

# DEMING INTERACTION



W. Edwards Deming®

January 1997, Vol. 1, No. 1

The W. Edwards Deming Institute™

## Seeing Things Whole

**W.** Edwards Deming sought to see things whole, whether he was considering a system of management or a style of living. He was both a systems thinker and a humanitarian. He had great trust in the capacities of people to succeed and prosper if properly equipped, encouraged and supported.

Dr. Deming believed that the style of management that prevailed during his lifetime—essentially an industrial control system—needed to be transformed into a more open, cooperative system supportive of people, focused on customers' needs and emphasizing quality. He called his unique, carefully worked-out approach to such a transformation “a system of profound knowledge.”

The W. Edwards Deming Institute™, which Dr. Deming founded as a non-profit organization in 1993, is dedicated to fostering The Deming System of Profound Knowledge™ to advance commerce, prosperity and peace. More than 200 people from seven countries attended its first conference in September, 1994.

### Staffed by Volunteers

The Institute is not a membership organization. It is powered by participant volunteers. Participation in the Institute's activities is open to all who share Dr. Deming's vision of a better world and are dedicated to his values and philosophy. Its first initiative outside the Deming community is a partnership with the city of Tacoma, Washington. (See Page 2)

Many of the Institute's participants were Dr. Deming's students at New York University, at organizations where he consulted or at his famous four-day seminars. Like Dr. Deming himself, they often compress their aims into three simple short phrases: “Learn. Have fun. And make a difference.”

### Four Key Areas:

Organizationally, the Institute is focused around four key areas:

- 🔑 Research to elaborate on The Deming System of Profound Knowledge™ and extend its application. Team leader: Ron Moen, 810-625-7285, ronmoen@aol.com
- 🔑 Development and Outreach to promote cooperation between organizations in business, education and government. Team leader: Peter Scholtes, 608-255-9789, sscwipeter@aol.com.
- 🔑 Network and Support to create opportunities for the Deming community worldwide to exchange ideas and experiences related to Dr. Deming's work. Team leaders: Jim Clauson, 615-882-4611, clauson\_jr@a1.rsoc.cc.tn.us and Kim Melton, 804-828-1479, kmelton@saturn.vcu.edu.
- 🔑 Education to foster learning related to Dr. Deming's theories and their application. Team leader: Mike Tveite, 612-830-9041, mdtveite@aol.com.

The Institute's board of trustees is comprised of professional and family associates of Dr. Deming. Its chairman is Diana Deming Cahill, and its vice chairman is Linda Deming Ratcliff. Other board members are Edward Martin Baker, Ph.D., Vincent Cahill, Joyce Nilsson Orsini, Ph.D., Gipsie B. Ranney, Ph.D., and Michael D. Tveite, Ph.D.

Based in Washington, D.C., the Institute holds two conferences a year, in April and October. Highlights are presentations and workshop exercises that relate to Dr. Deming's teachings and are given by invited speakers and facilitators.



courtesy MIT/CAES

*“There is no substitute for knowledge.”*

— W. Edwards Deming

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**CURRENT INSTITUTE PROJECTS**

- \* Tacoma Community Partnership (Peter Scholtes)
- \* Network of Deming Users' Groups (Tom Coens, Jim Chandler)
- \* The Deming Electronic Network (Jim Clauson)
- \* Deming Postage Stamp (Annie Rezelman)
- \* Research Topics (Ron Moen)
- \* Newsletter (Doug Bedell, March Jacques)
- \* Deming Scholarships (the Board)
- \* Deming Library of Congress Collection (The Board)
- \* Conferences (Mike Tveite, Ron Moen)
- \* Video Recording and Archiving (Jim Naughton)
- \* Variation Kit (Harold Haller)
- \* Paperweights (Jim Naughton)



**BOARD OF TRUSTEES**

- Diana Deming Cahill  
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 Michael D. Tveite, Ph.D.



**WEB SITE**

www.deming.org

**The W. Edwards Deming Institute™**  
 with aim to promote understanding of The Deming System of Profound Knowledge™

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**PARTNERSHIP IN TACOMA**

A continent away from Dr. Deming's long-time home in Washington, DC, and an ocean away from Japan, where his teaching helped bring industrial renewal, The W. Edwards Deming Institute™ has launched an experiment in community learning. Its partners are the City of Tacoma and Pierce County in Washington state.

The possibility of a partnership originated late in 1994 when Institute participants conceived the idea as a means to allow for active interaction between theory (The Deming System of Profound Knowledge™) and application (experience available in the partner community). They resolved to explore a partnership initiative that would serve the following purposes:

- ▲ produce real improvement for the partner community,
- ▲ provide a focus for many of the Institute's activities in research, education, network/support, outreach and development,
- ▲ offer an opportunity to learn more about Dr. Deming's philosophy and

to extend that philosophy using the "Plan, Do, Study, Act" approach in an actual application.

Initial discussion included the possibility that the partner might be a "community" of people with common professional interests. In the end, however, the Institute chose to partner with a geographic area to, first, explore the elements that enable communities to operate efficiently and productively for all their citizens, and, second, to share the knowledge acquired with other communities.

**Making a match**

Between May, 1995 and April, 1996, a group of Institute volunteers—now known as the Community Partnership Team—developed a process to find a community with the strengths and needs that would best complement the Institute's resources and aims. The team broke the selection process into three phases, each designed to narrow the field. Institute participants invited likely communities to contact the Partnership Team and supply information relevant to making a match.

About 30 communities requested application packets. Of these, 13 submitted applications describing their communities as systems. Five of the 13 subsequently provided additional information about the participative support they would bring to the partnership. Final selection took place the week of

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**MEET TACOMA/PIERCE COUNTY**

Tacoma, Washington, is a port city near the southern tip of Puget Sound and the base of Mt. Rainier. With 184,500 residents, Tacoma, is the third largest city in the state. Founded in 1868, Tacoma operates under a council-manager form of government. It is the county seat of Pierce County (pop. 641,000), which is included in the Deming Institute partnership.



Wood products industries and railroads formed the basis of the area's early economy. Major employers today also include the military, health care, primary metal and chemical plants, and the Boeing Company's aerospace manufacturing facilities.

In recent years, Money magazine named Tacoma among the "Best Places to Live" in America, and in 1995, Entrepreneur magazine rated it first among the nation's mid-sized cities as a place to start a small business. Yet, like other cities of comparable size, Tacoma has its share of low-income neighborhoods and crime. Gangs have a foothold in certain areas.

In 1994, Tacoma was designated a state/community "Empowerment Zone" and a Federal "Enterprise Community." The EZ/EC designation opened new funding possibilities for meeting the special needs of Tacoma's lower income neighborhoods and precipitated formation of the Tacoma Empowerment Consortium, a collaboration of public agencies, private organizations and area residents.



July 21 when three members of the Partnership Team—Patricia Clark, Britt Hall and Peter Scholtes—visited three cities: including Tacoma.

At this point, according to team leader Scholtes, the question boiled down to: “With which community are we likely to learn the most? Our decision was that Tacoma had already developed the community infrastructure and leadership network that would accelerate the Planning, Doing, Studying, and Acting cycles....The differences [among the communities] are not dramatic, they are shades of gray, not black and white. In the end, the selection was very difficult.”

### Getting started

As the partnership moves forward, it is being co-designed. Control of the project rests with Tacoma. Volunteers from the Institute donate their work on issues that Tacoma identifies. Institute participants may encourage the use of certain processes for analysis, decision-making, planning and problem-solving, but Tacoma determines the agenda.

Steering the partnership on the Institute side is the Partnership Team. On the Tacoma side, activity is coordi-

nated by Ray Corpuz, Jr., Tacoma’s city manager; Genelle Birk, assistant city manager, and Frank Underwood, executive director of Grantmaker Consultants, Inc.

Joint activities since the project was launched in September have been directed at identifying funding sources to defray expenses for Institute volunteers, discussing data from the community indicators to identify a focus issue, developing plans and procedures for working together, and developing structures for communication and for coordinating efforts. The partners are also examining ways to share learnings from the project over time with all interested communities.

In November, approximately 80 members of the Tacoma community attended a two-day introduction to The Deming System of Profound Knowledge™ led by Nida Backaitis, Patricia Clark, Britt Hall, Daniel Oestreich, Gipsie Ranney, Peter Scholtes, Mike Tveite, and Al Viswanathan.

*For additional information about the Partnership Project or to volunteer, contact: Peter Scholtes, 608-255-9789 or Britt Hall, 414-691-5461.*     ▷▷▷▷



*“Tacoma has a well organized cohesive net - work of community leaders... (that are) intentionally diverse. ... These folks form a net - work of collaboration and they get things done ... They think almost instinctively, in terms of larger systems, the importance of measurement and the value of diversity and collaboration.”*

**Peter Scholtes,**  
Team Leader

## INSTITUTE CONFERENCES: FOCAL EVENTS

**T**he Deming Institute’s semi-annual conferences—in April and October—bring together practitioners and explorers of Dr. Deming’s methods and philosophy from the U.S. and abroad. The presentations and discussions are held in the spirit of a collaborative community. They touch on all four aspects of The Deming System of Profound Knowledge™—appreciation for a system, knowledge about variation, psychology, and a theory of knowledge—as they interact on a life-long journey.

The insights gathered at a Deming Institute conference can be broad and deep—both stimulating and profound. For example, here’s a sampling of what occurred at the last conference on the weekend of October 12 and 13 at the Radisson Hotel, in Alexandria, Va.:

A Trainers’ Exchange presented six interpreters of Dr. Deming’s methods who brought them alive in demonstra-

tions using such devices as cardboard pyramids, role-playing and Gumby cards.

“Without a theory of knowledge,” Al Viswanathan said in showing how the elements of profound knowledge interact as in the interior of a tetrahedron (pyramid), “you can park your brain in a parking lot.”

Instead, brains were buzzing throughout the weekend. On Sunday Ed Baker led a discussion on “Plato’s Cave and Deming’s Pit” that drew on Socrates’ allegory in “The Republic” of people chained away from the sun.

Dr. Deming sometimes was asked why he kept at it despite the difficulty of bringing about fundamental change in organizations. He responded that he enjoyed it and was learning. He also shifted his focus from changing organizations to changing individuals, Baker recalled. It was easier to see the results



At the Trainer’s Exchange **Michelle Patterson** explains how her Gumby Card Packaging Co. runs.



## MARK YOUR CALENDAR

### Next Deming Institute Conference

“Improving Education”  
April 26-27

Radisson Plaza Hotel,  
Alexandria, VA., USA

Registration Fee - \$85  
Contacts: 1-301-299-2419  
E-mail—ratcliff@radix.net

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and changing organizations starts with changing individuals.

For Dr. Deming, like Plato 2,500 years before him, there were no absolutes in the world of appearances. “Define your terms. What do you mean? How would they know?” were some of his frequent comments.

On Saturday afternoon, Baker got into a brief dialogue himself with Fran O’Neal, of the Washington, DC, Atlantic Rim Group, who made a presentation on “Values and Behaviors: Creating the Successful Team Culture.” In seeking to transform an organization, O’Neal held, “the only prayer you have is to access levels of power, and identify the values at play there, the behavior of the people who occupy formal leadership positions.”

But to Baker in the audience, focusing on values seemed to slight the underlying forces that shape values. “Deming really was different,” he commented, “he really worked on theory....Values reflect a theory of how we ought to behave.”

The exchange prompted audience members to consider for themselves the important but sometimes subtle differences between values and theories.

Sheila Ronis, Ph.D., president of the University Group, Inc., of Birmingham, MI, asked another conference audience to consider how national security questions—involving the well-being of the entire planet—could be examined through the Deming lens of profound knowledge.

“I believe there is a need for the Deming community to participate in a national discussion of U.S. national security and what it means for world peace and prosperity,” Ronis declared. She outlined how she is approaching these questions in systems terms.

Using affinity diagrams, Eric Budd and Mary Jenkins began a discussion, to be resumed at the April conference, on “marginal performers” and how they should be handled in team settings. In another workshop, Ian Bradbury traced the history of the PDSA concept, how the “S” for “study” sometimes gets replaced by “C” for “check”, and why a meaningful distinction between them should be adopted.

In all, there was much to ponder, and to anticipate at the next conference in April.



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