Just-in-Time Inventory

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An operational philosophy, commonly known as Just-in-time (JIT), has helped manufacturers a lot since the last decade, in accelerating their production rate. Almost every manufacturing company in now implementing this approach, but Toyota motors is considered the pioneer of this manufacturing strategy (Duclos, Siha, & Lummus, 1995). This essay would discuss how this approach has helped Toyota motors in accomplishing it mission statement, sustaining quality and quantity of its product and applying uniform plant loading operations to support its operations.

# Support of JIT to Mission Statement and Future Operations

Toyota motors applies the JIT approach not only to its manufacturing operations but also to the entire business. JIT approach has helped Toyota motors to accomplish its goals concerning the mission statement and future operations of the company. JIT approach has helped Toyota motors to establish total visibility concerning the whole manufacturing process and human resource and equipment. Moreover, it has helped Toyota motors create a balance between supply and production. As far as future operations are concerned, it helped the company acclimate production techniques to its customers’ requirements. Elimination of waste is another factor which has helped the company boost it production and plan for the future accordingly (Duclos, Siha, & Lummus, 1995).

# Role of JIT in Product Delivery

Product quality is the most important thing for any company’s long-term survival. The JIT approach has helped the company make exceptional improvements regarding its product quality. This approach has helped Toyota motors maintain quality and focus on continuous improvements, waste elimination and simplicity (Kumar, 2010). This particular technique actually allowed the company to utilize its resources to its full capacity. Moreover, JIT helped Toyota motors analyze and find out all the veiled sources of the problems concerning production quality. In addition, JIT not only helped the company, but also allowed its workers to play a vital role in decision making (Kumar, 2010). Smooth production flow is another factor which helped the company deliver products in the right quantity and at the right time. It has also helped the company avert fluctuating production rates, which are so crucial to avoid for product quality and product delivery, as they yield delays and surplus inventories.

# Uniform Product Loading

Toyota motors is a leading automobile manufacturing company. The product line of the company now mainly depends upon the robotic assembly line. Assembly of the product is carried out by robots. So, JIT has helped the company in number of ways, as it has integrated all the production activities (Duclos, Siha, & Lummus, 1995). No product will be produced or taken to assembly line unless or until it is required. It actually enables the company to schedule the product which not only saves time and enhances the product quality but also make a stringent cut in inventory and material loss. Elimination of waste is another factor which has helped Toyota motors optimize the production rates and enhance the quality of its products. It has helped the robotic assembly line of the company to eradicate waste from the overproduction, inventory, rework, machinery breakdown and processing (Duclos, Siha, & Lummus, 1995).

# JIT Supplier Relationship

Inventory management plays a vital role in any production company. JIT plays a vital role in the purchasing arrangements which yield long-term contracts between buyers and suppliers. Inventory reduction is a crucial element for any production company and JIT has helped Toyota motors to reduce its inventory. JIT supplier relationship helps the companies i.e. buyers and seller to co-locate their facilities which configures the supply chain and hence helps to reduce the inventory (Duclos, Siha, & Lummus, 1995). It enables the company to repeat business with same suppliers. JIT approach actually demands analysis to empower suppliers to remain price competitive and restricts the competitive bidding to the new parts only.

# References

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