Assignment 3

1. Theories and techniques

Just in time (JIT)

Just in time (JIT) emphasize on improving efficiency and minimizing waste by receiving the goods according to the demands of the production process. Nissan can adopt this strategy for attaining benefits of reduced inventory costs, meeting on-time demand and avoiding extra piling of stock. Nissan can rely on this method for preventing damages of goods that become obsolete. Although the technique is effective but it includes some disadvantages such as risks of stocks unavailability, lack of control and planning. Just in time delivery of stocks is risky because it is dependent on the company's relationship with the supplier (Schmidt and Levi).

Toyota Production System (TPS)

TPS is a practical approach that aims at improving the quality of products and processes. Nissan can rely on this method for reducing errors in the production system. The technical team of Nissan would be able to spot inefficiencies and potential defects in the engineering designs. The advantages offered by TPS include minimization of engineering and system errors, reduced waste in the production process and improved quality. Adoption of 5S cleaning up will provide a competitive edge to Nissan. TPS has some disadvantages such as the high cost for implementation, employees’ resistance, and supply issues. The little amount of inventory in hand makes company dependent on suppliers (Towill).

Lean theory

Lean manufacturing emphasizes on waste minimization and productivity maximization. The process of the identification of customer perspectives. Nissan can use this methodology for attaining certain benefits that include lean infrastructure for building tools and equipment, high customer loyalty and minimization of waste through the removal of outdated inventory. The disadvantages of this theory include the failure of equipment and delivery incompetency.

1. Sustainability
2. Triple bottom line approach

Nissan can implement triple bottom line for operational management because it emphasizes on the social, financial and environmental aspects. Nissan can use this approach for minimizing carbon emission with the aim of protecting the environment. Nissan has incorporated this approach for designing environmental policy of building low CO2 emission cars. The customer-centered and eco-friendly cars will allow the company to improve customer base that means increase the scope of profits and market shares. Nissan under this approach will adopt strict compliance parameters that mean an improved relationship with the society (Hammer and Pivo). The economic value according to TBL suggests that Nissan will invest in the production of eco-friendly cars due to estimated profits.

1. ISO 14000

Nissan has integrated the standards of ISO 14000 to fulfill environmental laws and regulations. The company claims that it has adopted the principles of ISO 14000 for attaining environmental sustainability. This allows Nissan to engage in efficient methods of production and eliminate wastes. The processes don’t engage in an activity that causes harm to the environment. Nissan is only working with ISO certified suppliers depicting its reliance on ISO standards.

1. Corporate social responsibility

CSR of Nissan covers its obligations towards customers, society, and community. it is not only concerned about earning revenues but also take actions for maximizing community wellbeing. Its agenda of creating a different range of cars is focused on affordable cars for middle-class. Affordable vehicles address the needs of customers who are unable to buy luxury vehicles. The company generate jobs and provide incomes with other benefits to the employees. Nissan has accepted its responsibility towards the society and environment. Nissan Green Program 2022 is focused on providing a safe, secure and sustainable mobility option to the people around the world. Its environmental initiative aims at taking environmental action plans that involve fuel efficiency, minimization of carbon footprint and use of natural resources.

Work Cited

Hammer, Janet and Gary Pivo. "The Triple Bottom Line and Sustainable Economic Development Theory and Practice." Economic Development Quarterly 31.1 (2017).

Schmidt, William and David Simchi Levi. "Nissan Motor Company Ltd.: Building Operational Resiliency." MIT Sloan Management (2013).

Towill, Denis R. "Industrial engineering the Toyota Production System." Journal of Management History 16.3 (2010): 327-345.