

# The forces for change and the obstacles to change in the toyota company

[Business](#), [Management](#)



Forces for change include environmental issues like energy conservation, pollution prevention (conversion of gas to electric-powered vehicles), demands from TMC's customers/dealers, and transnational and global preferences are also determinant factors for changes.

#### b) Obstacles To Change in Your Company

b. 1) The Japanese Culture integrated with technology is something untouchable for Toyota management. It runs deep within the corporate culture. Worth remarked, " Culture comes from purpose. They changed their purpose from quality to growth and the behavior changed accordingly. In a sense, with that change in purpose, some trouble was inevitable."(Worth, 2010) At the same time, Toyota found itself struggling to inculcate newcomers in the companys unique culture -- The Toyota Way. Kazuo Akatsuka, 55, saw the generational change first-hand and worried at the signs of change..(Layne et. al, 2010)

b. 2) Family ownership of the Toyoda family of the company. Ownership and Leadership can be considered as a deterrent factor for innovations in the company. If the owner and at the same time head or CEO is weak, then failures of the company could be reflective of a bad leadership. For example, Reuter's article described, " Toyota President Akio Toyoda was criticized for not acting quickly enough when the automakers safety issues first came to light earlier this year ..." (Kim, C. R., 2010).

2) With what kind of innovation has your company been most involved?

(Quantum or Incremental)

Primarily, to address the quality sleepage in view of the total recall campaign, Toyota now commits to achieve “ zero customer complaints” (Toyota, 2010) and its strategies are more inclined to be Incremental technological innovation characterized by technological change that represents a continual refinement of some base technology. Now that they have discovered the root of the problem, TMC vowed to stretch out their workforce to do the refinements. (Layne, et. al., 2010) After years of sterling reliability and the final setback with the Total Recall Campaign, President A. Toyoda remarked, " We need a renewed commitment to placing customers first and to reviewing all our work processes from the customers perspective," (Kim, 2010).

3) In what way, if any, has your organization sought to manage the innovation process and alter its structure or culture to increase its capacity to develop new product or service?

The above question would be similar to Takeuchi’s question “ how does the company (TMC) cope up with the hazards of constant change and growth?” The answer is they perpetuate its culture and stabilize the company’s expansion and transformation through three forces of integration stabilize the company’s expansion and transformation, as follows: (Takeuchi, et. al, 2010).

- Values from the founders (created culture of innovation)
- Up-and-in people management (employee empowerment and participation)

- Open communication (transparency)

On the organizational aspect, TMC has addressed its problems by extending on the following dimensions: Transparency, Participation, Evaluation, Complaint, and Response. (Toyota, 2006). How did TMC manage the above innovations? By practicing intrapreneurship and entrepreneurship using tools like project management and quantitative modeling particularly in production designing; used Stage-gate development funnel characterized with a structured and coherent innovation process that improves control over the product development effort. It also encouraged funneling as many new ideas enforcing greater creativity, among others.