

Nissan not only optimized productions but was also

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



Nissan changed its product line in order to be more competitive in the market, the company also implemented a new model called "build-to-stock" or build-to-order model that also simplified its production while contributing significantly to a sale increase.

This model offers the best of both worlds to the customers from custom orders to regular line up which resulted in satisfied customers. Due to the company's near bankruptcy scare in 1999, the company implemented a risk management strategy that allowed them to focus on early detection of financial performance while being productive with action items in place. The company's diversity is an added strength to its operation management functions and success because it allowed them to compete in a diverse market with a focus on unique opportunities that are presented.

How has Nissan achieved a competitive advantage using operations management? Nissan was able to achieve success with four actionable plans.

1. Sharing Information A. In the event of a disaster such as the 2011 earthquake or tsunami, the company's strategy is to have members from different regions present to address concerns. This proactive approach enabled the company to address the needs and concerns of stakeholders in a timely manner.

2. Allocating supply B. After any disaster supplies are always limited, Nissan's sales, marketing, and regional supply chain management were able to globally distribute supplies that focused on marginal goods.
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Managing productionC. The company was able to make key adjustments in their production management in various departments in order to determine the best solutions for productivity during disasters without costly overtime. By having a planned system in place they were able to not only implement supply alternatives but also mitigate the reduction of in-transit stocks.

4. Empowering actionD.

Nissan allowed in-field management to make necessary decisions in the best interest of the company without going through the lengthy and tedious chain management/authority. This action not only optimized productions but was also critical in making recovery-related decisions in a time of disaster.