marksberry, Badurdeen, Gregiry and Kreafle (2010), and Fang and Kleiner (2003) to outline the adoption and utilization of the management functions and practices in Toyota’s motor vehicle production.

**Critical Analysis**

Numerous authors discuss the key management functions and practices in depth. Lander and Liker (2007), Fang and Kleiner (2003), and Marksberry, Badurdeen, Gregiry and Kreafle (2010) discuss the functions and practices extensively using Toyota Motor Corporation as the case of study. The authors discuss various practices and functions applied in the Company and outline their impacts on the production system. However, they discuss different management concepts and where there is similarity in the function s discussed, apply different perspectives to outline the influence and importance of integrating the strategies into the production system. The critical analysis and discussion of the articles points out the importance of the issues therein. Other authors support, refute, or offers completely different perspectives of the issues discussed in the articles. However, regardless of the perspectives or the arguments presented by the different authors, the importance of the key management practices and functions in any manufacturing or production company is undeniable. Applying these concepts allows the achievement of organizational efficiency and the set objectives and goals, whether short-term or long-term.

Lander and Liker (2007) argue that the Toyota Production System has caused the movement of the lean production focused on the removal of wastes off the value streams. According to the authors, the application of the production system is critical for the enhancement of efficiency in the production of high volume and standardized products (Chiarini, 2012). The system allows the standardization and specification of products while aligning the systems to the operator’s duty or s/he is supposed to do. The authors assert that the system integrates precisely sized buffers that are controlled through numerous signals to ensure effectiveness in operation. Additionally, Lander and Liker (2007) posit that the application of the system allows an efficient balancing of the production line. The process guarantees improved performance and the development and improvement of quality and efficiency in the process of delivery while allowing cost-effectiveness. Chiarini (2012) supports the argument and adds that the integration of the lean production process is critical for the improvement of systems efficiency, performance, and the quality of products.

According to (Lander & Liker, 2007), Toyota Motor Corporation implements the functions of organizing and managing effectively. The author asserts that the Company uses a set of principles and strategies to ensure a continuous process of learning and improvement. The processes are critical for workforce development and the promotion of organizational success and development through continuous improvement of its efficiency. Marksberry, Badurdeen, Gregiry, and Kreafle (2010) support the authors and argues that the implementation of the concept of Kaizen in the production of its products ascertains the continuous improvement, which is critical for the achievement of the set organizational goals. Toyota defines the concept of Kaizen as the process of continuous improvement and the heart of the Company’s production system. According to Toyota (2016), the process demands efficient management and organization of organizational systems and processes to align the all tasks and make sure that human and mechanical processes and tasks are aligned. Additionally, Yang, Yeh, and Yang (2012) support the statement Toyota (2016) puts across that there is a need to precisely define all the tasks and standardize them to ascertain maximum quality, improved efficiency, and the elimination of waste during production.

Employee empowerment is a critical management process that influences employee efficiency and performance significantly. The different Fang and Kleiner (2003) and Lander and Liker (2007) discuss the issue of employee empowerment using the case of the Toyota Production System. Fang and Kleiner (2003) argue that the effective implementation of the management practice is important for the improvement of employee efficiency, productivity, and performance. The article outlines the emphasis Toyota places on the improvement of employee morale and the constant development of their skills and competences. The process, as the authors assert, involves a series of practices and management functions such as effective communication, incentives in form of non-monetary awards, using the pay/bonus system, and emphasizing the importance of ethical production. Lander and Liker (2007) and Monden (2015) support Fang and Kleiner (2003) affirming that the application of the functions and practices through the integration of Kaizen has led to significant success in Toyota and other companies. As such, employee empowerment is a critical and central management practice in Toyota (US), which integrates other key practices equally important for the improvement of efficiency and the development of the Company (Toyota, 2016).

Marksberry, Badurdeen, Gregiry, and Kreafle (2010) offer a critical analysis of the Toyota’s management-directed Kaizen to outline the various management functions and practices that influence success in the Company. The authors argue for the importance of the management and leadership of an organization to have the critical skills required for effective leadership and management. They depict an extensive understanding of the areas of improvement for any manager to acquire and develop the skills. While organizations face insurmountable challenges in the process of production, Marksberry, Badurdeen, Gregiry, and Kreafle (2010) outline the need for efficient problem-solving skills in management, leadership, and the employees. Like Monden (2015), Fang and Kleiner (2003), and Lander and Liker (2007), the authors show the importance of integrating measures and strategies that build and develop the skills among staff and the management. Kaizen is outlined as critical for the development of problem-solving skills and the development of other critical management skills such as efficient communication, skills in coaching and training employees on problem-solving to promote continuous improvement in organizational processes (Marksberry, Badurdeen, Gregiry, & Kreafle, 2010).

The functions of recruitment and selection and the entire process of hiring is critical in any company. Ensuring effectiveness in the processes ensures the selection and hiring of the most efficient, motivated, and talented individuals. According to XXX, this translates to the creation of a talented, motivated, and focused workforce that works towards the achievement of the set organizational goals. The result is improved performance, productivity, quality improvement, and increased profitability. (Fang & Kleiner, 2003) discuss the application of this function in Toyota Motor Corporation and cites its importance in ensuring organizational and employee development. According to the authors, Toyota’s corporate structure is effectively designed and requires the most qualified individuals for quality production. The Company has set guidelines for effectiveness in hiring and making sure that the best and most qualified are selected for the various positions available. Top on the guidelines is the issue of ethics, where the Company ensures that ethical considerations are met. Additionally, the management of Toyota focuses on team building to ensure professional development of all employees. The application of this function is critical for the development and success of an organization.

Yang, Yeh, and Yang (2012) assert that the key management functions and practices applied by the Toyota Motor Corporation in production are critical for the enhancement of efficiency in almost all production/manufacturing companies. The application of the Toyota Production System results in various benefits for companies. As such, though there is a wide implementation of the system around the world, there is a need for more manufacturing companies to learn from or adopt the approach. According to Lander and Liker (2007) and Yang, Yeh, and Yang (2012), the application of the system plays a critical role in the enhancement of systems and operational efficiency thus improving cost-effectiveness, delivery, and the quality of products. Lander and Liker (2007) posit that the integration of the technique in manufacturing would play a significant role in leading companies towards the achievement of the set production and performance goals. However, Yang, Yeh, and Yang (2012) argue that the incapability of organizations to consider all the aspects of the system and laying emphasis on the technical practices of the system yields results but not in the desired proportions.

According to Lander and Liker (2007), there is a need for production companies to adopt and ensure the effective implementation of Toyota Motor Corporation’s production and management functions and practices. The implementation of the system causes the development of the key production processes and boosts the system’s efficiency (Toyota, 2016). However, (Lander & Liker, 2007) argue that there is a fundamental misunderstanding of the Toyota Production System by the various companies that apply the method thus failing to achieve the full benefits of the systems. The authors assert that various companies view the process as a specific toolkit that is technically implemented following certain clearly-set formulas for the achievement of pre-specified results. Yang, Yeh, and Yang (2012) support the arguments presented by Lander and Liker (2007) on the issue. According to Yang, Yeh, and Yang (2012), most companies emphasize mainly on the technical practices of the system while neglecting the critical importance of human factors in the implementation of the Toyota Production System. The consideration of and the effective integration of the human factors is of great significance in making sure that the process is implemented in a way that allows the enjoyment of the full benefits of the system.

The various articles offer critical information on the adoption and implementation of various management functions and practices. However, some of the key functions and practices such as work-life balance, compensation, and recruitment and selection are minimally discussed. Even when they discuss the issue of employee empowerment, most of the authors do not discuss the concept of work-life balance articulately. Additionally, compensation and recruitment and selection processes, which form a key part of the management functions and practices applied by Toyota, are not fully discussed.

**Conclusion**

The Toyota Production System is comprehensive and efficient in the promotion of continuous improvement of efficient operations, performance, and productivity. The Company continues to maintain its large global market share of the automotive industry due to the application of an effective corporate strategy. The implementation of its production system ensures the production of high-quality vehicles, cost-effectiveness during all processes, timeliness, job satisfaction, fairness, and security, and the continuous high profit efficiency and improvement. The Kaizen, Just-In-Time, and Jidoka among other concepts integrated into the production system apply various key management functions and practices. These functions and practices play a significant role in the improvement of production efficiency and the promotion of workforce development and employee satisfaction among other key issues. After an analysis of Lander and Liker (2007), Fang and Kleiner (2003), and Marksberry, Badurdeen, Gregiry and Kreafle (2010), it is evident that these articles offer a deep analysis of the concepts and system of production of Toyota. The articles present the different key management practices and functions and outline their importance in organizational management. The different authors discuss the various concepts using different viewpoints but manage to outline the critical importance of the functions and practices. The application of these management functions/practices would enable to achievement of significant success in production/ manufacturing companies.

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