

Toyota motor corporation



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Toyota The Toyota Motor Corporation (TMC) or simply Toyota is a multinational automaker headquartered at Toyota in Japan. The company was founded by Kiichiro Toyoda on 28th August 1937. By the end of 2010, the Toyota employed 317, 734 people globally. The Toyota is the world's largest automobile manufacturer in terms of sales and production. According to Pearce II and Robinson, organizational culture stands for a set of important assumptions that a firm's members share in common (lecture note). The Toyota's organizational structure facilitates effective strategy implementation. In the opinion of Moore, long term thinking is the most effective organizational approach of Toyoto in taking management decisions; and the firm has developed special strategies for conflicts management because the firm's management team believes that resolving roots issues may boost organizational learning (141-143). Toyota's strong structure has assisted the company to maintain profits of \$16. 7 billion and sales growth of 6% in 2009 despite the severe global recession that American auto companies such as Chrysler and General Motors had faced. Similarly, the firm possesses a distinct and rigid organizational culture. Respect for people and continuous improvement are the most significant cultural elements of the firm. The Toyota's management philosophy reflects the concepts of lean manufacturing and just in time production. In addition, the company characterizes centralized power structure and a hierarchy of seniority. Although, the rigid corporate culture of the company raises challenges in reacting to external risks, Toyota's distinct cultural features add to effective strategy implementation. In other words, Toyota management keeps an effective relationship between the firm's environment, strategy, culture, and structure. Moreover, the firm's strategic leadership practices are a source of

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competitive advantage as it has designed a centralized power structure that enables effective up and down information flow. Works Cited Moore, Ron.

Selecting the right manufacturing improvement tools: What tool? When? US: Butterworth-Heinemann, 2007. Print. Pearce, John A. II and Robinson, Richard B. Strategic management: Formulation, implementation, and control. 12/e.

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