Productivity Improvement and effective utilization of materials

In the face of the post-war material shortage and small production volume, it was necessary to raise the productivity level to that achievable in large-volume production and to produce only as many items as required by effectively utilizing materials.

During the 1945-1950 period, Toyota focused on the production improvement and effective utilization of materials, as shown in this diagram. The company introduced a pull system of production to reduce waste and improve efficiency. The diagram also highlights the introduction of continuous flow production and the adoption of sequence tables to improve production planning and control.

Subsequent sections of the diagram detail further advancements in the Toyota Production System, including the introduction of the Kanban system, continuous flow production, and the adaptation of sequence tables to improve production planning and control. These advancements were crucial in establishing Toyota's competitive advantage in the automotive industry and have since become benchmarks for lean manufacturing practices globally.
As the market matured, demand fluctuation and diversification widened and plants were being established in many locations inside and outside Japan. It became important to establish a production system that included parts suppliers to easily meet the requirements of the just-in-time system.

**Coping with globalization**

Based on its philosophy of producing vehicles worldwide, Toyota rapidly expanded production overseas, including China, other Asian countries, and the EU. It implemented global initiatives in order to deliver vehicles to overseas customers at the same quality, lead time, and productivity levels as in Japan.