This chapter presents a case study of Jaguar Cars. It describes and analyses the organisation undertaken for the purpose of Integrated Product Development within the context of the X200 project. The introduction focuses on changes brought about by the Ford take-over, and activities and Deliverables in the X200 project. The communication and collaboration processes in the project are then described. In these processes, "people's perceived relevance" seems to be a pivotal factor, indicating that the effectiveness of integration is related to the relevance assigned. Next, the integration mechanisms strategy and goals, knowledge and skills, mutual adjustment, direct supervision and standardisation are described and analysed in detail, as well as the degree of co-ordination and overlap of the X200 development activities. The conclusion is drawn that Jaguar's NPD activities were sufficiently co-ordinated and overlapped because management played a strong supervisory role and because people worked in line with strict Objectives, generally had a high level of knowledge and skills, and were involved in many formal and informal meetings and get-togethers. Finally, some recommendations for improvement are made.

5.1 Introduction

From September to December 1995, a case study was carried out at the Jaguar Engineering Centre in Whitley, Coventry. Data were collected on the organisation of Integrated Product Development in the X200 project, a project aimed at launching a new Jaguar. To this end, 35 people from different functions and
hierarchical levels were interviewed (see Appendix 5.1), 33 multifunctional meetings were attended and observed, and documents were studied. The data from these interviews and observations were encoded and clustered; the clusters were then analysed. To gain the necessary level of detailed insight, we focused our study on Powertrain, the part of the project that includes the development of X200 engines, transmissions, electrical systems, and exhaust and fuel systems.

5.1.1 Size and figures

In 1995, Jaguar employed about 6000 people, of whom 1600 worked in product and process development at the Jaguar Engineering Centre. The X200 project employed approximately 100 full-time Product Design and Process engineers, and Marketing people, and 25 project team members, engaged in planning and controlling the project. More than 100 Product Design and Process engineers worked on the X200 project on a part-time basis. Production was expected to start in 1998, doubling the total output of Jaguar.

Analysts believe that Jaguar was making a small profit in 1995, for the first time after the Ford take-over (figures are proprietary). The organisation is relatively large, and carries out a low amount of large NPD projects.

5.1.2 Recent changes impacting integration

Jaguar was privatised in July 1984. Difficult trading conditions and adverse exchange rates in the late 1980’s led the Jaguar board to recognise the potential value of co-operation with a world-class car manufacturer. Discussions took place with a number of major car companies, including General Motors and Ford, to explore ways of broadening Jaguar’s product range and achieving access to world-class technology and components. In autumn 1989, Ford took over Jaguar, recognising the integrity of the Jaguar marque. Jaguar remained a separate legal entity, with a self-sustaining capital structure and its own board of directors [Jaguar Cars Limited, 1992: 28–9].

The take-over brought about some major changes. For the present research, three of them were especially important. First, Ford forced the company to look more critically at costs (including NPD costs), resulting in drop from 50,000 (1991) to 30,000 cars a year (1994) to break even. This, combined with an increase in sales, led to a profit in 1995, following severe losses in the preceding six years.

Second, a new Jaguar (code name: X200) was being developed1 together with Ford, a car for a market segment totally new to the company: the Mercedes-Benz

1 The integration between Jaguar and Ford was not part of this study, due to the different communication and collaboration processes between the two companies on the one hand, and between Jaguar people, on the other.