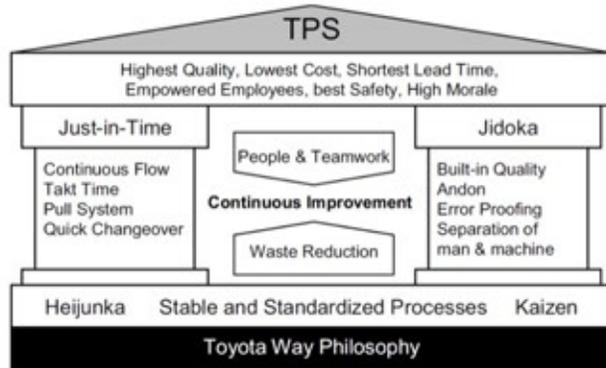


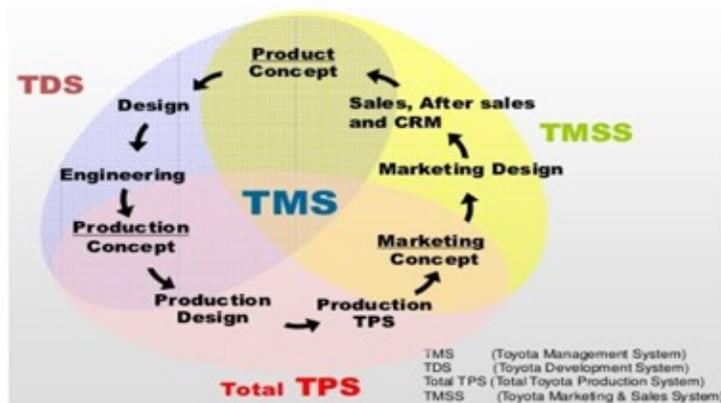
Evolution of the Toyota Production System

FROM A LEAN PRODUCTION SYSTEM (TPS)



TO A LEAN GROWTH BUSINESS SYSTEM (TBS)

Toyota Business System



Problem

- Taiichi Ohno invents the Toyota Production System (TPS)
- Other Departments were not involved in the beginning
- TPS changes behaviors and needs full company deployment

Root Causes

- Big breakthroughs in Production dictated the priorities
- Ohno had no peer innovator in other company functions
- Top Management too much focused on Production

Solution approach

- Expand TPS to Supply Chain (as a result of the Muda expulsion model)
- Expand TPS to Product Development (to achieve Breakthrough in time-to-market)
- Improvement and Strategy are the same thing (Strategy Planning & Hoshin Kanri)

Benefits

- The **Number 1 company** in the Automotive Industry (Sales)
- The Automotive Company with **lowest debt** and **highest cash flow**
- Considered one of the **Best Managed Companies in the World**