

DEMING INTERACTION



W. Edwards Deming®

February 1999, Vol #3, No.1

The W. Edwards Deming Institute®

Institute Board of Trustees welcomes two new members

The Board of Trustees of The W. Edwards Deming Institute is pleased to announce the addition of two new members. Both were chosen for successfully applying Deming's management philosophy in their companies. They will offer an "outside view" that the Board felt was needed. The following is a profile of each man.

John A. Hillerich, III, is president and chairman of the board of Hillerich and Bradsby Company, manufacturer of such well-known products as Louisville Slugger baseball and softball equipment, PowerBilt golf equipment, and Louisville ice hockey equipment.

After graduating from Vanderbilt University in 1961, he joined the family-owned business and held various positions within the company. Upon the death of his father in 1970, Mr. Hillerich became president of the company.

Hillerich and Bradsby Co. place strong emphasis on quality management through the use of Deming's theories. The company initiated its new approach in 1984 and is currently participating with other companies, locally and nationally, to increase awareness and share experiences.

Mr. Hillerich is active in local charity and community groups. He is a member of the boards of Alliant Healthcare, Louisville Science Museum, and Color Graphics. He also serves on the board for the Center for Quality Management in Boston and the board of trustees of Brevard College. An avid outdoors man, fishing and golf occupy whatever time is left in his busy life.

Robert Rodin is president and chief executive officer of Marshall Industries, a two billion-dollar

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Whitney shares insights

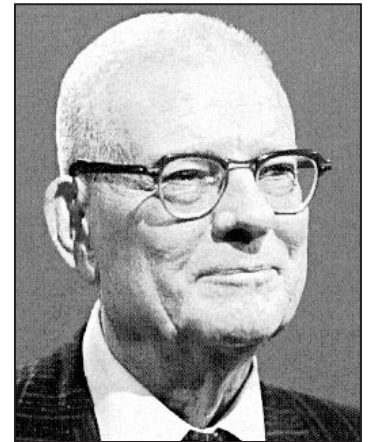
In his keynote address at the Deming Institute's October 1998 conference, John Whitney shared insights he has gained from experiences trying to help executives understand and use Dr. Deming's theory for management. Whitney, a prominent turnaround expert, author, and professor at Columbia University, described numerous examples of companies that had invested heavily in quality initiatives that delivered little sustainable improvement. In some cases, quality programs sold by consulting organizations had taken management's focus away from running the business and made things worse. The more these companies talked about quality, the worse they got.

According to Whitney, the role of business is to design, build, sell, and collect for a product or

service that gets and keeps profitable customers. Management must focus on fulfilling that role. Whitney observed that members of the quality movement have not seen what they do as part of a larger system and so have not contributed sufficiently to the enterprise. Until those who seek to influence others to use Deming's ideas act in accordance with their understanding of Deming, they will experience failure.

Whitney posed questions that should be answered by advocates of improvement if they wish to have greater influence with top management: What are the managers trying to accomplish? How can we embrace their objectives and help them to meet them? How can we help the business accomplish what it needs to do? How can we make what we

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courtesy MIT/CAES

*"'Going on for years,'
is a confession that the
fault lay in the system"*

– W. Edwards Deming,
in *Out of the Crisis*

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- Community Partnership
– *Peter Scholtes, Mike Tveite*
- Network of Deming Associations
– *Margaret Morgan*
- Deming Electronic Network
– *Jim Clauson*
- Newsletter
– *March Jacques*
- Deming Papers Research Scholarships
– *Board of Trustees*
- Deming Library of Congress Collection
– *Board of Trustees*
- Conference Strategy
– *Kim Melton*
- Video Recording and Archiving
– *Jim Naughton*
- Paperweights
– *Jim Naughton*

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Web Site

www.deming.org

The W. Edwards Deming Institute™

with aim to foster understanding
of the Deming System of
Profound Knowledge™

P.O. Box 59511
Potomac MD 20859-9511
Tel: 301-299-2419
Fax: 301-983-5132

Demonstration project moves forward in Tacoma

The W. Edwards Deming Institute and the community of Tacoma-Pierce County, Washington, established a partnership in 1996 to improve the quality of life in the community by applying Dr. Deming's System of Profound Knowledge. The partnership includes a demonstration project which serves as a "laboratory" for initiating changes by applying these principles on a small scale in a community setting to the issue of family violence.

The demonstration project includes sponsorship of a "learning collaborative," focused on reducing family violence by increasing victim safety. The learning collaborative is intended to enhance the community's capacity to work cooperatively and its capacity for change, while increasing community understanding of Dr. Deming's System of Profound Knowledge and its ability to continue improvement projects after this demonstration project.

Learning collaborative. Under the leadership of a community sponsor, teams from local family violence response agencies and grass roots groups will participate in the learning collaborative. These teams will develop an aim explicitly stating what their organizations hope to achieve during the collaborative. Using change concepts for improving victim safety, they will select and design small scale, rapid-cycle improvements in their processes, using the PDSA method. The learning collaborative concept stresses: sharing ideas and knowledge; learning and applying a methodology for organizational change to improve the delivery of services to victims of family violence; system-wide implementation of learnings to increase victim safety; and measuring progress to help evaluate the impact of the changes made.

Learning collaborative outcomes will include breakthrough improvements in the participating agencies, methods to continue improvements in the agencies, and models for others to apply to increase victim safety while providing service to victims of family violence.

Learning sessions. Three "learning sessions," held over a 7-month period, are the major integrative events of the collaborative. The first session will be held in April 1999. At least three representatives from each team will participate

and through plenary sessions, small group discussions, and team meetings attendees have the opportunity to:

- learn from faculty,
- receive individual coaching from faculty,
- gather new knowledge on the subject matter and process improvement, and
- share experiences and build collaboration on improvement plans.

Action periods. The time between learning sessions is called an action period. During this time, teams work within their organizations toward major breakthrough improvements. Using change concepts that are supported by leaders in family violence treatment and prevention, the teams will apply the Plan, Do, Study, Act (PDSA) change process in rapid cycles to selected work processes. Throughout the collaborative, the teams will maintain continual contact with other teams and faculty members, by meetings, conference calls, email and site visits to other participating organizations. In addition, participating teams share the results of their improvement efforts in monthly reports.

Expertise and sponsorship. Experts in the field of family violence have met with partnership leaders to develop a list of change concepts. The preliminary list includes: co-locating service providers to increase collaboration; providing a single access point for a number of services; and training high-contact people to recognize signs of abuse. These change concepts will be used by the teams as areas to look for improvement opportunities. Community leaders in all aspects of family violence are providing sponsorship for the collaborative. The W. Edwards Deming Institute is providing technical expertise in system and process improvement by working with collaborative leaders to identify change concepts, recommend strategies for achieving collaborative goals, and assess progress and design interventions. They also attend and teach at learning sessions, identify high leverage changes, help to understand the obstacles and find ways to overcome them, and design a simple system of measurement. ■

New members Continued from page one**John A. Hillerich, III**

President and chairman of the board of Hillerich and Bradsby Company

**Robert Rodin**

President and chief executive officer of Marshall Industries

industrial electronic distributor and the largest domestic distributor of industrial production supplies. Mr. Rodin is a graduate of the University of Connecticut. He holds a bachelor's degree in psychology. He started working at Marshall Industries in 1983.

Since becoming company president in 1992, Mr. Rodin has been responsible for increasing the annual sales growth of Marshall Industries by about 20 percent. He attributes this growth to transforming the

entire corporation through applying Deming principles. He changed the sales force from commission-based pay to salaries and profit-sharing. He changed from reliance on management-by-objective to management-by-method. Mr. Rodin is quoted as saying, "People making their boss happy is not how it works at Marshall. Your goal is to make your customer happy." He also says, "We're customizing solutions for customers and suppliers and giving employees the information they need to meet this objective."

Mr. Rodin serves on the board of SEI Electronics, CommerceNet, RosettaNet, and the Advisory Board of Distribution Management for the University of Southern California. ■

Whitney Continued from page one

are doing more pertinent to what the business needs to do? Whitney stated that advocates for improvement will continue to be disappointed in their efforts until they can contribute something meaningful to the enterprise, as seen by those they seek to influence. He referred to Dr. Deming's discussion of a leader of transformation in *The New Economics*, and observed that acceptance of a great idea depends on simplicity and brevity of presentation.

Whitney also discussed some of the ideas in his own book, *The Economics of Trust*. According to Whitney, mistrust doubles direct costs, diverts attention from customers, stifles innovation, and saps organizational and individual energy. He said that the causes of mistrust are incompetence or the presumption of incompetence, misalignment of measurements and rewards, untrustworthy information, lack of appreciation for a system, and integrity failure.

Incompetence is the biggest source of cost to an organization.

To help executives see what they should be doing and how they should be doing it, Whitney poses some important questions that executives need to address. The questions include: If everyone in your organization knew what to do, when, how, and where to do it and why, what would your organization look like? If pride in work or accomplishment, rather than profit maximization, were the driving force in your organization, what would your profits look like?

Whitney said that when we look back over this century, we will see that Dr. Deming and his ideas have made a greater contribution to the economic well-being of people worldwide than anyone. He encouraged the audience to continue to work to foster understanding of Deming's ideas, to set big goals and to try to reach them. ■

DEMING INTERACTION

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.

Address changes:

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E-mail: staff@deming.org.
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Fax: 301-983-5132.

Friday, April 16

- 7:30-8:30 Registration
- 8:30-8:45 Announcements/Welcome
- 8:45-10:00 Keynote: Russell L. Ackoff
- 10:00-10:30 Break
- 10:30-11:30 Plenary session:
Barbara Hummel,
Dan Oestreich
- 11:30-1:00 Lunch
- 1:00-2:00 Concurrent sessions
- 2:00-2:30 Break
- 2:30-3:30 Concurrent session
- 3:30-4:00 Break
- 4:00-5:00 Plenary session:
Peter R. Scholtes

Saturday, April 17

- 7:00 - 8:00 Registration
- 8:30-8:45 Announcements/Welcome
- 8:45-10:00 Keynote Speaker:
Jamshid Gharajedaghi
- 10:00-10:30 Break
- 10:30-11:45 Breakout sessions
- 11:45-1:00 Lunch
- 1:00-2:15 Concurrent sessions
- 2:15-2:35 Break
- 2:35-3:50 Concurrent sessions
- 3:50 - 4:10 Break
- 4:10-5:30 Plenary session:
Gerald Suárez

Sunday, April 18

- 8:30-8:45 Announcements
- 8:45-10:00 Concurrent sessions
- 10:00-10:30 Break
- 10:30- 12:00 Plenary session:
Town Hall Dialogue

Getting to the hotel

SeaTac Airport is 18 miles from Tacoma. In moderate traffic, the drive to the Sheraton-Tacoma takes approximately 20 minutes. The Capital Aeroporter, a shuttle service leaves the airport every hour. The cost is \$15 one way. You can catch this shuttle at the doors near the baggage claim. Reservations are strongly recommended for the Capitol Aeroporter. For information and reservations, call 253-927-6179 or 800-962-3579 (outside Washington only.)

The W. Edwards Deming Institute®
Spring Conference & Community Symposium

April 16 - April 18, 1999
 Conference Center at the Sheraton-Tacoma, Washington
 Tacoma, Washington – 1998 All-America City

Join today's pioneers on an expedition into the systems approach.

For lodging, call the Sheraton Tacoma: 1-800-845-9466 or 1-253-572-3200. Conference rate of \$83 per night is available through March 25. For information about the host city, visit Tacoma's web site: www.ci.tacoma.wa.us. For more detail about sessions and speakers, visit the event web site: www.deming.org.

RSVP now! Reserve your place.

Proceeds from the Community Symposium support the Community Partnership Project. Fees include continental breakfast, lunch, and refreshment breaks. Pending confirmation of the Vice President's appearance, the presentation by Al Gore will require purchase of a separate banquet ticket (available on site).

Symposium and conference, April 16-18: \$345
 Friday 8:30 a.m. - Sunday noon.

Symposium only, April 16: \$195
 Friday 8:30 a.m. - 5:00 p.m.

Conference only, April 17-18: \$150
 Saturday 8:30 a.m - 5:30 p.m., Sunday 8:30 a.m. - noon.

Name: _____

Address: _____

City: _____ State: _____

Zip: _____ Country: _____

Email: _____

Home Phone: _____ Work Phone: _____

Fax: _____

Optional: To be included in the on-site list of attendees, please indicate what information you wish to share with other attendees.

- Include all the above information.
- Include all information except my home phone number.
- Include only my name and organization.
- Do not include any information about me.

Payment: Check enclosed. VISA or MasterCard. Other

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**The W. Edwards Deming Institute®
Spring Conference
& Community Symposium
April 16 - April 18, 1999
Tacoma, Washington – 1998 All-America City**



Dear Colleagues:

We are pleased to extend to you this invitation to join us at an unprecedented event – The W. Edwards Deming Institute 1999 Spring Conference and Community Symposium. For three days in April, community leaders, organizational leaders, and Deming scholars from all over the world will come together in Tacoma, WA, to share their insight and unique experiences in taking a systems approach to change.

The Community Symposium, April 16, is a forum for America's new pioneers – those dedicated community leaders and citizens who are rebuilding democracy one community at a time. An outgrowth of the Deming Institute's project to study the characteristics that make communities successful and productive, the Community Symposium offers an unparalleled opportunity to learn from community leaders from around the world. This inquiry into the systems approach to community-wide growth and learning is a showcase collection of community initiatives to create healthy, sustainable communities. Proceeds from the Community Symposium support the Deming Institute's ongoing Community Partnership Project.

The Deming Institute's 1999 Spring Conference, April 17-18, is the year's premier learning exchange for organizational leaders and community leaders alike. It is an expedition into theory, research, and practical applications for managing the transformation of our organizations, our communities and ourselves.

Successful futures – in organizations and in communities – depend on using the principles of quality improvement and systems thinking as a framework for interactively rethinking and re-creating our organizations. The Spring Conference explores these concepts through three types of concurrent sessions. *Application* sessions examine methods and models for supporting organizational and community change efforts. *Theory* sessions provide opportunities to engage in an inquiry into the relationship between social science theory and Deming's System of Profound Knowledge™ through small group conversations led by prominent thinkers. *Experiential learning* sessions serve both as a "trainers' exchange" and as opportunities to deepen personal insight and growth.

Why don't you join us? You'll hear from key thinkers, leaders, and practitioners who are making a difference in every area of organizational and community life. You'll hear from...

Symposium: Keynote speaker **Russell L. Ackoff**, Len Bornemann, Michael Greenwood, Barbara Hummel, Fredricka Joyner, Daniel Oestreich, Peter R. Scholtes, Anton Tolman, David and Carol Schwinn and (pending confirmation) Vice President Al Gore. **Conference:** Keynote speaker **Jamshid Gharajedaghi**, Edward Baker, Jim Clauson, Liane Dolezar, H. Thomas Johnson, Kim I. Melton, Ron Moen, Del Nelson, Joyce Orsini, Lloyd P. Provost, Gipsie Ranney, William Roth, N'Shama Sterling Gerald Suárez, Dick Wood.

Please RSVP as soon as possible to reserve your place. We look forward to meeting you this April in Tacoma!

Sincerely,



Peter R. Scholtes
Community Partnership Project
The W. Edwards Deming Institute®



Ray E. Corpuz, Jr.
City Manager
Tacoma, WA

PS: For a detailed look at the program, including abstracts, visit the conference web site: www.deming.org. To register, use the registration form on the back of this letter.

Mark Your Calendar

April 16-18, 1999
Spring Conference
& Community Symposium
Sheraton-Tacoma
Tacoma, WA

October 16-17, 1999
Fall Conference

October 18-21
Four-Day Video Seminar

Fall Conference
& Four Day Video Seminar
both at Georgetown University
Conference Center,
Washington, DC

www.deming.org

Deming Four-Day Video Seminar
Sponsored by The W. Edwards Deming Institute October 18-21,
Georgetown University Conference Center in Washington, D.C.

- Large screen video presentation brings the best of Dr. Deming back to the podium.
 - Live facilitation fosters an interactive learning environment.
 - Small group activities deepen understanding and clarify concepts.
 - Take-home texts include Out of the Crisis and The New Economics.

Scheduled immediately following the fall conference of the W. Edwards Deming Institute®
October, 1999 Sponsored by the W. Edwards Deming Institute®
www.deming.org; Tel 301-299-2419

Can't attend the seminar?
The Deming Four-Day Video Set is the next best thing.

This 12-hour videotape collection is available in the U.S. in NTSC VHS format for \$275. Outside the U.S., the collection is available in NTSC format for \$325 or in PAL VHS or SECAM format for \$445.

For additional information, to register, or to place an order, contact: The W. Edwards Deming Institute, PO Box 59511, Potomac, MD 20859-9511. Tel: 301-299-2419. Fax: 301-983-5132. Email: staff@deming.org.

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