

INTERNATIONAL MGMT



Brand: Mehta Solutions

Product Code: case1422

Weight: 0.00kg

Price: Rs500

Short Description

INTERNATIONAL MGMT case study

Description

Case 1:

**Want to be More Efficient, Spread Risk, and Learn and Innovate at the same Time?
Try Building a “World Car”**

Japanese car companies like Toyota and Honda Motor Company are pioneering the auto industries truly global manufacturing system. The companies aim is to perfect a cars design and production in one place and then churn out thousands of “world” cars each year that can be made in one place and sold worldwide. In an industry where the cost of tailoring car models to different markets can run into billions of dollars, the “world car” approach of Toyota and Honda – and which Ford is hoping to emulate – is targeted at sharply curtailing development costs, maximizing the use of assembly plants, and preserving the assembly line efficiencies that are a hallmark of the Japanese “learn” production system.

As for Honda, the goal is to create a “global base of complementary supply,”

says Roger Lambert, Honda's manager of corporate communications. "Japan can supply North America and Europe, North America can supply Japan and Europe, and Europe can supply Japan and the United States. So far, the first two are true. This means that you can more profitably utilize your production bases and talents."

The strategy of shipping components and fully assembled products from the U.S. to Europe and Japan couldn't have come at a more opportune time for the Japanese car companies, especially when political pressures are intense to reduce the Japanese trade surplus with the United States. The task was made easier due to the strength of the Japanese yen, which has risen about 50 percent against the U.S. dollar. That has made production of cars in the United States cheaper, by some estimates, by \$2500 to \$3000 per car. That saving more than compensates for the transportation costs for a car overseas. For the first time, Toyota is creating a system that will give it the capability to manage the car production levels in Japan and the United States. It is moving toward a global manufacturing system that will enable it to enhance manufacturing efficiency by fine-tuning global production levels on a quarterly basis in response to economic conditions in different markets.

Questions:

- 1. Discuss the strategies implemented by Toyota and Honda to achieve greater efficiency in car production.**
- 2. How do the automobile companies plan to simultaneously manage risk and gain efficiencies?**
- 3. Discuss how the car companies use national differences to gain a strategic advantage in the global car industry.**

Details

- 1. Case study solved answers**
- 2. pdf/word**
- 3. Fully Solved with answers**