Individual Research Report

[Name of the Writer]

[Name of the Institution]

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**Introduction**

Supply chain management is defined as management of the supply chain activities with the aim to maximize the value of the customer and achieve a competitive and sustainable advantage. It is the representative of conscious effort by the firms of the supply chain so as to develop and run supply chains in an efficient and effective way. There are two basic ideologies of supply chain. The first aspect deals with managing collective supply chain that is defined as, every product that reaches end user is the representative of the cumulative effort of different organizations. The second idea deals with the existence of the supply chain that has existed for a long time (Fisher, et al. 1997). Supply chain is linked with each other in a coherent manner through information flows names the physical flows. Physical flows refer to the movement, storage, and reformation of different goods, it is one of the crucial pieces of a supply chain. Information flows refer to the coordination between supply chain partners in terms of long term plans and control over some day to day flow of goods and the material that is meant for the upgrading and the fall of a supply chain (Fisher, et al. 1997). In simplified form, supply chain management communicates the ideas that are made by the suppliers to develop and implement the supply chains, by covering activities ranging from the production of goods to the information system that is required to address the undertakings.

**Discussion**

Toyota Motor companies is a Japanese multinational automotive company with it’s headquarter in Toyota. The corporate structure of this autorotative company comprises of about 364,445 employees who are working worldwide. According to research Toyota is one of the companies that is known for the production of more than 10 million vehicles per years since 2010. In 1950, Toyota’s chief production engineer named, Taiichi Ohno proposed that idea of changing the techniques of die changing as well as to change the dies frequently, in a tie where few hours verses few months. It has resulted in the reduction of the time that was required to change the die. It is one of the examples of the changes that Toyota has brought along with a massive revolution in the count of successes (Vanichchinchai, et al. 2019). It would not be wrong to say that the productivity of Toyota motors is because of maintenance of its department and regions. In the automotive Industry, the supply chain is expensive and it include different elements that are meant for producing several forecasting techniques. The supply chain management at Toyota is one of the major elements of the company’s operation strategy that is based on the Toyota Production System. It is fascinating to see how quickly Toyota has achieved all his destinations with massive success such as “Quack proof global supply chain” (Vanichchinchai, et al. 2019).

As Toyota gained success in the world-wide coverage, following by the interest of other companies in the Toyota Production System is the product of “lean manufacturing”. The Supplier Partnering Hierarchy of Toyota follows a hierarchy the flows from mutual trust and understanding, to interlocking structure control systems, capabilities that are compatible for the company, sharing of information, activities for improvement and learning. Another major operation excellence refers to “lean concept” according to which lean is based on the pull system. It refers to the elimination of the wastes that are seen as a primary objective. The wastes for Toyota Motors are overproduction, unnecessary transport, waiting for incorrect processing, unnecessary movement, excess inventory, and defects. In the completive global marketing present time, these companies are meant you seek opportunities that can apply the foundation of a competitive edge that would not only broaden the share of the market but it will also help the market to survive (Nakano, et al. 2019). Supply chains are one of the major and critical parts of any business that needs to be managed effectively in order to ensure productivity and profit because improvement in the supply chain management will help to reduce the cost for the company and it will automatically increase the efficiency that requires a strategic approach for implementation. Toyota Motor Corporation is one of those companies that is playing a central role in the conduction of a successful business, where supply chain management is effective and exemplary. According to research, the principles such as Kanban, just in time, Kaizen, lean manufacture and other competitive edges are the businesses function that has empowered the working of Toyota efficiently (Fujimoto, et al. 2019).

It is found that the supply chain that was developed by Toyota was one of the Lowest Cost Supply chains where the entire chain intended to reduce the costs and get it to a minimum value. It is one of the major and positive characteristics that is also counted as the attribute of Toyota, taking into account that a successful company has control on two dimensions within supply chain management, the ability to spot the trends that are necessity and appealing and the capability to bring a change in the supply chain network. Both these aspects are followed in a high technical and economic way by Toyota (Fujimoto, et al. 2019).

**Managing Supply Chain of Toyota**

There are some major and critical strategies and adoptions that are utilized by Toyota in order to manage the supply chain that can enhance the chain of supply management and identification of future patterns. Taking into account the necessity of following these two dimensions, following are the steps that are taken by Toyota motors in the past and they are practiced in the current time as well.

**Firm Infrastructure**

It is asserted that the infrastructure that was owned by Toyota factory is very unique and technology-based. Toyota adheres to a sophisticated robotic system where humans are the operators and production is supported until all the sale is delivered to the dealers. The idea of infrastructure also refers to the other management techniques that are guiding these robotic sources of work to remain enacted (Fisher, et al. 1997). Toyota has a vast and firm infrastructure while systematic evaluation is conducted along with the satisfaction of the central needs of the workers. It is evident that faults in the infrastructure mean distorted and disorganized values where the only product is addressed rather than the analysis of the efficiency of the providers of the product (Fisher, et al. 1997).

**Tracking economic changes**

It is asserted that due to excessive and tough competition in the market, Toyota started to track the economic changes. Toyota dealt with its economic changes by connecting its economic strategies with that of the infrastructure. It occurred by the splitting of an organization to some small and action-oriented companies. Toyota has diverted its focus to the development of small cars so as to strengthen the portfolio of manufacturing and diversity parallel to each other. It is also called inbound logistics whereby the third party is evolved for obtaining a product such as raw material., It includes, leather seats, tire and steering wheels, etc. (Fisher, et al. 1997). Moreover, Toyota enhanced its competitive by starting to get in collaboration with other automakers. Even in the current time, it is found that Toyota is one of those companies that have a larger scope with respect to volume. There is a huge chunk of automaker share in Toyota’s manufacturing. It is also found that the company is counted in one of the leading car models such as Corolla and Camry that is termed as one of the best and most sold vehicle in the United States for many years. Taking into account the future prospects Toyota is still trying to expand its presence in other emerging markets such as India and China. Moreover the attitude towards the electric vehicle is also an ideology that reflects the initiative of Toyota Motors to manage its supply chain with respect to emerging and growing trends. Although there is a lack of strength in the EV segment still, Toyota is turning to intensity its field in the coming years (Fisher, et al. 1997).

**Analysis of the needs of ultimate customers**

Customers are the central groups on which the success of the company is dependent. It is found that Toyota is trying to address the needs of its ultimate customers. These needs are not just confined to the needs of immediate customers, but it refers to the needs of immediate costumers as well. Inability to address the need of ultimate customers result in the bullwhip effect that could distort or amplify the demand fluctuations. In accordance and follow up to the spirit of Sakichi Toyoda, the Toyota industry is playing its one of the best roles in ensuring quality because the quality is necessary to ensure and maintain customer safety (Fujimoto, et al. 2019). It would not be wrong to say that marketing quality and managing quality are the dimensions that are associated with the analysis of ultimate customers because product quality deals with both dimensions. In the context of Toyota industries, it is asserted that the development of new product paves the way for the identification of goals that can help to incorporate quality in almost all the dimensions of product, ranging from production and preparation to sale, after-sales services and then gaining feedback and making changes according to the obtained feedback (Fujimoto, et al. 2019).

**Identification of proper market**

Identification of proper market is one of the major aspects that can guide supply chain management taking into account the fact that sometimes it is hard for the companies to identify and define a subject and adequate market, especially when some new product is launched. Identification of the subject market and the product market is termed as a trick that could help to analyze and get a productive insight into the future of the product. According to Fisher, (1997), Toyota was convinced by the idea that the market for Prius would be different from the other models that Toyota has produced because of the new technologies as well as the fancy associated with it. Although Toyota was having a solid market platform, i.e. of Japanese automobile maker that had the excellent stability and expertise that could help to address customers by tracking trends in the United States. Still, it was felt that it would be difficult to predict the response of customer towards the hybrid car (Fisher, et al. 1997). Under these aspects, Toyota decided to keep its inventory in the central stockyards. Here, dealers took orders by using the online media and then cars were shipped to the buyers. As a result of this action, the cost of Toyota increased but on the same platform, the products of Toyota were customized to the required demands and managed the inventor in a fine manner. Another example of this ideology can be traced in 2002, the ratio of Toyota vehicle on the roads of North California and Southwest was just 7% and 20%. After implementing the marketing strategy about 25% of the cars of Toyota were sold in Northern California and only 6% were sold in the Southeast (Nakano, et al. 2019).

**Development of new supplies’**

One of the strategies that can help to enhance and empower the supply chain management is the strength of initiatives that are taken for the development of new supplies. It is found that Toyota has implemented this strategy in a highly fruitful and novel way (Fisher, et al. 1997). During the past decade, about $160 million Toyota vehicles are being provided to the same suppliers such as the United States, Mexico, and Canada. According to research, it is highlighted that suppliers have found several new ways that can help to enhance the business and empower the profit margins. In accordance with the set target, Toyota always tries to maintain a balance between the preservations and the innovation, taking into account the standards of time and tide which are the most critical factors. They are both profit-driving and loss incorporating (Nakano, et al. 2019).

**Awareness of product design team with supply chain**

As supply chain management requires the management of all the aspects and dimensions that are either directly or indirectly associated with the subject market. Here, one of the major roles is played by the product design team. It is asserted that the design team of Toyota is well aware of the expectations and demands that are to be dressed after the launch of vehicle. Another approach highlights that it is not an always case that the product designers are well aware of the market because if this would have been the case then after the formation of Prius, set of strategies would not have been followed to address the specific market (Vanichchinchai, et al. 2019). Moreover, it is also asserted that the idea of product design is somewhat misleading because it would restrict a product to a particular areas. In case of Toyota, it is asserted that there is a balance between the idea of creating a product and them designing it in a way that it can address the approaching needs of the customers which affirm that customers’ needs are met. The point of consideration is, without updated packages and innovative approach, it would bot be possible for the company to introduce its product to new market or a new area because of the competition in the market (Vanichchinchai, et al. 2019).

**Distribution**

Distribution channel is another major element that needs to be addressed within supply chain management. It is asserted that the distribution channel of Toyota is one of the major illustrations of the success of company because unorganized or imperfect distribution channel would do more harm than good. Moreover, research has highlighted that there is some particular channel that is implanted and used by Toyota for promotion and selling of its products such as Australia’s distribution channel and the distribution channel of the United States of America. Another example of this perfect distribution channel was the sequence of headquarters in port Melbourne, Altona, and Victoria (Fujimoto, et al. 2019). However, the marketing and sales operation are also an example of this ideology such as Willowware Bay and New South Wales. Another aspect associated with this distribution channel is that there are more efficient sellers and effective deals for both sellers as well as the customers (Vanichchinchai, et al. 2019). Although manufacturing of vehicle in Australia is close, still, the sales and marketing are working on its peak taking into account the idea of set and created customer values that are equally benefitting both buyers and sellers (Vanichchinchai, et al. 2019).

**Employee’s retention**

One of the major elements of the supply and chain management is employees, taking into account that employees are the most valuable section of the market. There would be no success of market without employee retention and satisfying the needs of the employees. It is asserted that Toyota is giving due significance to its employees in almost all the dimensions of professionalism and it is one of the reasons that Toyota is progressing from the core values of industries (Fisher, et al. 1997). According to researchers, it is asserted that the aim of Toyota Way in Human Resources Management is to let people realize that respect of the employees in all aspects such as name, respects and the provision of opportunities for the enhancement of career is something that can help to achieve contribution along with an equal stress on self-realization by providing quality work (Nakano, et al. 2019). Taking into account the necessity of this condition, Toyota is trying its best to ensure and employ best labor conditions where all the employees are not only loyal to a company but they try to work and play their part in the success of organization (Nakano, et al. 2019).

**Innovation and technology**

Another dimension that is associated with Toyota’s success is adherence to innovation and technology that is termed as another major element in the management of the supply chain. It is asserted that Toyota is giving due significance to innovation and technology that will not only facilitate the employees but it will also add to the productivity of the company by meeting the modern and trendy requirements (Nakano, et al. 2019). It is found that almost all new models of Toyota are better than the previous models in terms of its efficacy and effectiveness, taking into account the need of manufacturing seething that can attract the attention of market on an international level. After an exegetical analysis of the supply chain, it is highlighted that innovation and technology is one of the elements that is the part of the infrastructure which is directly interfering with the supply chain (Nakano, et al. 2019).

**Alignment in supply chain**

Within supply chain management, alignment is defined as the ability to have some common as well as shared aims across the supply chain. It will include both vendors and customer. In the context of supply chain management in Toyota, it is asserted that one of the many reasons for the success of Toyota is the alignment of the supply chain. Toyota has aligned supply chain in terms of the vendors and customers where both the segments are brought on the same board (Zhou, et al. 2019). One of the strategic measures is the analysis of the marketing strategies that can help to bring alignment in the supply chain. It would not be wrong to say that Toyota has always tried to bring its venders and customers on the same platform. An example of this ideolog is Prius a hybrid car that was not meeting the demands of the customers, in fact, it was something that was extraordinary to address the needs of the customers so Toyota aligned its supply chain by moving product to another market where it was required (Zhou, et al. 2019).

**Conclusion**

Supply chain management is one of the most significant elements of a company, where it addresses all possible avenues of progression of the company. Taking into account the example of Toyota, it is asserted that the maintenance of the supply chain is one of the major tools that can help the company to address the need of both human resource and technological requirements. However supply chain management is more like a regulation of corporation because Toyota is all about the products produced by the company and the demand that is enhanced by the incorporation of innovation and technology. In a nutshell, Toyota has a well-organized and compatible supply chain that is managed in terms of its available resource, the ability of the employees, subject market and the competitors that can impact the productivity of the corporation.

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