

DEMING INTERACTION



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The W. Edwards Deming Institute®

In search of video and audio tapes of Dr. Deming

The United States Library of Congress, Motion Picture Broadcasting and Recorded Sound Division, and The W. Edwards Deming Institute have agreed

to establish a sound library featuring W. Edwards Deming. A formal agreement was made recently between the two organizations. The Congressional Librarian and the Institute trustees anticipate that the addition of a sound library will provide researchers with important insights into

Dr. Deming's teachings. The collection will be a valuable adjunct to the Deming papers that are in the Manuscript Division of the Library. The Sound and Manuscript Divisions are located in separate areas of the Library, each devoted to the medium that it houses, yet easily accessible to each other.

Much of the recorded material that was made of Dr. Deming exists today in private corporate collections. There are depictions of structured lectures and meetings as well as informal discussions. All are valuable. The W. Edwards Deming Institute will

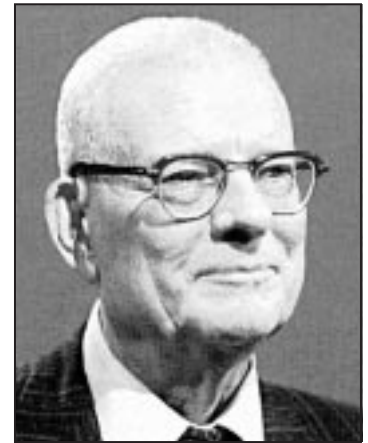
donate the material that it owns and is eager to move quickly to gather a collection for the Library.

Some individuals and companies have generously offered to donate their original tapes or copies to the Institute for use in the collection. Material that is donated to the Institute will become part of the Deming Collection at the Library of Congress and will be sheltered by the copyright and gifting agreement that the Institute recently made with the Library.

Using the Deming Collection

Readers interested in using the Deming Collection at the Library of Congress, are advised to request an access form from the Manuscript Division (202-707-5000) before visiting. In most instances, the approval process takes slightly more than one week.

The Library requests that it receive gifts in bulk as much as possible. So, material will be collected centrally by an Institute representative and then delivered to the Library. The Institute will cover shipping costs and has made arrangements with Federal Express for donors who wish assistance. If you have video tapes or audio tapes (or copies) to donate to the Institute for the Library of Congress, please contact the Institute by telephone (301-294-8405), fax (301-294-8406), or email (staff@deming.org). ■



courtesy MIT/CAES

"The boundary of a system may be drawn around a single company, or around an industry, or the whole country. The bigger the coverage, the bigger be the possible benefits, but the more difficult to manage."

— W. Edwards Deming
in *The New Economics*

Help the press get it right

Journalists tend to ignore details, caveats, conditions, and footnotes in research. As a consequence, articles often give wrong impressions, one piece of a more complex issue, or only one side of a story. Then an editor inserts a headline such as "People Who Eat Chocolate Live Longer." The public becomes confused. Sometimes a reader recognizes the misunderstanding or mistake and writes a letter to the editor.

Dr. Deming's theory of management is sometimes misquoted or misrepresented in articles that we

read. The Institute encourages you to consider writing a letter to the editor when you see such blunders. To leave the error uncorrected fuels even greater misunderstanding by the journalist and the public.

Dr. Deming wrote many letters to the editors of newspapers and magazines to bring correction to misunderstandings of statistical theory and good management practice. He believed it was an important professional responsibility. ■

Travel grants available to use the Library of Congress

The W. Edwards Deming Institute annually makes available five travel grants for researchers who wish to use the Deming Collection at the Library of Congress. To apply for a grant, please contact the Institute office (301-294-8405).

Inside Deming Interaction

Change and systems explored at Institute meetings in Tacoma . . . 2

Tacoma project notes 3

Current Institute Projects

- 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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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: 301-294-8405
Fax: 301-294-8406

Change and systems explored at Institute meetings in Tacoma

This past April, approximately 200 people gathered in Tacoma, WA, for a Community Symposium and Spring Conference sponsored by The W. Edwards Deming Institute. The one-day Community Symposium, an outgrowth of the Institute's Community Partnership with Tacoma and Pierce County, featured keynote presentations by Russell L. Ackoff and Peter R. Scholtes as well as an interactive general session facilitated by Barbara Hummel and Dan Oestreich. Breakout sessions included case studies from Tacoma; Jackson, MI; Greenwood, SC; and Tameside Council, UK; and research reports from Fredricka Joyner and the Community Quality Councils Committee of the American Society for Quality.

The one-and-a-half-day Spring Conference featured keynote presentations by Jamshid Gharajedaghi and Gerald Suárez. It closed with a "town hall dialogue," facilitated by Liane Dolezar and Joyce Orsini, which reviewed learnings and issues that surfaced during the combined event. Breakout sessions examined the relationship between social science theory and the Deming System of Profound Knowledge, as well as applications of the theory to organizational and community improvement efforts. Both the symposium and conference provided opportunities to examine a systems approach to change.

Ackoff

In the symposium's keynote presentation, Russ Ackoff, pioneer in systems thinking, challenged his audiences to think differently about the "messes" in their communities. The question, he suggested, is how to get self-imposed constraints out of the heads of planners. As an example, he said, suppose that, instead of trying solve traffic problems by improving transportation routes and structures, city planners worked to design a city where mechanized transportation is not needed. Suppose the city block were the fundamental unit around which self-sustaining communities were designed. Readers familiar with Ackoff know that his emphasis is on the whole, not the parts of a system. However, in creating an idealized design for a city, it is not possible, he said, to draw a picture of the entire city. Consequently, community planners must start with the parts but, he emphasized, they must consider the effect that changing the part will have on the whole. The question, Ackoff added, is which part to start with. He also emphasized the need for public participation in the planning activity. Planners, he said, must make it possible for everyone to participate if plans are to have any chance of being

implemented. What is needed, according to Ackoff, is a "lower-archy" in which the people at the top are subject to the collective opinion of those at the bottom. Incentives for change, he told his audience, must be compatible with social objectives.

Scholtes

In the symposium's closing presentation, Peter Scholtes picked up the theme of systems and grass roots participation in a discussion that shared lessons about community change from four prominent social thinkers. The first, Alexis de Tocqueville, was the French count who visited the US in 1831 and became the first researcher to chronicle America's experiment with democracy. Among the key lessons Tocqueville captured, Scholtes said, is the observation that in democratic countries the knowledge of "how to combine" is the mother of all other forms of knowledge and on its progress depends that of all others. More recently Saul Alinsky, who is sometimes called the "father of community organizing," held that social change always takes place through community organizations. Scholtes, who worked with Alinsky in the 1960s, said that for Alinsky, community organizing always had an "enemy," a point on which he and Alinsky disagreed. However, Scholtes said, Alinsky understood that it is important to start community work by finding out what people want and that he was able to galvanize entire communities around an issue. Scholtes also discussed the approach of Leo Mahon, a Catholic priest from Chicago, who founded a mission in Panama. Like Alinsky, Mahon understood the importance of finding out what the community wanted and needed. In the case of his mission, what the people needed was jobs. So instead of a church and school, he built a factory; instead of a parish, a community; instead of servants, leaders. The fourth person Scholtes singled out was John McKnight of Northwestern University, whose approach to community improvement focuses on discovering a community's strengths and building on them. McKnight also advocates avoiding dependence on professionals.

Gharajedaghi

In grappling with issues related to human behavior, people often bog down when they focus on intrinsic and extrinsic motivation as though the two had an *either-or* relationship. During the Spring Conference's keynote presentation, Jamshid Gharajedaghi, president and CEO of INTERACT, suggested a different focus for thinking about the

factors that influence behavior in large, complex systems. Choice, he said, "is the product of the *interactions* among three dimensions: rational, emotional, and cultural." According to Gharajedaghi, rational choice (where extrinsic values come into play) has to do with self-interest. Emotional choice (intrinsic) has to do with beauty, excitement, and challenge. Culture, he said, defines the ethical norms of the collective of which the decision maker is a member. The cultural values are the constraining elements of the decision process. According to Gharajedaghi, "By dictating the default values, culture has a profound impact on the decision process. Just like a high-level computer language that provides default parameters when the programmer fails to choose one, the culture provides default values when people fail to choose one explicitly."

Suárez

The impact of culture on behavior came under discussion again during the conference's closing presentation by Gerald Suárez, director of the office of organization and process improvement at the White House Communications Agency. Suárez described an organizational transformation effort undertaken at the Agency beginning in 1992 with a Deming-based approach to continuous quality improvement and continuing through today with implementation of a total organizational redesign using systems thinking precepts. A student of both Deming and Ackoff, Suárez talked about the obstacles encountered in trying to implement their concepts in a high visibility, high security agency, which also happens to be the "ultimate command-and-control" organization. Among the most difficult cultural factors to deal with, Suárez said, has been the pervasive pressure for perfection and corresponding fear of making a mistake. Fear in the workplace, he noted, prompts people to try to cover up mistakes. He contended, however, that it is impossible to eliminate all fear and that instead organizations need to focus on understanding and managing fear. The Agency's efforts to develop trust, he explained, have focused on participative management and implementation of a multidimensional design along the lines of the circular organization prescribed by Ackoff in *The Democratic Organization*.

For further study

Some of the presenters have made their symposium and conference presentations available on-line through the Deming Electronic Network: <http://deming.ces.clemson.edu/pub/den/>. Readers wishing related information may be interested in the following books which are either authored by or recommended by speakers at the 1999 Spring Conference and Community Symposium.

Russell L. Ackoff, *Creating the Corporate Future* (1981), *A Guide to Controlling Your Corporation's Future* (with Elsa V. Finnel and Jamshid Gharajedaghi, 1984), *The Democratic Corporation* (1994), *Ackoff's Best*, (1999), *Re-Creating the Corporation* (1999).

Alan R. Andreasen, *Marketing Social Change*.

Edward M. Baker, *Scoring a Whole in One: People in Enterprise Playing in Concert*.

Jamshid Gharajedaghi, *Toward a Systems Theory of Organization* (1985), *A Prologue to National Development Planning* (with Russell Ackoff, 1986), *Systems Thinking: Managing Chaos & Complexity. A Platform for Designing Business Architecture* (1999).

G. Ronald Gilbert and Ardel E. Nelson, *Beyond Participative Management Toward Total Employee Empowerment for Quality*.

H. Thomas Johnson, *Relevance Lost: The Rise and Fall of Management Accounting* (with Robert S. Kaplan, 1987), *Relevance Regained: From Top-Down Control to Bottom-Up Empowerment* (1992), (with Anders Bröms, 1999).

G. Langley, K. Nolan, T. Nolan, C. Norman, L. Provost, *The Improvement Guide: A Practical Approach to Enhancing Organizational Performance*.

John McKnight, *The Careless Society*.

Kim Melton, *Introduction to Statistics for Process Studies*.

Ronald Moen, Thomas Nolan, and Lloyd Provost, *Quality Improvement through Planned Experimentation*.

Daniel Oestreich and Kathleen Ryan, *Driving Fear Out of the Workplace and* (with George Orr) *The Courageous Messenger*.

Everett M. Rogers, *Diffusion of Innovations*.

William Roth, *Quality Improvement: A Systems Approach*.

Peter Scholtes, *The Leader's Handbook*. ■



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.

Send address changes to:
The W. Edwards Deming Institute,
P.O. Box 59511,
Potomac, MD, 20859-9511.
E-mail: staff@deming.org
Tel: 301-294-8405.
Fax: 301-294-8406.

Tacoma project notes

Learning collaborative activities continue in September when the first of three planned "learning sessions" will be held. The learning sessions are the primary integrative events of the collaborative. The September session will connect team members experts on family violence. In addition to formal presentations by the subject matter experts, the event includes a coaching component and opportunities to share experiences and build collaboration on improvement plans. ■

Four-Day Video Seminar

October 18-21, 1999
Georgetown University Conference Center
Washington, DC, USA

For many people, Dr. Deming's seminars were life-altering experiences. For America, they were a wake-up call and the beginning of an incredible turnaround.

If you never experienced Dr. Deming, "live and in person," the Four-Day Video Seminar sponsored by The W. Edwards Deming Institute® is as close you can get to the original, unabridged Deming — his inimitable style, passion, and humor — his challenging message and deep insight into management issues. If you were among the vanguard who attended Dr. Deming's seminars during his lifetime, this seminar is a return to the fountainhead that nourished a generation of learning organizations and systems thinkers.

Format Large screen video presentations bring the best of Dr. Deming back to the podium — an American original teaching again and sharing the wisdom that launched a rebirth of industry in two nations. Live facilitation — by master teachers who assisted Dr. Deming at his seminars — creates an interactive learning environment. Small working group activities, scattered throughout each day, provide ample opportunity to deepen understanding and clarify concepts. Supplementary texts include Dr. Deming's original writings: *Out of the Crisis* and *The New Economics* — take-home references to revisit for years of personal growth.

Facilitators Nida Backaitis and Heero Hacquebord

Some topics covered The Deming System of Profound Knowledge. The Red Bead Exercise. Optimization of a system. Context for improvement. Managing stable and unstable systems. Understanding variation. The Funnel Rules. 14 Points for Management. Faulty practices; better practices. Sustaining change. Learning and organizational change. Mandates for leadership. Cooperation as a competitive tool. Customer-supplier involvement. Identification of real issues. And much more.

Registration The Deming Four-Day Video Seminar costs \$795 per person. The fee includes continental breakfast, breaks and buffet lunch each day, plus copies of *Out of the Crisis*, and *The New Economics*. Refunds will be given for cancellations received at least three weeks prior to the seminar. Substitutions may be made at any time. For more information or to register, contact: The W. Edwards Deming Institute.

Making Connections

**The W. Edwards Deming Institute
Fall Conference**

October 16 - 17, 1999
Georgetown University Conference Center
Washington, DC



Whether you are connecting ideas, connecting bodies of knowledge, connecting components of Deming's teaching — or simply connecting with other Deming scholars — the Deming Institute's Fall Conference at the Georgetown University Conference Center in Washington, DC, is the place to be October 16-17, 1999.

Keynote speaker

Robert Rodin, president and chief executive officer of Marshall Industries, author of *Free, Perfect, and Now: Connecting to the Three Insatiable Customer Demands: A CEO's True Story*.

Speakers and topics include:

- Scott Stegall — "Synergizing with Deming and Goldratt"
- Rip Stauffer — "Analytic Studies: The Pragmatic View of Variation"
- Gipsie Ranney — "A Conversation about the Attributes of Organizational Change Efforts and their Effect on Outcomes"
- Patricia Clark — "Exploring the Nature of Creativity, Flow, Joy, Innovation, and Intrinsic Motivation"
- Kim Melton — "Recognizing and Reacting to Paradox"
- Tom Dukich — "Applied Metaphysics — Not a Contradiction"
- John Hunter — "Connecting to Deming's Ideas Online"
- Ernst Glauser — "Deming Philosophy and ISO Standards: Contradiction or Supplement?"

Presentation by the Deming Association Network

In Dr. Deming's lifetime, Deming associations were founded around the world to create communities of learners. After Dr. Deming's death, these independent groups had developed sufficiently that it became useful for them to interact on a regular basis to compare their experiences and discuss the issues being faced in their communities. For several years, the meetings have provided an ongoing central forum for networking, learning, and exploring new horizons for this international community. Participants in the Deming Association Network will present a special session for all attendees at the Institute's Fall Conference.

Open Space Technology

New at the Fall Conference, several sessions will be conducted through an Open Space Technology approach. This approach assumes that the people who show up are the people who will be involved and allows these people to set the agenda for the sessions. Time will be set aside at the beginning of the conference to explain the approach and allow conference participants to set the agenda for these sessions. For people who prefer a more structured approach, traditional sessions will run in parallel to the Open Space sessions.

"The layout of profound knowledge appears here in four parts, all related to each other: appreciation for a system, knowledge about variation, theory of knowledge, psychology. The various segments of the system of profound knowledge can not be separated. They interact with each other."

— *The New Economics*, first edition, p. 96

**Connect and interact at the Fall Conference,
October 16-17, 1999.**

New location

The Deming Institute's 1999 Fall Conference will be held at the Marriott's Georgetown University Conference Center, 3800 Reservoir Road, NW, Washington, DC 20057. Located on the campus of Georgetown University, the hotel provides easy access to the cobbled byways and delightful restaurants of one of the nation's most treasured historic districts. In addition, the hotel offers a variety of on-site restaurants, convenience stores, the Georgetown University Bookstore, a business center, guest laundry, and exercise room. The closest airport, Ronald Reagan Washington National Airport, is 15 minutes by taxi. Monday through Friday during normal business hours, Georgetown University provides free half-hourly shuttle service to the Conference Center from two metro locations: DuPont Circle and Rosslyn. For more information about these local area shuttles, inquire when you make your room reservations at the Conference Center.

Lodging

A room rate of \$140 per night plus applicable taxes is available for the nights of October 16 - 21 to guests attending the Fall Conference and/or the Four Day Video Seminar sponsored by the Deming Institute. To ensure a room at the conference rate, reservations must be made by September 24. Call 800-228-9290 or 202-687-3235 and request the W. Edwards Deming Institute room block.

Meals

Conference and seminar fees include continental breakfast, lunch, and refreshment breaks.

Making Connections**The W. Edwards Deming Institute®****Fall Conference**

October 16-17, 1999

Georgetown University Conference Center
Washington, DC

Four-Day Video Seminar

October 18-21, 1999

Georgetown University Conference Center
Washington, DC

RSVP now! Reserve your place by Friday, October 1, 1999.

- Conference and Video Seminar, October 16-21: \$945
- Conference only, October 16-17: \$150
Saturday 8:00 a.m - 5:30 p.m., Sunday 8:00 a.m. - noon.
- Video Seminar only, October 18-21: \$795

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Mark Your Calendar

Fall Conference

October 16 - 17, 1999
Georgetown University
Conference Center
Washington, DC

Four-Day Video Seminar

October 18-21, 1999
Georgetown University
Conference Center
Washington, DC

October 14-15, 2000

Fall Conference

Washington, DC

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Deming Four-Day Video Seminar

**Sponsored by The W. Edwards Deming Institute – October 18-21, 1999
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*.

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:
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