Initiatives to Improve Quality

Listen sincerely to customer voices and continue to reinvent ourselves through sufficient information disclosure and dialogue.

Quality is achieved through the integration of Development, Design, Purchasing, Production and After-sales Service. Each is indispensable to the delivery of satisfactory quality to customers.

We continue to aim to put the concepts of “Customer First” and “Quality First” into practice and to respond to the expectations of customers and society. That is why every member across our operations maintains high consciousness, and takes ownership and the responsibility for continuous improvement and the enhancement of customer confidence and trust by cooperating closely with one another.

“Customer First Promotion Group” Newly Established to Allow Working Closely with and Responding to Customers

In an effort to establish a more reliable system in order to provide customers with a higher level of quality and customer service, we integrated and reorganized the functions of the former Quality Group and Customer Service Operations Group to establish the new Customer First Promotion Group in April 2012. The new group integrates functions to handle quality issues in the service field that is closely involved with customers. The group aims to put our customer first policy into practice by acting from the customer’s perspective and responding quickly and appropriately, striving to implement customer-centered sales plans and operational development, and engaging in initiatives to strengthen support for dealers’ service capabilities. A new Customer Service Field has been established within the group, consolidating the support services for dealers and distributors with functions to handle market quality and deal with customers. Initiatives are now underway to establish an early detection, early resolution system to provide one-stop solutions to resolve quality issues quickly and smoothly.

Main Objectives
- To improve the ability to respond quickly to market quality issues from the customer’s perspective.
- To strengthen support services for domestic dealers, parts distributors, and overseas distributors.
- To enhance localized collaboration with planning and development functions.
- To strengthen the establishment of internal systems aimed at quality improvement.

The framework for initiatives to regain customer confidence laid down during the 1st to 3rd meetings of the Special Committee for Global Quality was incorporated into the company policy for FY2011 to establish a localized system enabling promotion of activities based on the opinions of customers, implemented at a level closest to the customers of different regions through collaboration between the Quality Function Board and regional quality committees. As part of company-wide efforts to increase customer confidence and provide better safety, the main elements of specific quality-related activities in FY2011 were the promotion of the reduction in the failure mode risk ratings, improvement of the confidence ratings, and enhancing of explanations to customers about our safety features, new technologies and functions. The Toyota Advanced Quality Information Center (T-AQIC) has been deployed globally to gather and analyze quality information for early detection and early resolution to solve quality issues quickly. The system was introduced in North America in November 2011, and in Europe and China in January 2012. In addition, quality risk management was strengthened to clarify the operational rules and processes, and the regulations for quality assurance were also clarified. Furthermore, the principle of “Ji Kotei-Kanketsu (built-in quality with ownership)” was added to the global contents of level-specific education in January 2012 to foster human resources focusing on quality.

Activities in the Various Fields in FY2011 and Plans for FY2012

Development
- We continued our efforts in activities to achieve zero customer complaints through prevention of recurring problems and prevention of new ones, revised and enhanced our operational processes, implemented safe adoption of parts into automobiles incorporating ideas to reduce risk ratings, strived to achieve product safety in diverse projects, endeavored to improve the quality of parts manufactured to Toyota-approved specifications through collaboration with the Purchasing Group and Production Engineering Group, carried out inspections of aged products through the collection of aged parts, and established improvement processes based on external evaluations.
- In FY2012, we will accelerate our efforts to ensure product safety, and “enhance customer confidence” which is an even more vital theme.

Purchasing
- Focusing on new suppliers, we endeavored to clarify the division of roles with suppliers and enhance mutual confirmation.
- In FY2012 we will continue revising our work procedures by clarifying the roles and responsibilities of Toyota and the suppliers, and promote miracles (visualisation) in the supply chain quality control system in association with the expansion of suppliers in emerging markets, with the aim of promoting prevention activities.

Production
- As “a key step in delivering high quality cars to customers” we have made concerted efforts to establish “requirements for good products” to realize designers’ intentions in manufacturing processes. At the same time, we have achieved steady progress in our endeavors to enhance the integrity of “Ji Kotei-Kanketsu (built-in quality with ownership)” and thereby build quality into products, and have strengthened final quality inspections.
- In FY2012 we will promote “monezukuri (manufacturing) that exceeds customer expectations” by working even more closely with Development and other departments.

Sales and after-sales service
- Aiming to establish the industry’s quickest early detection and early resolution system to solve quality problems based on the gathering and analyzing of market information, we have been expanding our customer gensha (consumer group) confirmation activities. We respond quickly by gathering customers’ comments from dealers and government offices.
- In FY2012, we established a new Customer First Promotion Group to enable us to work closely with and respond to customers as a manufacturer, and we are striving to further enhance customer satisfaction through the integration of manufacturing, service and sales.

Improvement in Evaluation of Quality by Third Party Evaluation Organizations

According to the results published in February 2012 of an Initial Quality Study (IQS) of North American automobiles released by J.D. Power and Associates, a global organization specializing in surveys and consulting in customer satisfaction, Lexus rated No. 1 in nameplate ranking while Toyota was ranked No. 7. The results of a Vehicle Dependability Study (VDS) carried out by the same company revealed that Lexus rated No. 1 and Toyota No. 3. As a result, all ratings and scores exceeded those of last year. In addition, in the results of the spring issue of the 2012 Consumer Reports evaluating reliability, road tests and safety, five Toyota cars were chosen in 10 categories. Therefore, we have received proof of the recovery of customer confidence through a variety of evaluation organizations. We will continue striving to provide automobiles which exceed customer expectations in the belief that “Quality is Toyota’s mainstay.”