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Who is to Blame for Toyota's Troubles?

By: Celia Young

Toyota Corporation has been in the news for a while now. The problem they are having is a typical phenomenon when a company grows so big and it starts to lose sight of itself. Unfortunately, this can happen to any company. What makes this different is that it is Toyota, a Japanese company.

Long ago, a "Made in Japan" label used to symbolize cheap and poor quality products coming out of Japan after World War II. Then through continuous improvement and national dedication, they became the standard for quality. This reputation was hard earned. Now, many Americans will buy a Japanese car before they would ever consider buying an American car. GM did not seem to make it easier for Americans to love American made cars either.

While we mourn the loss of quality and pride of being able to manufacture first-class products in this country, I'd like to point out that Toyota, Nissan, Honda, etc. are all making cars in the U.S. now. These are not the Japanese workers who are working on the assembly line. They are American workers. If American workers can make cars for Toyota, Nissan and Honda that consumers are loyal to, why can't American workers make good GM cars that have the same consumer following? The problems seem to lay elsewhere.

So, when Toyota cars get recalled, many of us see this as a Japanese problem. However, this is actually an American problem as well. If we were to blame someone, we ought to blame ourselves for being part of the problem since many of these cars were made in the U.S. As the U.S. Senators kept hammering the CEO of Toyota with questions, I cannot help but notice underneath all these questions, there seems to be a thinly veiled anti-Japanese sentiment as if we have been waiting for them to fail.

In the 80's when the Japanese, flushed with cash, came to the U.S. and bought up some of the most prestigious real estate in the country such as the Rockefeller Building, there was such uproar against the Japanese "invasion". In reality, the British and the Canadians were the biggest investors in U.S. properties at the time. Then the real estate market crashed and the Japanese had to sell off some of their trophies at a discounted price. Many of us were almost too happy to see them defeated as if we were taking our revenge for their attack on Pearl Harbor again.

Members of the Senate held up two automobile parts which are supposed to be the same, but they were made by two different suppliers and ended up slightly different. Both parts have met Toyota's specifications. One of them became the key source for Toyota's massive recall. The Senators questioned why Toyota did not use a uniform part for its cars?

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While Toyota is negligent in creating this problem, this issue is a lot more complicated. As the result of globalization, we have become a supply chain economy that relies on suppliers from all over the world to co-produce our products. Toyota is one of those globalizing companies. According to their testimony, a typical Toyota car has 30,000 parts that are made by thousands of suppliers around the globe, including American suppliers. Globalization does not mean standardization. As we continue to globalize our businesses, managing and performing quality control will only get more challenging.

In this globalized world, nationalism seems to make less sense. Instead of just blaming Toyota, a more useful exercise ought to be for us to look into what we can do collaboratively in making better products that will truly make a contribution in the world market, regardless of whose name is on the label.

About Celia Young & Associates, Inc – Since 1986, Ms. Young and her associates have helped their global business clients develop vision and strategies and implement needed change in their businesses worldwide. They coach and develop globally competent and multi-culturally versatile leaders on the individual and group basis in order to help mold a new organization that is open to and capable of fully utilizing the "diversity" of its people. Such an organization is well positioned to respond to the needs of its customers internally and externally, in the U.S. and in the world. Their clients span a wide variety of industries including Telecommunications, Banking/Finance, Healthcare, Utilities, Oil Products, Personal Care, Pharmaceuticals, Print Media, Real Estate and Government Agencies. For more information about Celia Young & Associates, Inc., its clients and work, visit www.celiayoungandassociates.com.

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