

# Design Management of Collaboration in HONDA

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**Abstract :** In recent years, the word "collaboration" is frequently mentioned by many companies as a keyword in new product development. Honda Motor Co., Ltd. is a noteworthy company as having places great importance on collaboration in their creating products long before the word was recognized. Honda is extremely conscious of "how well to design the collaboration and manage tasks successfully." Such a high consciousness has been inherited ceaselessly from "the first Civic" launched in 1972 until "Fit" presently selling well. This report discusses the frame of "design management applying collaboration" of Honda in view of the rugby approach, one of measures of design management.

**Key words:** *Design management , Collaboration, Rugby approach , HONDA*

## 1. Introduction

In recent years, many companies have regarded the concept of "collaboration" as a key element in product development. Honda Motor Co., Ltd. (Honda) is a company that has a strong emphasis on collaboration in their product development activities long before the term came to be popularly used.

It should be noted that Honda has promoted collaboration not simply because products such as automobiles and motorcycles can be developed by a team more effectively than they can be by individuals in isolation. The greatest benefit of collaboration is that it enables individuals to mutually influence one another and thereby to grow. The Honda Collaboration Forum regards this benefit as the most important reason for Honda's emphasis on collaboration.

Given this viewpoint, Honda always pays close attention to the collaboration stage, as it provides invaluable assistance to individuals to grow through mutual communication and thereby create a more productive and stimulating work environment. This demonstrates how extremely conscious Honda is of the importance of formulating collaborative activities properly and managing tasks successfully.

## 2. Taking on collaborative design management

Tadashi Kume, the former president of Honda, defines "creation", based on his own experience, as the formulation of "ideas" leading to the successful development of innovative "products" and "concepts". According to this definition, Honda's history could be described as a process wherein individual staff members have given deep consideration to how "good creation" can be realized.

When “creation” is implemented with each individual making maximum use of his or her creativity and capability, this amalgam is what develops into “collaboration”. What is important is that innovative ideas about “how to succeed” are generated in the minds of staff through an internal process of interaction with others, not from external sources.

To have a deep understanding of the “collaborative attitude”, there are two helpful philosophies drawn from Buddhism, “attitude without barrier between self and others”, and “prajna”.

Ideas for “good creation” are less likely to come when an individual or group regards themselves as separate from others. In contrast, if a person concentrates on a subject forgetting his/herself, ideas about “how to succeed” will come into his/her mind. Such ideas are then improved and refined through communication with others. Thus, a team can support and eventually succeed in the process of “good creation”. “Attitude without barrier between self and others” produces “prajna”- the ultimate knowledge by which we can see through objects to their innermost reality. The wisdom thus generated then provides opportunities for collaboration. Critical situations require this attitude, and “prajna” is essential to successful product development when the process is beset with great difficulties.

Honda had to confront the important problem of how to firstly encourage the staff to come up with individual knowledge, and secondly, how to successfully combine this individually generated knowledge to develop and maintain its centripetal and creative power following the retirement of the company’s great leader, Souichiro Honda. In other words, they faced major issues of management: how to first of all formulate their collaborative activities, and how to promote their involvement with each other.

Development of “the first Civic”(launched in 1972) was the initial challenge for “collaborative design management”. This challenge included the following processes.

- 1) A range of heterogeneous individuals was assembled from various departments.
- 2) Each individual was given the responsibility of being a project leader.
- 3) Everyone was involved in active debates.
- 4) While everyone respected the individuality of other group members, there was a strong desire to strive toward a common goal.

In the process described above, the following “four requirements for collaboration” can be identified.

- 1) A team must consist of heterogeneous members.
- 2) Team members must avoid making decisions based on their personal likes and dislikes.
- 3) Team members must work together in a free atmosphere.
- 4) Team members must share the same goal.

### **3. Search for “Hondaism” using the rugby approach**

The development process for the high-selling car, “Fit” also met the four requirements for collaboration. After determining the target market, in-depth research was conducted to identify potential needs within that market. Based on the results, this product was developed to meet most of the needs in a market sector that was

displaying vigorous growth. In fact, with its good sense of “market-in” and a strong focus on “our customers”, Honda put together a successful collaborative effort.

In product development, the engineering department develops the engine technology, as one of Honda’s core competencies, and the design department attempts to mold the technology into a structure that finally manifests itself as a real product. In any course of collaboration, both teams need to communicate well with each other. Once the product has been developed, the sales department, acting as the interface between Honda and its customers, takes the responsibility for delivering the actual products to the end user.

In the process of product development, therefore, the separate elements that make up the development mix, such as the overall social and marketing environment, the production site, and actual products, interact with each other in pursuit of the common goal, which is the “development of quality products”. This process conforms to Honda’s philosophy of “making a profit from quality products”.

“A product” is as important as “a business” at Honda. To maintain consistency in “a business”, the management system must succeed in promoting harmony throughout the company. To do this, the “rugby approach” (Figure 2) as a method of design management is more effective than a more linear process (Figure 1), which has been the traditional process followed in product development.

Honda has already introduced the SED system, which is similar to the rugby approach. The SED system is a method that was designed to facilitate comprehensive control over the three key departments (Sales, Engineering, Development). This method enables the departments to solve problems simultaneously, as well as encouraging team members to come up with new and creative ideas. As a result, it reduces the time needed to get a product to market.

Hiyoshi Honma, the representative from the Automotive Development and who is responsible for controlling the development of small and light cars, said that the SED system or a sophisticated rugby approach had led to the development of a “new kind of democracy” and formed part of Hondaism. He explained that the democracy was neither top-down nor bottom-up, but horizontal. He believes that collaborative design management incorporating the rugby approach is a highly effective method for establishing product development systems and order within the company, while making good use of its highly developed corporate culture.

By adopting a sophisticated rugby approach, an individual can see the positioning of his/her current activity within the whole matrix from an objective perspective. Such an understanding enables individuals to act in a manner consistent with the whole. In other words, individuals in collaboration become a “holon”, an entity that is itself a whole and simultaneously a part of some larger whole.

The relationship between the holons leads to “self-organization”, a process whereby an organization creates order out of disorder. The capacity of a team to self-organize is a key to the speedy and flexible development of new products. In the course of self-organization, the barrier between self and others is eliminated, and appropriate ideas are created and flow through in a timely manner. This is, so to say, “real-time created knowledge”, a kind of “prajna”- the ultimate knowledge that allows us to see the innermost reality of the objects. Key to collaborative design management is the capacity to organize rapidly and the use of “prajna”, subconscious thoughts that transcend words.

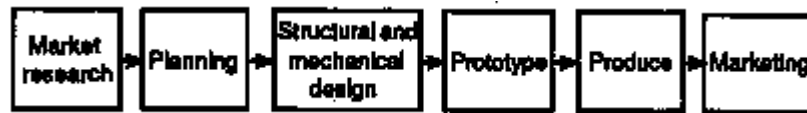


Figure 1 A Linear process<sup>3)</sup>

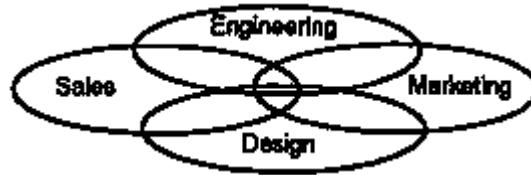


Figure 2 The rugby approach<sup>3)</sup>

#### 4. Conclusion

To bring about successful collaboration, companies must endeavor to unify their employees and eliminate barriers between the needs of customers and the needs of the company. Without these efforts, the prospects for companies are bleak. What the customers want to purchase is not simply the company's products, but also the concepts that reflect their need or materialize their desires in their lives. Companies are therefore confronted with the challenge of how to create satisfactory concepts for their customers. To solve the problem, companies must design product concepts that can meet both the needs of customers and companies, without barriers between these two interacting parties.

Therefore, a company can only credibly introduce itself as a really excellent company if it has the ability to implement collaborative design management that reflects the customers' needs by adopting a sophisticated rugby approach or a similar approach. In the rugby approach, each department in the company must combine to form a tightly knit scrum that can push forward and overcome all obstacles in its path.

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