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TOYOTA COMPANY SUGGESTION PROGRAM VIGOROUSLY SUPPORTED BY EMPLOYEES

— Worker Commitment to Management Subjects is Key to Project's Success

TOKYO — Toyota Motor Company, which is already the world's third largest vehicle manufacturer, may have the best employee suggestion program anywhere. The number of suggestions received during 1973 from Toyota's 43,000 employees will undoubtedly surpass 250,000, with more than 70% of them being adopted.

The program was first started officially in 1951 and attracted 789 ideas during the first year. It grew steadily in quality and quantity during the next 15 years until the number of annual suggestions in 1967 exceeded 20,000. Gaining rapidly, this grew to 40,000 suggestions in 1969 and 50,000 in 1970.

Right from the start, the project had the twin objectives of: (1) fully utilizing each employee's personal creativity, and (2) encouraging each employee's commitment to company progress through active participation in managerial level change.

Toyota has stressed individual creative thinking by all employees since its establishment. The theme is emphasized in all training activities and has even been made into the company's motto: "Good thinking, good product."

Because of the striking results being achieved, the undertaking received substantial impetus in 1971 when the "Creative Thinking Committee" which coordinates the program — established scores of subcommittees at all plants.

The founding of subcommittees was reinforced by devising over-all themes and subcommittee level action themes, which focused creative thought on specific subjects or problem areas.

For example, "maintenance" was designated as one month's theme; another month had "quality." A variety of other measures were simultaneously instituted to stimulate the creative process and encourage employee participation in the program.

The improvements brought a spectacular response and the 800-member Screening Board was kept busy evaluating the thousands of suggestions received each week.

During fiscal 1972, 168,000 suggestions were submitted (against a target of 120,000). Suggestions received so far this year (to early October) numbered 220,000.

Because the submittal procedure has been carefully devised, the number of "successful" or adopted suggestions has risen from 29% in 1956 to 76% in 1972. Statistics and news on the success of the program are relayed to employees every month.

A classification of suggestion categories during the past several years shows the following:

- 70% were either on eliminating or simplifying production processes, or on introducing automation;
- 10% were on improving product quality;
- 10% were on lowering the cost of materials; and
- 7% were on simplifying business operations or internal forms.

Typical of the useful suggestions adopted last year was one from the Machine Maintenance Section of the Honsha Plant, which concerned automatic setting equipment for piston rings. It was quickly implemented at the Machine Department of the Kamigo Plant.

The suggestion has resulted in saving the full working time of 15 employees, has reduced or eliminated the possibility of incidental damage to piston rings, and has saved Toyota at least ¥24 million (approximately \$91,000) a year.

The value to Toyota (and eventually to the public) of this well-functioning employee suggestion program is incalculable, both in terms of monetary savings efficiency and employee morale.

FACT SHEET

DIVISIONAL BREAKDOWN OF SUGGESTIONS RECEIVED (Period: December 1972 through August 1973)

Subcommittees	Number of Suggestions
General Business Administration	10,574
Engineering	13,335
Honsha Plant	32,043
Motomachi Plant	58,796
Kamigo Plant	23,657
Takaoka Plant	25,162
Miyoshi Plant	7,318
Tsutsumi Plant	19,460
Myochi Plant	520
TOTAL	190,865
TARGET	158,730
ACHIEVEMENT (%)	120.2%