

DEMING INTERACTION



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The W. Edwards Deming Institute®

Institute extends scholarship program

The W. Edwards Deming Institute established three new scholarships in 2005: the Kenneth W. Hohmann Scholarship Fund, the Del Kimbler Scholarship and the Jim Clauson Scholarship.

The Kenneth W. Hohmann Scholarship Fund was established by Kenneth Hohmann, a resident of Fresno, California, and a cousin of Dr. Deming. This year's recipient was Sylvia Carcano, citizen of Mexico and a Deming Scholar at Fordham University.

The Del Kimbler Scholarship was established by the Institute in appreciation of Del Kimbler's work on the Deming Electronic Network (DEN). Mr. Kimbler selected the first recipient, Dr. Srikrishna M. Govindaluri, a doctoral graduate of industrial engineering and beginning faculty member at Clemson University. Dr. Govindaluri attended the fall conference held at Purdue University.

The Jim Clauson Scholarship was established by the Institute in gratitude to Mr. Clauson for his work on the DEN. The Jim Clauson scholarship was awarded this year to Lisa Grosskopf to attend the Institute's fall conference. Ms. Grosskopf is part of the quality assurance program at California State University.

In addition to the new scholarships, the Institute annually awards scholarships to fund research and study at the Library of Congress in Washington, D.C. and for attendance to the Institute's educational programs. In October 2005, Heriberto Fernandez was awarded a scholarship to attend an Institute seminar held in West Lafayette, Indiana. For information on Institute scholarships, contact: staff@deming.org. ■



courtesy MIT Press

"The prevailing style of management must undergo transformation."

— W. Edwards Deming
The New Economics, p. 92.

2005 Fall Conference focuses on future vision

"Future Vision: What Do We Need to Leave Behind?" That was the focal question of the Deming Institute's Fall Conference, held on the campus of Purdue University, October 21-23, 2005. Speakers explored practices, both business and personal, habitual and systemic, that need to be stopped, modified, adopted or cultivated in order to pursue Dr. Deming's future vision.

The weekend program featured three distinguished keynote speakers: Prof. P. N. Murthy, business advisor to Tata Consultancy Services in India; Marcia Daszko, president of Marcia Daszko

& Associates in San Jose, California; and David Train, 4-time Olympic Canoeing Coach from England. Train "left behind" a collection of memorabilia for conference goers to share. The collection included reminders of his efforts to use "bellboats" to open minds to Dr. Deming's message of teamwork and keepsakes from his two Olympic visits to the United States. (For more about bellboats, see www.mainacademy.com.)

The conference agenda included three parallel tracks: Metrics and Processes, Leadership and

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Deming Prize

The Union of Japanese Scientists and Engineers (JUSE) awards its Deming Prize at an annual ceremony each November in Tokyo. Until recently, the awards have gone almost exclusively to Japanese companies. Lately, however, many prizes have been awarded to companies outside Japan.

At the November 5, 2005 award ceremony, the Deming Prize for Individuals went to Hajime Sasaki, president and CEO, NEC Corporation of Japan. The five Deming Application Prizes were awarded to: Hosei Brake Industry Co. of Japan, Krishna Brake Industries Co. of India, Rane Engine Valve Co. of India, Rane TRW Steering Systems Co. of India, Thai Acrylic Fiber Co. of Thailand. ■

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The W. Edwards Deming Institute®
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 The Deming System of Profound Knowledge®

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Management, and Opportunities and Practices. In addition, Dr. Jim Windle, professor, Purdue University, moderated a panel of former students who shared their early experiences with “Leadership Strategies for Quality and Productivity /Leadership for Lean Enterprise.” The conference concluded with a panel of long-term students of Dr. Deming delving deeply into popular ideas that they have encountered and feel vary from Dr. Deming’s work.



Prof. P.N. Murthy of India presents the keynote address at the Institute’s 2005 Fall Conference at Purdue University.

The conference began with a welcome from conference chairman Dick Steele and Dr. Cynthia Tomovic of Purdue University. Dr. Dennis Depew, dean of Purdue’s School of Technology, joined them in the opening remarks. More than 90 people attended the full conference. They were joined, October 23, by some 50 graduate students who attended the closing panels.

Audio CDs of the conference are available for purchase for \$100. For ordering information on this 18-disk set, go to <http://deming.org/resources/audio.html>, or call The W. Edwards Deming Institute: 301-294-8405. ■



Panelists (left to right) Bill Bellows, Gipsie Ranney, Ian Bradbury and Dick Steele lead the closing discussion at the 2005 Fall Conference.



Who do you know? Facilitators Kelly Allan (left) and Lynda Fynn (right) flank some of the attendees at the two and a half day Institute seminar preceding the 2005 Fall Conference.



Lynda Fynn, facilitator, works the beads during the two-and-a-half day seminar at Purdue University.



Kelly Allan, facilitator, takes the podium during the two-and-a-half day seminar held October 2005 at Purdue University.



Mark Miller, the voice of experience, speaks out during the October 2005 two-and-a-half day seminar.

Thank you

The W. Edwards Deming Institute thanks its supporters and volunteers for enabling it to fulfill its mission of educational services. The Institute has no paid staff and is solely dependent on the generosity of its benefactors for its programs of seminars, conferences and training programs.

Toyota: spirit of Deming, spirit of future

Dr. Shoichiro Toyoda, honorary chairman of Toyota Motor Corporation, presented the following speech as he accepted the 2004 ASQ Deming Medal.

The medal is presented annually to an individual who has demonstrated outstanding leadership in combining statistical thinking and management that leads to quality in products and services.

It is my great honor to have been chosen by the American Society for Quality as the recipient of this year's Deming Medal. I am particularly honored in being the first Japanese to receive this prestigious award, and would like to extend my heartfelt gratitude to Ms. Diana Deming as well as all of those serving on the Deming Medal Committee.

As you are all well aware, Dr. Deming came to Japan following World War II in order to teach industry leaders methods of statistical quality control, as well as to impart the significance of quality control in management and his overall management philosophy. He was an invaluable teacher to those of us involved in industry at the time, playing an indispensable role in the development and revitalization of post-war Japan.

Following his epochal visit, industrialists as well as academics earnestly began to study and implement Dr. Deming's theories and philosophy. Dr. Deming soon became widely known not only as a brilliant theorist, but also as a kind and modest man. In 1951, the Deming Prize was founded in order to promote the widespread practice of quality control based on Dr. Deming's philosophy.

We at Toyota Motor Corporation introduced TQC in 1961, and in 1965 were awarded the Deming Application Prize. Other members of the Toyota Group proceeded to receive the award one after

another, and as we continued to implement Dr. Deming's teachings, we were able to both raise the level of quality of our products as well as enhance our operations on the corporate level.

I believe that TMC today is a result of our continued efforts to implement positive change in pursuit of the Deming Prize. I can still remember Dr. Deming taking the time to make a trip out to our company in the remote Japanese countryside when we won the Application Prize in 1965.

Now, we are faced with rapid global restructuring of both society and business. In the midst of these overwhelming changes, corporations faced with the challenge of providing value to a wide range of shareholders have begun to focus on quality innovations such as completely customer-oriented management practices, environmental preservation, and the upholding of corporate ethics.

Now more than ever, we need to remember the teachings of Dr. Deming: simply put quality first and follow through with the honest practice of developing quality products and quality people. By doing so we stand to benefit both our organization and our customers around the world with a contribution that can open the way to a brighter future for us all.

It is in this spirit of future progress that the first world exposition of the 21st century is now being held in Japan under the theme of "Nature's Wisdom." I encourage all of you who have the opportunity to attend to make the trip to my home prefecture of Aichi for this truly global event.

I am deeply honored to have been chosen by ASQ as this year's Deming Medal award winner. I shall continue to strive to do justice to the magnificent achievements of Dr. Deming, and to faithfully uphold the legacy of this remarkable leader. Thank you once again for presenting me with this distinguished award. ■



Deming Interaction is the newsletter of The W. Edwards Deming Institute.® The Institute's aim is to foster understanding of The Deming System of Profound Knowledge® to advance commerce, prosperity and peace. We welcome participation. Participation in the Institute means that we share Dr. Deming's vision of a better world. We participate because we strive, with joy, to carry on the work that he began. We seek to conduct ourselves in a manner consistent with his high moral and ethical standards, professional and personal integrity, and commitment to lifelong learning. We do this solely from our dedication to the philosophy and values of Dr. Deming and our belief that together, we can and will make a difference in the quality of life for everyone.

The W. Edwards Deming Institute® is a volunteer, nonprofit organization. There is no paid staff. Volunteers, including conference speakers, members of the design council, and the board of trustees, all donate their time to the Institute.

Contributions welcome

The Institute welcomes your charitable donation to further its educational programs. To make a contribution, please contact the Institute at the address below.

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Please direct comments and suggestions regarding this newsletter to March Jacques (262-786-9336 or jacques045-di@yahoo.com).

Ongoing discussion and study

Bill Bellows and his colleagues within Pratt & Whitney Rocketdyne (PWR) invite you to participate in a regular series of nationwide (and beyond) conference calls. In addition to a 14-hour moderated discussion of Deming's *The New Economics*, offered several times a year in seven 2-hour sessions, you are invited to participate in a monthly conference call, known as the "Ongoing Discussion."

Typically scheduled for the fourth Thursday and Friday of every month, the Ongoing Discussion is hosted by "Thought Leaders." Discussions cover a range of thinking topics, from working together to learning together to thinking together and all points in between. The worldwide invitation list extends to over 3000 "thinking partners." Toll free 800 numbers provide call-in access to people outside PWR. Contact Bill Bellows by email at wjbellows@yahoo.com for more information.

West coast forum: explore, create together

March 30 - April 2, the In2:InThinking Network will gather leading-edge thinkers to the Los Angeles Metropolitan area for its 2006 Forum: "Daring to Explore – Creating Possibilities Together."

Speakers include: Russell Ackoff, Steve Buchanan, Peter Collis, Bill Cooper, John Duddy, Micah Fierstein, George Hopson, William Glasser, Shirley Gordon, Sherry Immediato, Joseph Parent, Dick Steele, and Lynn Sumida.

The 4-day event includes two days of pre-conference workshops followed by a weekend conference. Eight pre-conference workshops include a 3-hour session with Russell Ackoff. Program details are available online at www.in2in.org.

The forum will be held at Pratt & Whitney Rocketdyne's offices in Canoga Park and the nearby Hilton Woodland Hills hotel. The \$300 conference fee includes all meals and conference handouts.

The network's goal for the forum is to provide help to those who are working to improve their own lives (and that of their organizations) with better methods of thinking.

The In2:InThinking Network was formed in 2001 by a group of students of the work of W. Edwards Deming and related theorists. The aim of the network is to make "thinking about thinking" more conscious. This focus, which network participants call "inthinking," enhances perception of relationships and interdependencies in human endeavors, making these connections more valuable, satisfying and joyful. ■

Deming in the news: *How hospitals heal themselves*

A new hour-long report on health care, developed by CC-M Productions and dedicated to Dr. Deming, may soon be appearing at a public television station near you.

Entitled "Good News: How Hospitals Heal Themselves," the report features doctors and nurses who say that better health care begins with a new way of thinking – not new technology, a list of things to do, involvement of the federal government, or resolution of the malpractice debate, or insurance coverage. They explain in everyday language how they adapted the Toyota Production System and Malcolm Baldrige National Quality Award principles to hospitals, how patients are now safer and they can practice better medicine.

According to Clare Crawford-Mason, the show's producer, "Until now – lacking a better operational model – doctors,

nurses and hospital administrators – well educated and with the best intentions – have worked hard, frequently overtime, only to see conditions get worse, even much worse. In this report healthcare professionals welcomed the opportunity to learn a new way to work together by viewing the hospital as a system. This led to dramatic, rapid and permanent improvements, reduced errors, deaths and suffering and made them more effective personally. This is radically different from the defensive, negative reception American industry gave Japanese systems management when it was introduced in the 1980s."

To discover when the report will air in your area (or to encourage your local station to air the show), contact your local public television station. For more information about the video, see www.managementwisdom.com. ■

CALL FOR PAPERS 13th annual research seminar

The W. Edwards Deming Institute and Fordham University invite participation in the 13th Annual International Deming Research Seminar, February 12-13, 2007 in New York City. Papers that link Dr. Deming's work to the academic literature or to the works of other great thinkers are particularly sought, as are papers that extend or expand Dr. Deming's work, and those that describe applications of Dr. Deming's management ideas in organizations.

The annual research seminar brings together people from around the world, and from a variety of specialties, to develop an understanding of Dr. Deming's theories in a wide-ranging context. For a list of topics and speakers from the last research seminar, go to: <http://www.deming.org/calendar/12thannualseminarFeb2006.html>

To be considered, papers must be original work. Proposals of 200 words or less should be sent by October 2, 2006 to WEDresearch@fordham.edu. For more information about submitting a paper, please send email or call 212-636-6219. ■

The W. Edwards Deming Institute® Annual Fall Conference

October 14-15, 2006

Georgetown University Conference Center,
Washington, DC

Transforming your organization

Transformation to a new style of management is required in business, in government and in education. The route to take is what Dr. Deming called “profound knowledge” – knowledge for leadership of transformation.

Every organization is a system. To survive and flourish, the individual elements of the system, instead of being competitive, must streamline and work together to enhance the effectiveness of whatever they do.

The Deming System of Profound Knowledge® provides a lens. It provides the wisdom to understand and

optimize the organizations in which we work, making a contribution to the country and the world.

What do leaders need to develop and learn to ensure success? At the Deming Institute’s 2006 Fall Conference, experts and practitioners will examine a better way to lead and manage – presenting both challenging theory and practical illustrations in a friendly environment.

For updates on speakers and topics, watch the Institute web site: www.deming.org. We look forward to meeting you there and learning together.

2006 UK Transformation Forum

Managers everywhere are working harder than ever to keep pace with changing demands. Every year new management texts are full of advice on techniques and tools to use. So what makes the difference between success and failure or between short-term wins and long-term gains?

Those are the questions posed by the Seventh Annual Deming Transformation Forum, May 23-25, in Wyboston, England. To help conference goers investigate “The Nature of Transformation,” speakers will examine the disciplines underlying successful transformations.

They will discuss what it takes to understand customers better, ensure processes deliver what matters, and get the whole

organization working together effectively. Speakers will describe how organizations have transformed the way they do things, delivered huge benefits to customers, energized their staffs and delivered more effective operations.

Speakers include: Professor Tom Johnson, author of *Relevance Regained*; Anna Maravelas, author of *Self-Defeating Habits of Otherwise Brilliant People*; John Bicheno, author of *The Lean Toolbox*; Chris Green, director of Network Rail and former chief executive of Virgin Rail; Mary Hickey from Adelaide & Meath Hospital, Dublin; Richard Noble, entrepreneur and world super sonic land speed record holder; and Duncan Bennett from Yorkshire Water. For more info on the Deming Forum, visit www.deming.org.uk. ■

Mark your calendar

April 24-26, 2006

Seminar: How to Create Unethical, Ineffective Organizations That Go Out of Business
Boston, MA

July 17-19, 2006

Seminar: How to Create Unethical, Ineffective Organizations That Go Out of Business
Venue TBA

October 14-15, 2006

Fall Conference: What Core Knowledge Do We Carry Forward?
Washington, DC

October 16-18, 2006

Seminar: How to Create Unethical, Ineffective Organizations That Go Out of Business
Washington, DC

For reflection

Dr. Deming discusses a system of schools in The New Economics:

“A system of schools (public schools, private schools, parochial schools, trade schools, universities, for example) is not merely pupils, teachers, school boards, boards of regents, and parents working separately to achieve their own aims. It should be, instead, a system in which these groups work together to achieve the aims that the community has for the school – growth and development of children, and preparation for them to contribute to the prosperity of society.

“It should be a system of education in which pupils from toddlers on up through the university take joy in learning, free from fear of grades and gold stars, and

in which teachers take joy in their work, free from fear in ranking. It should be a system that recognizes differences between pupils and differences between teachers. Such a system of schools would be destroyed if some group of schools decided to band together to lobby for their own special interests. They together with all other schools would in time be losers.”

– *The New Economics*, First Edition, p. 64

One wonders how various groups in communities view the aims of their schools. Have they considered how they might work together to create a system of schools, as described by Dr. Deming? How might they contribute to better management of that system?