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## 4. Quality Assurance Activities

### 4-1 : Aiming to Bring Reassurance and Satisfaction to Customers

"We have to aim for 120% product quality. If 99% of the products we make are perfect it would seem like a pretty good record. However, the customers who become owners of the remaining 1% will surely consider their products 100% defective. It is unacceptable that even one customer in a thousand – even one customer in ten thousand – should receive a defective product. This is why we have to aim for 120%." These words of founder Soichiro Honda define the company's fundamental approach to quality, or, more specifically, what it means to strive to be a company society wants to exist. Determined to meet or exceed the expectations of customers, Honda is undertaking new initiatives to meet high product quality standards. Adhering to these objectives, Honda's commitment is to strengthen customer trust by offering products founded on safety and a new level of outstanding quality. To this end, Honda has created the Honda Quality Cycle, which works continuously on quality enhancement and improvement, encompassing every stage in the process – from planning, development, production, and sales to after-sales service. In order to realize the basic principles of 'Respect for the Individual' and 'The Three Joys' (the joy of buying, the joy of selling, the joy of creating), Honda has confirmed being number one in customer satisfaction in all points of contact as a primary objective. Honda works in collaboration with dealers to satisfy customers at every stage, from sales to after-market service, so that customers can continue using and enjoying its products and services.

#### Offering a New Level of Outstanding Quality

Over the years, Honda has implemented a variety of dynamic activities aimed at realizing products that achieve a new level of outstanding quality.

Meanwhile, the industry is heading toward an unprecedented turning point concerning responses to factors of environment, safety, and intelligence. Honda will accelerate powertrain electrification to achieve carbon neutrality as well as introduce driver-assistance technologies for the realization of a collision-free mobile society. Furthermore, Honda is now working to create new value through open innovation by teaming up with other companies, including many from different industries, to address the challenge of creating new forms of mobility that incorporate the Internet of Things (IoT). Moving ahead, Honda aims to reduce problems at all points of customer contact in step with innovations in mobility and living, in addition to ensuring the highest quality levels among the products and services that customers rely on.

Through this pursuit of quality in each domain, Honda has allowed its activities to evolve and produce new standards along the way.



Honda Monthly December 1951\*

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Honda Monthly March 19

# Source:Honda Sustainability Report 2022

# \*Honda Monthly December 1951

## Honda Monthly No. 4 December 1, 1951

#### The Three Joys Soichiro Honda

I am presenting "The Three Joys" as the motto for our company. These are, namely, the joy of producing, the joy of selling, and the joy of buying.

The first of these, the joy of producing, is a joy known only to the engineer. Just as the Creator used an abundant will to create in making all the things that exist in the natural universe, so the engineer uses his own ideas to create products and contribute to society. This is a happiness that can hardly be compared to anything else. Furthermore, when that product is of superior quality so that society welcomes it, the engineers joy is absolutely not to be surpassed. As an engineer myself, I am constantly working in the hope of making this kind of product.

The second joy belongs to the person who sells the product. Our company is a manufacturer. The products made by our company pass into the possession of the various people who have a demand for them through the cooperation and efforts of all our agents and dealers. In this situation, when the product is of high quality, its performance is superior, and its price is reasonable, then it goes without saying that the people who engage in selling it will experience joy. Good, inexpensive items will always find a welcome. What sells well generates profits, as well as pride and happiness in handling those items. A manufacturer of products that do not bring this joy to people who sell those products is disqualified from being a manufacturer worthy of the name.

The third, the joy of the person who buys the product, is the fairest determiner of the products value. It is neither the manufacturer nor the dealer that best knows the value of the product and passes final judgment on it. Rather, it is none other than the purchaser who uses the product in his daily life. There is happiness in thinking, "Oh, I'm so glad I bought this." This joy is the garland that is placed upon the products value. I am quietly confident that the value of our company's products is well advertised by those products themselves. This is because I believe that they give joy to the people who buy them.

The Three Joys form our company's motto. I am devoting all my strength in order to bring them to reality.

It is my hope that all of you, as associates of the company, will exert every effort so that you never betray this motto. I also hope that our agents will understand my desires in this regard so that we may continue to benefit from cooperation.

#### \*Honda Monthly March 1953

#### 120% Product Quality

#### Soichiro Honda

"Our company strives to achieve 120% quality, not only in finished products but also in parts. 120% quality may sound strange, but this is because we cannot achieve the 100% quality that we desire if we aim for 100% quality.

"If we set our goal at 100%, we will not be able to avoid one or two percent rejection, because this is a human activity. If we aim for 100%, we will accomplish this goal no matter how difficult it may be.

"Our production target for February is 2,200 units of the Dream and 10,000 units of the Cub, but for those who purchase these products, they are not one in 2,200, not one in 10,000, but one in one, and each and every one of them bears the entire technology and trust of Honda.

"For our customers, each product they receive is the very essence of Honda. Even if it is one out of thousands or tens of thousands, we cannot be forgiven for saying that it is one out of thousands or tens of thousands of units.

"In order to avoid rejection of products that are one in thousands or one in tens of thousands, we must produce products that are 120% as good as possible.

"I always say, 'Our customers are our masters, and they are the most precious treasure for our company.' In order to satisfy all of our most valuable customers. literally without exception, and to gain their trust, we must overcome all difficulties and produce 120% of the best products."

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# 4-2 : Quality Promotion Activities Chronology

1953	Article titled "120% Product Quality" published in March issue	1976	Held meeting to share suppliers quality information.
1955	of Honda's Monthly Report.	1976	Held meeting to share suppliers' quality information.      Established process assurance management system.
	Introduced spot-checking system and developed complaint	1977	Established process assurance management system.  Transferred Quality Control Department energiage to Quality.
	handling system.	1976	Transferred Quality Control Department operations to Quality  Assurance Department and Cortified Technology Department
1054	Began 20,000 km endurance test.		Assurance Department and Certified Technology Department.
1954	Commenced in-house quality training.		Established PQ flow that incorporates quality into the product  development system.
1955			development system.
1956	Implemented one-year motorcycle warranty service system.      Established Arakawa high appendituat source.		Inspected quality assurance workplaces.
1958	Established Arakawa high-speed test course.      Started quality improvement activities to	4070	Reorganized quality control items.  Catablished project to varify and improve quality prior to
1959	Started quality improvement activities to	1979	Established project to verify and improve quality prior to
1000	"build quality into the process."		mass production.
1960	Implemented quality evaluation of suppliers.		Signed quality assurance contracts with suppliers.
	Implemented Honda-unique standards. Established HES      (Handa Engineering Standards)		Conducted quality inventory by comparing actual products
1001	(Honda Engineering Standards)	1000	with drawings.
1961	Implemented precision control of measuring instruments.	1980	Launched project to reduce claim costs and establish quality
1963	· Quality control (QC) self-development group activities		that meets customer expectations.
1964	Implemented industry-first* long-term warranty system for		Implemented quality audits of suppliers (QAV1 and QAV2).
	motorcycles and automobiles, covering 50,000 km for two		Commenced electronic processing to transfer claim expenses.
	years (previously, 20,000 km for one year)* Honda research	1981	Launched project for verification and improvement of
1966	Held "Zero Complaint" campaign.		manufacturing quality.
1969	N360 defect problem.		Service Quality Information Department stationed at plants.
	Established AHQC (quality assurance system) committee		Launch rust project.
	and strengthened quality assurance system.		Established in-process quality assurance.
	Established recall response system in line with the launch of	1982	Established Quality Department as result of normalization of
	recall system.		quality-related project organizations.
1970	Implemented CO measurement and adjustment service at	1983	Launched project to establish a quality information system.
	the Honda Motor Show.	1984	Developed "Customer Satisfaction No. 1" activities.
	Promoted safety improvements for modified vehicles.		Commenced Quality and Safety Declaration.
	Established Quality Control Office and Quality Audit Office.		Appointed inspection technicians at workplaces.
	Implemented exhaust gas measurement and adjustment		Commenced regular examination of market information
	service at Honda SF.		collected (in Japan and overseas)
1971	Held first QC contest.	1985	Established Regulatory Affairs Department.
	Conducted quality audits (QAV/QCV) in-house and at suppliers.		(independent from Quality Assurance Department.)
	Commenced Honda Quality Control Basic Training (HBC).		Commenced monthly meetings for delivery quality.
	Commenced quality control F/J course.		Commenced monthly quality improvement meetings.
1972	Established Quality Standards Committee.		Commenced monthly meetings for delivery quality.
	· Launched company-wide quality reform project (NHP).	1986	Implemented activities for assurance of critical functional parts.
	Established PLP system to prevent product liability (PL) lawsuits.		Commenced quality and safety declaration at overseas KD plants.
1973	· QC contest renamed NH Circle		Commenced long-term warranty for specific parts of automobiles.
	· Implemented Honda SF "Maintenance Warranty System."		Strengthened preventive measures using FTA/FMEA methods.
	· Quality Control Department and Quality Audit Department		CSI No. 1 rating by J.D. Power in the U.S.
	merged to form Quality Assurance Department.	1987	Developed quality "difference" strategy to realize quality level
	Technology Department is separated into Production		clearly distinguishing Honda products from competitors.
	Technology Department and Product Technology Department.		CSI No.1 worldwide operation
	System created to prevent recurrence of complaints in the market.	1988	Divided Quality Assurance Department into Quality
1974	· Established Quality Control Department.		Department and Certification Department.

	Implemented BQ (Best Quality) initiative.
	· IQS Recovery initiative.
1989	Established BQ promotion committee and reviewed quality
1000	organizations related to company-wide BQ deployment activities.
	· Implemented IQS No.1 strategy.
	Implemented long-term warranty for domestic automobiles.
1991	
1991	Transferred Quality Department operations to the Quality     Assurance Department in accordance with the business
	•
1992	division system operations.
.002	Started CST (Car Strategy Task Force) activities.      Started CST (Car Strategy Task Force) activities.
1993	· Established Completed Vehicle Business Department by
	incorporating Quality Control Office and Overseas Business
	Office into Saitama Factory and Suzuka Factory.
	Merged Quality Assurance Office (for automobiles) into the
	Quality Assurance Department, merged Saitama Certification
	Office and the Suzuka Certification Office into the Certification
	Department, and established Quality Supervision Department.
	Hamamatsu Factory's power products plant obtained
	ISO9001 certification (first time for Honda).
1994	Obtained HIA and ISO9002 certification in Italy.
	Motorcycle Quality Assurance moved from Motorcycle
	Operations' Production Control Department to organization
	directly under Motorcycle Operations, and Quality Assurance
	Department transferred to Automobile Operations.
	Acquired HUM and ISO9002 certification in the U.K.
	Acquired MHSA and ISO 9002 certification in Spain.
	Tochigi Factory's Moka Plant acquired ISO 9001 certification.
	Activities started at Technical Liaison Committee initiated by
	the Quality Division.
	· Advocated "provision of top-class products and services" in
	QCD (QCD No. 1 initiative).
1995	· Saitama Factory's Wako Plant and Sayama Plant acquired
	ISO9002 certification.
	· HDA of Brazil acquired ISO9002 certification.
	HCM in Canada acquired ISO9002 certification.
	· Prelude as a product, and Saitama Factory's Sayama Plant
	as a production plant, won IQS No.1 from J.D. Power in the U.S.
	· Manufacturing and Quality Subcommittee established as
	Manufacturing Technology Subcommittee.
	Suzuka Plant acquired ISO9002 certification.
1996	· Developed strategy to become No.1 in lifetime customer
	satisfaction.
1997	HAM Marysville Plant in the U.S. wins IQS No.1, and
	Accord made in the U.S. wins No.1 in its class.

	Implemented BO (Best Ovelity) initiative		LIDM in Maying anguised ICO0000 contification
	Implemented BQ (Best Quality) initiative.		HDM in Mexico acquired ISO9002 certification.      Calterna Factory's Source Plant wine IOS No. 1.
00	IQS Recovery initiative.      Tablished BO assertation assertiton and assistant a		Saitama Factory's Sayama Plant wins IQS No. 1.  IJCRI in the Philippines assured ISCOMM partification.
89	Established BQ promotion committee and reviewed quality		HCPI in the Philippines acquired ISO9002 certification.
	organizations related to company-wide BQ deployment activities.		HFJ Plant 1 in Indonesia acquired ISO 9002 certification.
	Implemented IQS No.1 strategy.	1000	HLC-IT in Italy acquired ISO9002 certification.  Leads Cur's Parky and Liji factories acquired ISO9002.
	Implemented long-term warranty for domestic automobiles.  Transferred Outlife Department appetings to the Quality.	1998	Honda Sun's Beppu and Hiji factories acquired ISO9002
91	Transferred Quality Department operations to the Quality		certification.
	Assurance Department in accordance with the business		HAT in Turkey acquired ISO9002 certification.
	division system operations.		HACE in Belgium acquired ISO9001 certification.
92	Started CST (Car Strategy Task Force) activities.		HAEM in Indonesia acquired ISO9002 certification.
93	Established Completed Vehicle Business Department by	1999	Commenced quality system reform.
	incorporating Quality Control Office and Overseas Business	2001	Established Quality Reform Promotion Center.
	Office into Saitama Factory and Suzuka Factory.		Established Joint Motorcycle Analysis Office and Joint
	Merged Quality Assurance Office (for automobiles) into the		Motorcycle Analysis Office.
	Quality Assurance Department, merged Saitama Certification		Established SEDBQ joint analysis for market quality.
	Office and the Suzuka Certification Office into the Certification		Established Joint analysis blocks for Motorcycles,
	Department, and established Quality Supervision Department.		Automobiles, and Power Products quality assurance.
	Hamamatsu Factory's power products plant obtained	2002	Commenced liability insurance system for power products.
	ISO9001 certification (first time for Honda).		Accord manufactured by Guangzhou Honda Automobile Co.
94	Obtained HIA and ISO9002 certification in Italy.		(GHAC) ranked first in China's first passenger car customer
	Motorcycle Quality Assurance moved from Motorcycle		satisfaction index survey.
	Operations' Production Control Department to organization		· Life won first place in J.D. Power's 2002 IQS for light vehicles.
	directly under Motorcycle Operations, and Quality Assurance		· Quality Innovation Center Tochigi (QCT) opened on the site of
	Department transferred to Automobile Operations.		Tochigi Factory's Haga Plant.
	Acquired HUM and ISO9002 certification in the U.K.		Started a new level of outstanding quality activities.
	Acquired MHSA and ISO 9002 certification in Spain.	2003	· In order to establish an organizational structure capable of
	Tochigi Factory's Moka Plant acquired ISO 9001 certification.		completing the quality improvement cycle, the Automobile
	Activities started at Technical Liaison Committee initiated by		Quality Assurance Department and the Automobile Analysis
	the Quality Division.		Office were merged to form the Automobile Quality Reform
	· Advocated "provision of top-class products and services" in		Department, the Motorcycle Quality Assurance Office and the
	QCD (QCD No. 1 initiative).		Motorcycle Analysis Office were merged to form the
95	Saitama Factory's Wako Plant and Sayama Plant acquired		Motorcycle Quality Reform Department, and the Power
	ISO9002 certification.		Products Quality Assurance Department was renamed the
	HDA of Brazil acquired ISO9002 certification.		Power Products Quality Reform Department, and the Quality
	HCM in Canada acquired ISO9002 certification.		Reform Promotion Center was renamed the Quality Reform
	Prelude as a product, and Saitama Factory's Sayama Plant		Center.
	as a production plant, won IQS No.1 from J.D. Power in the U.S.	2004	Honda Taiwan was ranked first in all categories in
	Manufacturing and Quality Subcommittee established as		J.D. Power's sales, service, and quality survey for
	Manufacturing Technology Subcommittee.		domestically produced vehicles.
	Suzuka Plant acquired ISO9002 certification.	2005	Extended warranty period for Honda motorcycles to two years.
96	Developed strategy to become No.1 in lifetime customer		• The BF115, BF130, and BF225 4-stroke outboard motors won
	satisfaction.		first place in the J.D. Power U.S. CSI 4-stroke outboard motor
97	HAM Marysville Plant in the U.S. wins IQS No.1, and		category.
	Accord made in the U.S. wins No.1 in its class.		
	Hamamatsu Plant acquired ISO9001 certification.		

ISO: International standard for quality control and quality assurance by ISO (International Organization for Standardization)

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- · Quality Planning Center established in the Automobile Production Planning Office of the Production Operations, and Quality Planning Office in Tochigi R&D.
- · Established a new level of outstanding quality Committee for DEB cross-divisional operations, chaired by the Representative Director.
- Commenced operation of G-HQS\*
- \* Global Honda Quality Standard

Foundational rules that support quality assurance and improvement activities in all areas based on the Honda Quality Cycle, incorporating Honda's unique know-how to improve quality and prevent the recurrence of defects, aimed at improving the quality of Honda brand products and services manufactured and sold around the world, based on ISO9001 certified domestic and overseas production sites. G-HQS can therefore conform to ISO certification.

2006

2007

2008

2009

- Honda R&D Wako West and Honda Aero Inc. acquired AS9100 certification, an international aerospace quality standard.
- Four-stroke outboard engine won first place in the U.S. CSI 4-stroke EFI outboard engine category by J.D. Power for the third consecutive year.
- Saitama Factory and Suzuka Factory Receive Bronze Plant Award at IQS in the U.S.
- · Reorganized Quality Assurance Department by independently strengthening quality assurance for motorcycles, automobiles, and power products.
- Transferred Quality Control Department's regulatory management operations to Certification Department (renamed to the Certification Legal Department).
- · Opened the Critical Quality Issues Exhibition Hall in QCT.
- · Transferred Motorcycle Quality Reform Department to the Motorcycle Operations and renamed as Quality Reform
- Reorganized the Motorcycle, Automobile and Power Products Quality Reform Departments and transferred some functions from the Quality Assurance Department.
- Power Products Quality Reform Department transferred to Power Products Operations and renamed the Power Products Quality Assurance Department, Power Products Operations.
- Automobile Quality Reform Department integrated planning and notification operations of the Quality Assurance Department in the automobile business domain, renamed as Automobile Quality Assurance Department.
- Motorcycle Operations Quality Reform Department renamed

- as Motorcycle Operations Motorcycle Quality Assurance
- CR-V ranked first in its segment in J.D. Power's U.S. IQS, and Suzuka Factory received Platinum Award.
- Automobile quality management system reform

2013

2014

2016

- Quality planning of the Automotive Quality Assurance Department transferred to the Automobile Operations and renamed as Automotive Quality Assurance Department. Automobile Operations.
- Japanese market quality and information management of the Automobile Business Operations Automobile Quality Assurance Department integrated into the Automobile Quality Service Department of the Regional Sales Operations(Japan).
- -Monitoring of overseas market issues moved to Customer Service Operations Technical Service Department in order to identify and share critical quality issues around the world, and renamed as Customer Service Operations Global Quality Service Department.
- -TAC\* established at Automobile R&D Center in order to establish system enabling Automobile R&D Center to reproduce and analyze quality problems in the marketplace.
- \* Technical Analysis and Countermeasure
- -Automobile Quality Assurance Department's Product Verification Office transferred to Automobile Operations, Automobile Production Control Department, Production Planning Control, Quality Planning Center.
- · Renamed to Global Quality Supervision Department to strengthen Quality Supervision Department's global operations.
- Strengthened quality assurance system\* in response to frequent recalls.
- \*Quality assurance in technology and product development was strengthened by assigning executive officers in charge of quality reform to the Automobile Operatios to lead the company-wide quality assurance system reform to prevent recurrence of quality problems, and also to serve as the vice president of Honda R&D.
- Established Global Quality Council
- Established automotive business EBQSv as a functional headquarters
- -Eliminated the role of Quality Reform and centralized under Quality Manager, a role that encompasses all businesses.
- -Global Quality Supervision Department renamed to Quality Supervision Department.

- · Commenced operation according to functional purchasing development procedure manual.
- 2019 Established Technical Evaluation and Quality Reform Department for technical evaluation, market quality control reform, and development process reform, including production and manufacturing.
  - Changed organizational management system for quality reform: Established system to support "strong manufacturing."
  - -CF Operations Quality Assurance Department, Production Operations upstream improvement functions, and Honda R&D Automobile Center TAC merged to establish Quality Reform Division
  - Established Quality Assurance Department and Technical Analysis Promotion Department in Quality Reform Division.

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