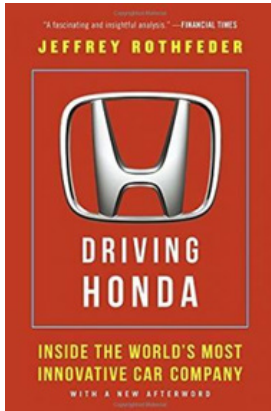


# BOOK REVIEW



## Driving Honda: Inside the World's Most Innovative Car Company<sup>#</sup>

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### Driving Honda

When it comes to manufacturing, the name Japan invokes a multitude of products particularly so in the domain of electronics and automobiles. Probably it is a cliché to say Japanese products stand for quality and the Japanese people, for productivity. As for as the automobiles are concerned, two Japanese names immediately come to the mind, namely Toyota and Honda. Toyota has been exhaustively researched for its products, working culture, and the most popular Toyota Production System, which is considered a challenge for companies outside Japan. Hundreds of books have been written about Toyota and it has become a household name. But not many books have been written about Honda, which is an equally popular brand as Toyota, and has captured the global market since decades, for its high quality products.

Jeffery Rothfeder has exactly done an incredible job by writing about the lesser popularized company Honda by illustrating the strengths of the company. He succeeds in convincing why “Driving Honda” is a good read for anyone interested to know how a company can survive over a long time, by being different and innovative.

Honda like many other companies in Japan, wanted to be an international player and set up its plants in USA long back, to capture a bigger market in automobiles. Rothfeder says how Honda unlike other companies chose a place that was considered an obscure location and lacking some merits of a typical manufacturing plant. This is an example of being different from others.

In the beginning of the book itself, the author shows how the company is “different” by filling the top posts with engineers when other companies would go with management specialists. What the founder Soichiro Honda had demonstrated during his time, continues to exist in the Honda Company. The author comments that when it comes to filling the CEO’s position it is usually taken up by persons from marketing or finance background. But in Honda, preferring creativity and dynamism, persons from engineering background were recruited.

The author observes that most of the auto companies around the world try to emulate Toyota and feel they are following the market leader. But Honda has proved right from the beginning that it is capable of beating any formidable competition just by doing what others would not dare to do, and setting new benchmarks. The author cites numerous examples to demonstrate the agility and dexterity found in the Honda employees that led to building superior cars, motorcycles, lawn mowers, engines, and power equipment which other companies would not think of manufacturing.

According to Rothfeder, Honda did not use only lean manufacturing as deeply as by its rival companies, but utilized a combination of several manufacturing techniques and incorporating as many changes as it wants for better results. The author however has gone to deeper levels while describing the Japan’s top automaker namely Toyota’s work culture, policies, and above all failing badly on the quality front, resulting in millions of recalls for the Toyota cars. All this perhaps

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helped Honda to rethink and improvise its production techniques.

The book gives a good description of the Honda Company's founder Suichiro Honda and narrates how the person developed his own styles of manufacturing and was able to be more creative than others. As the founder was an engineer, he preferred people from the engineering background and often challenged them to come out with their solutions and urged them to be innovative and different. In this way the author comments that the company was able to minimize the cost and be less dependent on vendors and other companies for any technical support. Naturally, several companies started following the examples set by the Honda Company. According to the author, the founder was a tough task master and was ruthless when dealing with people who would not achieve the quality level as he wanted or expected.

However, the author goes overboard in cramming the details with a lot of technical stuff that is largely related to mechanical engineering. For example, his description of sand casting and die casting processes that are used to produce components, or description of engine parts and their functioning, makes it difficult for readers who do not belong to the technical domain. This can be detrimental in sustaining the readers' interest.

But the biggest advantage the Honda Company had was their easy way of satisfying the environmental protection standards set by the US Government, when the three big automobile manufacturing companies of those days, namely, General Motors, Ford, and Chrysler, protested against the act, crying the act is unfriendly to the industries and will make the industries to lose the market.

Honda's enormous success, according to Rothfeder, is its remarkable design talent that was carefully nurtured in the company and encouraged with rewards and recognitions. The design function was not limited to engineers but to everyone who had an idea and would share with others and implement the same to achieve better results. To support this unique characteristic, the author quotes several examples of developing

auto engines, auto parts, new painting processes, and new assembly techniques, retooling, and producing the jigs and fixtures in-house. In fact, Soichiro Honda himself took pride in making the finest piston rings, the essential part of an engine, which ultimately made the company to become the major supplier of engines to other companies.

Observing the points quoted in this review, one may be tempted to think that this book is more for the technically oriented readers. Stop! The book has a lot to offer for the business education enthusiasts, whether researchers, academicians or students. Rothfeder, having interviewed many engineers, managers, and workers, in the company, states that there are many takeaways for the management people. To cite a few, respect for the individuals, encouraging innovation and challenging the conventional wisdom, dare to go beyond the regular steps, unorthodox ways of hiring, recruiting unorthodox people to bring new ideas and concepts, maintaining harmonious relation with disagreeing partners, and above all, learning from mistakes. Reading this book also helps to understand the importance of supply chains and developing a fruitful relationship with the suppliers and service providers.

This book reveals the secrets of success of Honda Company where things happen in a different way. The author also throws light on the two contrasting styles of management followed by the US firms and the Japanese companies. This incidentally as the author narrates, even led to acrimonious situations leading to personal discomforts, heated arguments, and sometimes bitter rivalries. But a Japanese company taking over the big three automakers in the US in their own home turf, is definitely a story to inspire all the readers.

So I wholeheartedly recommend this book and encourage practicing perfection, innovation, relentlessly pursuing the goals, and above all developing a passion to be the best. But be ready to see occasional drifting by the author, who suddenly shifts to another company, another person, and even some unrelated content that may throw the unsuspecting reader to hurriedly close the book!