



T S JAISHANKAR
DMD - Technical & Purchase

OUR STAKEHOLDERS

PARTNERS IN GROWTH

Emerging markets like India are transforming the business environment throughout the globe. A positive rise has been observed in the country in the area of per capita GDP which is an obvious hint at higher vehicle ownership.

Today, even though progressive globalization has created a positive impact on the global economy, many countries are challenged with job security and a hampered domestic industrial growth. As a counteract to the challenges faced, the doctrine of 'Economic Protectionism' is taking shape with an intent to protect the native businesses and jobs from global competition. In India, though globalization is nurturing our domestic growth, our Government through "Make in India" initiative has garnered considerable attention on the manufacturing sector. In line with this initiative, TKM has focused on empowering resources and nurturing the local talent with sustainable lifestyle.

If the goal agreed in Paris is to be achieved, it will require a steep transformation in global energy systems, transport and industrial processes over the coming decades. Businesses will face risks as well as opportunities during this transition since we must deliver the bulk of the necessary emissions reductions.

We take foremost interest on how our business needs to continuously evolve to enhance our stakeholders' value by aligning to the changing global economy. We have orchestrated this by developing & manufacturing products like Camry Hybrid, which is India's first full hybrid vehicle. As India is having ten out of world's twenty most polluted cities as per WHO, the increase in sales of Hybrid vehicles will contribute towards reducing the pollution levels.

We thank our stakeholders who have partnered with us in leading innovation through technology and contribute to the development of a sustainable society.



ALL NEW
INNOVA | LUXURY
CRYSTA | MEETS
POWER

OUR STAKEHOLDERS

PARTNERS IN GROWTH

- Customers
- Dealers
- Suppliers
- Employees
- Community

As a responsible company, we recognise the importance of effective communication as integral to maintaining a strong relationship with our stakeholders. We strive to take our stakeholders' opinions before all decisions, thereby ensure inclusivity. Being an automobile manufacturing company, our primary stakeholders include Customers, Dealers, Suppliers, Employees and Community. This chapter will outline the initiatives undertaken by each stakeholder to ensure supply chain sustainability.



OUR CUSTOMERS

Customers are our greatest assets and our relationship with them represents one of the focal points of every activity undertaken by TKM. This holds true for all our activities- from initial market research to product development, process of manufacturing to the after-sales experience. It is essential to the long term viability of Toyota Group that we engage with our current and potential customers to ensure that their expectations are met or exceeded. In fact, in a stakeholder consultation, customer satisfaction and vehicle quality were identified as two key material aspects for the brand.

RESPONSIBILITY TOWARDS CUSTOMERS

Our main motive is to develop 'Trust' among customers and for this purpose; our customer service team is fully dedicated to ensure Customer Satisfaction. In this regard, we have initiated several Customer Satisfaction Surveys at different stages. To benchmark ourselves with the industry, we subscribe to an industry level customer survey whose results are analysed along with customer expectations and shared with dealers, regional offices and key departments for usage in their day to day activities.

This year, a 'Customer Delight' Initiative was launched in alignment with our 'Customer Centric' approach. The initiative aims at communicating effectively with customers, thereby valuing customer time and ensuring quality of work, thus adding a human touch to the process of customer service. Such a system is known to improve operations and enhance the work environment. Providing personalised service, car repair services beyond boundaries and a 'Delight Bell' at the showrooms, we have been able to ensure higher Customer Satisfaction. Moving further, we strive to strengthen yokoten and sustenance in the operations.

PRODUCT AND SERVICE INFORMATION

All vehicle and service related information is made easily

available on our webpage. The webpage has been designed with an intention of easy scrolling facility.

No significant fines have been levied on the company for non-compliance with regard to laws and regulations concerning product and service labelling in 2015-16.

DEALER-CUSTOMER ASSISTANCE

We at TKM noticed shortfalls on numerous fronts regarding the service complaints. Hence we have initiated a single point of contact for any Query, Appointment or Feedback across sales. This initiative has helped us in monitoring our KPI with call quality adherence to ensure better customer delight and increase in revenue generation through sales enquiry.

CUSTOMER SAFETY

Safety is top priority at Toyota and we ensure all our vehicles adhere to the highest safety standards. Through Toyota's kaizen philosophy along with our principle of Reduce, Reuse and Recycle, the products undergo many cycles of improvement until the desired standard is achieved.

We conduct regular assessments for health and safety, ensuring highest level of safety. No incidents of non-compliance with regulations and voluntary codes concerning these aspects have been reported.

TOYOTA PARTS CONNECT

This year we have launched a portal for easy communication between the dealer and customer. This portal makes available genuine parts and accessories with a click of a button. The initiative was piloted in August, 2015 and has received a commendable response from its one million loyal customers.

Toyota's objective to launch this initiative was to leverage and reinforce commitment towards being the leader in Customer Satisfaction and Safety.



QUALITY ASSURANCE

High levels of quality are essential to achieve business objectives. It is hence, desirable to establish, manage and monitor Quality Control and Quality Assurance Systems, to provide superior products and services that fully satisfy customer needs and expectations. For us, Quality is a source of competitive advantage, ensures process efficiencies to maintain the hallmark of the company. We also follow high safety standards in manufacturing. Since these standards change as technology progresses, implementing quality management systems in the automotive sector can pose quite a challenge.

In this regard, we have a Quality Assurance Division (QAD) that is involved in understanding customer requests and company procedures, thereby bridging the demand-supply gap in the product.

CORPORATE QUALITY MONTH (CQM) 2016

In the month of February every year, we organize Corporate Quality Month (CQM) as a reminder of the quality issues faced in the previous year. This year, CQM was inaugurated on 1st of February 2016, by Mr. Naomi Ishii along with honourable guests from Dealer and Supplier partners.

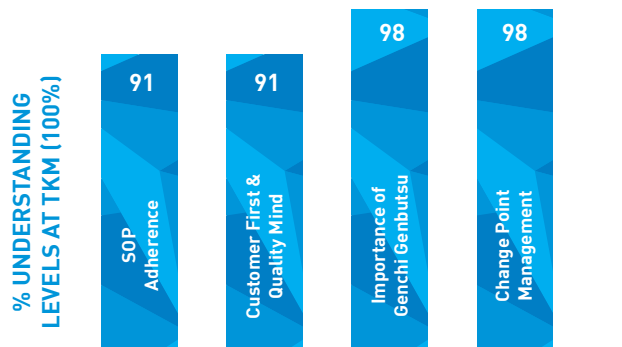
The theme for this year was 'Customer First, Quality Must for Everlasting Trust' and to achieve these, Remind, Reflect and Reform activities were conducted.

REMIND ACTIVITY

To remind ourselves of the previous Quality issues, different activities were carried out, such as the Commitment Card, Toyota Restart Day Pledge and Customer Delight stories. We achieved 100% participation in this event.

REFLECT ACTIVITY

As our reflect activity, the De-Centralized Customer First Exhibition was conducted in order to build ownership in Team Members; at the production shop, non-production shop and Regional offices of TKM. The participation was 27% higher than the previous FY and the TM's quality understanding level was recorded as 98%.



REFORM ACTIVITY

This activity was aimed at giving a better understanding to each division regarding their 'Customer Expectation', customize SOPs and reflect in daily operations through 'Genchi Genbutsu'. As a result of this activity, team members set target to implement their targets for next year Hoshin.

This activity achieved 100% accomplishment, as all the stakeholders participated and put their best efforts to accomplish all the activities conducted by TKM. Our dealer & supplier partners and our team members were awarded for the best quality performance and best customer centric divisions.



INAUGURATION OF CORPORATE QUALITY MONTH



REMIND, REFLECT ACTIVITY AND EXHIBITION ON CUSTOMER FIRST APPROACH


MANAGEMENT REFLECTION




Naomi Ishii
 "This is a good opportunity to change the mind set of people & focus on value addition in all activities.
 Experts in our own area? Let us revise it & rethink.
 Be professional in your own SOP."



Akito Tachibana
 "We need to understand silent / internal expectation of Customers
 We have to feel Inside of Customer (IOC)"



Horinouchi Yoshihiro
 "Focus on sustainability by identifying the weakness through Genchi Genbutsu
 Go to Gemba
 • Check actual condition
 • Identify weak point
 • Level up for sustainability"



T S Jaishankar
 "Customer expectation is big challenge; every customer complaint is an opportunity to grow.
 We need to satisfy our customers continuously by changing our attitude in our job area."



Shekar Viswanathan
 "Continue improving Plant Quality & Supplier Quality.
 We have more responsibility to understand facts coming directly from the Customer."

ASIA PACIFIC PRODUCTION QUALITY AWARD 2015-16

Toyota Asia Pacific affiliates (Vehicle Manufacturers) with Asia Production Quality award on achieving the target in Warranty Reduction. During the FY2015-16, TKM has achieved the targets in warranty reduction and received 'Warranty Reduction Achievement Award'.

PRODUCT ENHANCEMENT (INITIAL QUALITY STUDY AND VEHICLE DEPENDABILITY STUDY)

Customer Satisfaction is of utmost priority to TKM. To ensure best quality products to our customers, we assess the product experience over two varying study periods, namely the Initial Quality Study (IQS) period and Vehicle Dependability Study (VDS) period.

In IQS, overall vehicle quality experience, comprising of the vehicle's fit, finish and performance, were evaluated within the initial 6 months. The VDS estimates customer experience in durability and reliability of the vehicle over a period of 36 months.

The timely and continuous improvement of the product is imperative to achieve the product enhancement and meet the market demands. The Quality rules, management and audit contributed to the betterment of customer satisfaction process. A periodic and systematic method of sharing the field failure information contributed to quality mind enhancement of in-house, supplier and dealer members.

The IQS showed that as a brand, Toyota was ranked No.2 and the Innova stood No.1 in the segment for the 11 consecutive years. A periodic management review is conducted for achieving all models for attaining the No.1 position as a brand in all segments.



TKM MANAGEMENT AND EMPLOYEE INVOLVEMENT IN QUALITY MONTH CELEBRATION