

Design Management Seen at HONDA

Permeating a Design Mindset

Shin'ya Nagasawa*

* Graduate School of Commerce, Waseda University, nagasawa@waseda.jp

Abstract: HONDA Motor Company is a good example of Japanese companies has established so-called “HONDA Design.” This paper considers “Design Management at HONDA,” which is based on the interview with Mr. Shinya Iwakura (former Senior Managing Director and Head of the Four-Wheel Vehicle Division) and argues the following; (1) Training Designers’ Hands, (2) Soichiro HONDA’s Philosophy of Design Management, (3) Forging HONDA’s Uniqueness through Design, (4) Designers that Take a Philosophical View Create Value, (5) The Designer as Creator of Individuality and Excitement, (6) Design Management in the Experiential Economy. Finally this paper proves the essentials of “Design Management at HONDA.”

Key words: *design management, design mindset, HONDA, Soichiro Honda, Shinya Iwakura*

1. Introduction

A company is something that tries to grow. This desire springs from the ambition of entrepreneurs. The energy of the human resources assembled at a company is everything when it comes to growth. For companies, their human resources are a major source of their productivity. Especially having human resources with energetic and unmatched talents within a company will lead to dramatic corporate growth.

But in general, human resources with such a disposition constitute an extremely “unwieldy” presence. So careful deliberation must be given to questions like how they should be managed within an organization and what is the best way to elicit their capabilities.

Designers are representative of this sort of unwieldy type of human resources. The question of how designers should be cultivated and allocated within a company in order to get them to freely exercise their talents constitutes a decisive factor when it comes to differentiating products. Techniques for cultivating such designers are regarded as something that should be addressed in the early stages of design management.

HONDA Motor Company is a good example of Japanese companies has established so-called “HONDA Design.” This paper considers “Design Management at HONDA,” which is based on the interview with Mr. Shinya Iwakura (former Senior Managing Director and Head of the Four-Wheel Vehicle Division) and argues the design management seen at HONDA [1].

2. Training Designers’ Hands

Soichiro Honda, the founder of Honda Motor Co., Ltd. (hereafter referred to as “HONDA”), was of the conviction that only once people have more than become self-aware of and clearly expressed their individuality,

they can do amazing work. He was convinced that people gained self-confidence by doing amazing work, and that this in turn led to self-respect.

To Soichiro Honda, what underpinned the corporate organization of HONDA was neither capital nor equipment; it was the high level of knowledge possessed by each and every one of its employees who carried their individuality and pride in hand.

Shinya Iwakura (former Senior Managing Director and Head of the Four-Wheel Vehicle Division), who at one time engaged in joint research on design management with the author, joined HONDA in 1964 as an in-house designer, where he learned many lessons from Soichiro Honda. The 1960s in particular were a time when Iwakura was laying his foundation as a designer. He was learning about actual product development and taking this in as his own personal knowledge.

In reflecting back over his own experience, Iwakura perceived it as an age when designers would start by just getting their hands dirty, next they would start using their head, and finally their hearts would be moved. For Iwakura the 1960s were an era when he single-mindedly put his hands to work. According to Iwakura, his hands would set to work on whatever Soichiro Honda, who was a master at scolding, ordered him to do, and were none other than the hands that were involved in developing products for HONDA.

Soichiro Honda knew more about the importance of learning by putting one's hands to work than anyone else. From among the acts of seeing, hearing, and testing which are conducive to remembering things, it was the testing that Soichiro Honda valued, as he was convinced that learning by testing things was an asset that surpassed all others.

There is a well known tale about how the actual hands of such "handy people" (people who have a tendency to instantly set to work with their hands once they get an idea in their head to give it shape and prove their idea) like Soichiro Honda differ considerably in terms of their palm size and the shape of the fingers between their right and left hands.

Since his right hand was his working hand and his left hand was his support hand he was constantly getting injuries on his left hand, such that it became slightly shorter than the right hand. This was because he would shear off the tips of his fingers and so on countless times while he was working. Since this hand knew everything that he had done, he felt the strength of experience in it.

3. Soichiro Honda's Philosophy of Design Management

In 1961 HONDA pulled off a clean sweep of the Isle of Mann TT Races, thus establishing its global dominance in the motorcycle field. Building on this momentum, the next year in 1962 it designed the S360, a light, four-wheeled sports car with which it began producing automobiles.

In 1963 it designed the S500 miniature sports car, then the next year it dominated first through sixth places in the Second Japanese Grand Prix car race with its S600, which had a scaled-up version of the S500's engine. Following this, HONDA announced that it would take part in an F-1 race in January 1964.

The year 1964, when Iwakura joined HONDA, was a year that was full of enthusiastic notions of entering the market for four-wheel automobiles in full-force and of frenzied hopes for worldwide domination in four-wheel races.

Upon joining HONDA as a designer, Iwakura instantly came into contact with Soichiro Honda's philosophy of design management. Soichiro Honda perceived his personal philosophy as "It all comes down to the fact that you have to care about people's emotional problems." In other words, he valued means of establishing emotional bonds between people, and would color his speech slightly or adopt a kind attitude to people depending on their state of mind.

As part of his philosophy, Soichiro Honda also regarded "coolness" as being necessary to move people (customers) emotionally. The coolness mentioned here refers to whatever people often think about and often want to talk about. The underlying basis behind being liked by people is having this coolness.

This is achieved by pursuing excellent design during product development. The thought "That's why I'm doing it this way" is particularly important in this.

Consequently, Soichiro Honda's philosophy of words and attitudes that directly appeal to the other person's mental state have proven successful when it comes to getting designers on board and putting them in the right mood for this. Iwakura was another one who had been granted what he had desired by the HONDA organization by means of coming into contact with such words and attitudes from Soichiro Honda.

As an example, once back when the N360 (released in 1967) was being developed, Soichiro Honda gave a pep talk to the effect that, "Dreaming up ideas sure is fun, but turning them into something real is even more enjoyable. But as fun as it is, for some reason you guys don't do this."

Here we can gain a glimpse into Soichiro Honda's outlook on design. That is to say, he perceived car design to be similar to fashion in that it was important to not be hung up on the past, but rather to incorporate the shapes, lines, and colors that one personally feels to be the most amazing at present. Expressing oneself honestly and forthrightly while rejecting compromises leads to the birth of new designs. It is through this process of product development that one finds enjoyment.

When Soichiro Honda would move forward with product development by making use of his designers in this manner, he always clung to the credo that "Design must be a symphony appreciated visually." This "symphony appreciated visually" refers to designing each part so as not to disrupt the balance of the whole.

But if the designer gets preoccupied with just the balance then the design loses its personality and devolves into a design that just tries to please everybody. So for this reason parts that are somehow incongruous should be left in on purpose. By doing so these serve as elements that are sublimated into the harmony. Soichiro Honda thought of true designs as those that elevated the appeal and beauty of these dissonant parts while also having them completely satisfy the requirements for practicality.

4. Forging HONDA's Uniqueness through Design

Once some survey released the results of an analysis that said, "Both lines and cross-sections of HONDA car designs are arrayed in a radial pattern." Upon encountering this, Iwakura recalled Soichiro Honda once looking at a clay model of the Civic and saying, "You should really go with an *onmora* (amply rounded) shape. That way people won't get tired of looking at it."

Iwakura says that he no longer knows the meaning of the word *onmora*, but his understanding is that it is something like a warmth that makes you feel like it was crafted out of clay that has been sculpted.

When sculpting clay, unless you put your back into it during the initial rough stages then it will not budge. Then when putting the finishing touches on it the softness and motion of the palms and fingers of your hands come largely into play. As this indicates, sculpting is something that is done through the use of one's entire body. The form that emerges from this naturally produces curves and surfaces that are similar to those of the human body.

When perceived through this perspective, the Civic was a classic example of "sculpted design." The results of the analysis that said that HONDA's car design was made of radiant rays represented the fact that they were designed in shapes that approximated the natural movements of the human body, much like the way bamboo flexibly sways in the breeze, for example. This in itself is design with a sense of warmth, which Soichiro Honda expressed as *onmora*. This is nothing other than HONDA's uniqueness.

Furthermore, while looking at this same clay model of the Civic Iwakura heard Soichiro Honda make the following comments.

"There are only three shapes in the world: circles, triangles, and squares. Circles are reminiscent of well roundedness, while triangles evoke innovation. Squares give a solid, reliable feel. The same is true of running a company, a company will go under with just well roundedness alone, and it is dangerous to only pursue innovation. As you'd imagine, it is important to have a foundation that is solid and reliable, on top of which you must skillfully combine well roundedness and innovation in the proper amounts by taking a careful look at the trends of the era. It's the same with style. You have to think carefully about such things, especially with expensive purchases like cars. If you're overly inclined to circles and triangles it's fine at first, but people will soon get tired of it. In this respect squares are durable and long-lasting."

For the Civic a trapezoid was laid down as the basis for its style and it was given a rectangular appearance. Yet despite this its angles were moderately rounded, with the important point being that it retained well-defined edges. When perceived from this perspective, the reason that the Civic did not undergo a model change for the long time span of seven years can be found in the fact that it had a shape that struck a balance between solid reliability, well roundedness, and innovation (namely, squares, circles, and triangles).

These comments by Soichiro Honda provided Iwakura with significant suggestions when he was involved in the development of the second generation Prelude (released in 1982). This is because the first generation Prelude (released in 1978) was somewhat overly laden down with the intended will from the creator's side (product out), so in that sense it was an innovative product.

Therefore, with the second generation Prelude they had to refine the roughly hewn sections from this innovation. Refinement here meant a process of clearing away the impurities that had been concealing the car's intrinsic excellence and allowing this to rise to the surface, then polishing and molding it.

Iwakura undertook this refinement during the design process for the second generation Prelude. In doing so, he committed his efforts to not just merely refining the car, but also to eliciting the "graceful seductiveness" to be found in the areas that transcended this. The reason for this was because just refining the car would not stir up people's feelings of excitement. The fact that it made him think that for some reason there was something about the car that excited him was because it had personality.

For Iwakura the 1980s started with the development of the second generation Prelude in pursuit of this graceful seductiveness. Around this time Iwakura was informed by the director of the research institute that, "I want you to set up a design office that can keep churning out the best designs in the world one after another."



Figure.1 The first generation Prelude (Source: Iwakura, S., Iwatani, M., and Nagasawa, S. (2005), *Strategic Design Management in HONDA – Destructive Creation and Evolution of Brand Identity* –, Nihon Keizai Shimbunsha, Tokyo, p.181, photo)



Figure.2 The second generation Prelude (Source: Iwakura, S., Iwatani, M., and Nagasawa, S. (2005), *ibid.*, p.183, photo)

Therefore, at the beginning of the implementation planning sheet for this he wrote, “Form is all about heart.” This was shot through with his ardent conviction that, “Form is an expression of what is in the creator’s heart, and so it is important that the designer temper their heart.” Furthermore, he expressed his wish that, “More than anything I would like to see designers set designing things wholeheartedly for the world and for people as the cornerstone of their heart” through the phrase “design redemption.”

Moreover, he indicated that the requirements for carrying out design are: (1) Universality (it must remain unchanged even after many long months and years of weeding out and culling), (2) Cutting edge-ness (it must be ahead of the curve where people are concerned and not lose its freshness as time passes), and (3) Service-orientation (it must align with the trends in human society and of the era). He pointed out that it is important to have a perfect combination of these three elements.

5. Designers that Take a Philosophical View Create Value

Around the middle of the 1970s, prior to beginning the development of the Accord, Iwakura was pleased with the success of the Civic, and drew a picture of an ostentatious new car. Upon seeing the state of the emotions that had bubbled up in him, Soichiro Honda candidly remonstrated him by saying, “The artist can’t create new forms.”

Upon soon realizing that this statement contained the implicit admonition that “You are all industrial designers,” Iwakura interpreted the true meaning of his words in the following way. The first thing is that there is a difference between artists (painters, sculptors, potters, etc.) and designers. Both of them are alike in that they create object’s shapes and colors.

But there is a major difference between what artists create (artworks) and what designers create (products) in the sense that only one is made of the former while the latter is mass-produced. In most cases, artists create a single piece of art on their own and which is just for them.

As opposed to this, designers go about manufacturing mass-produced goods via joint processes with lots of other people in order to benefit people in their daily lives. He thought that herein lies the true meaning of the term “artist” as cited by Soichiro Honda.



Figure.3 The first generation Accord (Source: Iwakura, S., Iwatani, M., and Nagasawa, S. (2005), *ibid.*, p.159, photo)



Figure.4 The third generation Civic (Source: Iwakura, S., Iwatani, M., and Nagasawa, S. (2005), *ibid.*, p.147, photo)

In regards to the word “new,” which is one other important point in the admonishment from Soichiro Honda, this overlapped with the term “seasonal.” Three elements are crucial for making products: (1) New ingredients (seasonal materials), (2) New manufacturing techniques (seasonal fabrication methods), and (3) New techniques (seasonal skills).

It is only once these three seasonal elements are employed under the conceptual framework of asking “What is it that I want to build?” are new designs created. This was an indication of the fact that a single designer cannot create a new design. In this manner, unraveling Soichiro Honda’s words from his statement that “The artist can’t create new forms” raised Iwakura’s awareness of conducting product development in order to meet new needs together with people who give rise to these three seasonal elements.

What is more, when Iwakura was working out the design for the third generation Civic (released in 1983), Soichiro Honda cautioned him by saying, “It’s not about how much work you do. After all, you guys are designers, aren’t you?” This motivated Iwakura to give serious consideration to the question “What is design?”

Among the many meanings that design has, he focused in on the aspect of its “agenda.” For example, when you take 200 yen worth of materials and apply a design, add some touches, and turn them into some sort of finished product which you then sell for 1,000 yen, if you’re lucky enough to have someone buy it from you then that difference between the 200 yen and 1,000 yen of 800 yen is the extent of the added value brought about by design.

Simply put, Iwakura came to be powerfully aware of the fact that being a designer is not about how much work you do, but rather designers are people who create added value; in other words, they are value creators.

6. The Designer as Creator of Individuality and Excitement

When Iwakura was designing the front part of the Legend (released in 1985), at one point Soichiro Honda suddenly said to him, “Don’t imitate.” The front grill is comparable to an automobile’s face, and so designing this is an extremely important task. Having been remonstrated that his was an imitation, Iwakura took the opportunity to think about what it means to imitate in the following manner.

People grow by imitating their parents when they are young, and then their teachers and seniors as they grow older. In addition, both “portrayals” (exact transcriptions of natural things) and “copies” (accurate reproductions

of exceptional works by their predecessors) are acts of imitation through and through. As they earnestly repeat these imitations over and over again they close in on the essential nature of the subject in the manner of asking, “Why is this?” and “What is this about?” And then their reproduction gradually comes to resemble the genuine article.

Learning is the act of imitating exceptional models until they have been tamed to the point of mastery in this manner. Learning refers to the process of discovering excellent models and taking lessons from them. People are then able to acquire the fundamentals by amassing these lessons.

Through this process individuality is gradually produced. From this line of thinking Iwakura understood that with designs where one’s own self comes through by means of imitation, this is actually the individuality of the genuine article coming through.

Conversely, Soichiro Honda had once informed Iwakura of this when he began working on the first model change for the Legend, saying, “Design is about excitement. If the person making the design cannot get worked up then they cannot expect to get other people excited.”

Since then the word “emotion” came to dominate Iwakura’s mind. Emotion is something that stirs the heart, it is personally moving someone else’s heart (this includes objects as well).

At such times the heart is revealed by means of: (1) Wisdom (encountering something), (2) Feeling (being moved emotionally by it), and (3) Volition (setting one’s heart on it). These emotional stirrings of wisdom, feeling, and volition are what constitute emotion.

Upon carefully examining the meaning of the word emotion, Iwakura arrived at the conclusion that what is most important for a designer is “?!” In other words, they must have a mentality of constantly wondering and being curious about everything (?), and be unreservedly moved when they have figured something out (!).

7. Conclusions: Design Management in the Experiential Economy

At the start of the 1990s the diffusion of the Internet instantaneously accelerated the transformation from the industrial societies that had existed up until then into information societies. Information societies raise questions regarding selecting beneficial information from among the glut of information throughout society and analyzing and processing it to produce information that has new value.

Within such societies the need has arisen to transition from a society in which the goal has been for designers to create objects that are merely useful to one in which the objects they create lead to a more ideal society.

In the case of automobiles, emphasis came to be placed less on making the automobiles themselves and more on the possibilities of what can be done by driving said automobiles (for example, going camping with a family, dating with one’s lover, driving by oneself, etc.). Simply put, the question posed to manufacturers was: To what extent can people’s lives be enriched through intangible experiences (events) as opposed to tangible objects (things)?

Since paramount importance is placed on having experiences, this has currently come to be called the “experience economy,” and it is asserted that providing experiential value is crucial. The word “priceless” that closes out MasterCard commercials says a lot about the era.

For car manufacturers in particular, they must not only focus on physical aspects such as efficiently transporting people and objects. It is now imperative that they also turn their attention to the other dimension of “intangible experiences,” or in other words undertaking communication (transmission).

Even in this age of everything where automobiles must not just merely provide transportation but also play a role of transmission, the role of the designer will sometimes involve designing products that are suited to the times by converting the experiences they have acquired by their own hands into self-assurance. This will most likely be characteristics that is not only seen at HONDA, but which is shared by companies in which a design mindset has permeated.

8. Acknowledgements

This paper is based on the interview with Mr. Shinya Iwakura (former Senior Managing Director and Head of the Four-Wheel Vehicle Division) that was carried out jointly between the author and Masaki Iwatani (Tokai University).

9. References and Citations

- [1] Borja de Mozota, B., Kawauchi, N., Iwatani, M., and Nagasawa, S. (2010) *Strategic Design Management: Using Design to Build Brand Value and Corporate Innovation*, Doyukan, Tokyo (in Japanese).
- [2] Iwakura, Shin'ya, Masaki Iwatani, and Shin'ya Nagasawa (2005), *Strategic Design Management in HONDA – Destructive Creation and Evolution of Brand Identity –*, Nihon Keizai Shimbunsha, Tokyo (in Japanese).
- [3] Iwakura, Shin'ya, Masaki Iwatani, and Shin'ya Nagasawa (Park Mi-Ok trans.) (2005), *HONDA NO DESIGN SENRYAKU KEIEI (Strategic Design Management in HONDA – Destructive Creation and Evolution of Brand Identity –)*, Human & Books (Seoul) (translated in Hangul).
- [4] Iwatani, Masaki and Shin'ya Nagasawa (2003): Design Management of Collaboration in Honda, *Journal of the Asian Design International Conference*, Vol.1, H-04 pp.1-4, Asian Society for the Science of Design.
- [5] Nagasawa, Shin'ya, Shin'ya Iwakura and Masaki Iwatani (2002): Design Strategy in HONDA – Case Study of CIVIC, 2nd PRELUDE and ODYSSEY – , *Bulletin of Japanese Society for the Science of Design*, Vol.49, No.2, pp.45-54, Japanese Society for the Science of Design.
- [6] Nagasawa, Shin'ya and Masaki Iwatani (2003): Design Management of Honda in Product Development of “FIT,” *Journal of the Asian Design International Conference*, Vol.1, H-05 pp.1-4, Asian Society for the Science of Design.
- [7] Nagasawa, Shin'ya, and Masaki Iwatani (eds.) (2003), with Noriji Sato, Shin'ya Iwakura, Motoo Nakanishi, Shin'ya Nagasawa, and Masaki Iwatani, *Introduction to Design Management – Strategic Application of Design –*, Kyoto Shimbun Shuppan Center, Kyoto (in Japanese).
- [8] Nagasawa, Shin'ya, and Ryutaro Kino (2004), *Brand Identity of Nissan and Honda – Product Managers Who Pursue Product Development –*, Doyukan, Tokyo (in Japanese).
- [9] Nagasawa, Shin'ya (ed.) (2009), Masaki Iwatani, *Design Mind Manager – Yasuo Kuroki, Design Officer of Akio Morita –*, Japan Publishing Service, Tokyo (in Japanese).