

DEMING INTERACTION



THE W. EDWARDS DEMING INSTITUTE®

February 2001, Vol. 5, No 1

Institute celebrates Dr. Deming's birthday

Participants from a wide variety of fields gathered at Georgetown University Conference Center this past fall as The W. Edwards Deming Institute® celebrated the 100th anniversary of Dr. Deming's birth in 1900. The celebration took place during the Institute's annual fall conference, October 14-15, 2000.

The anniversary prompted a number of Dr. Deming's friends and colleagues to send letters to the Institute in commemoration of his birth on October 14, 1900. At the conference, Diana Cahill Deming, Dr. Deming's daughter and chairman of the Institute's board of trustees, read commemorative letters from Dr. Shoichiro Toyoda, honorary chairman and member of the board of Toyota Motor Corporation; Mr. Tatsuro Toyoda, senior advisor to the board of Toyota Motor Corporation; and Professor Kozo Koura of the School of Business Administration of Asahi University.

The Institute also has received commemorative anniversary messages from Professor Kosaku Yoshida of the School of International Politics, Economics and Business of Aoyama Gakuin University, from Mr. Youkichi Maeda, former secretariat of the Deming Prize Committee, and from Dr. Yoshio Kondo, professor emeritus of Kyoto University and an acquaintance of Dr. Deming's for more than forty years. In his message, Mr. Maeda recalls Dr. Deming's love for the Noh play and his deep understanding of Japanese culture. In his letter, Dr. Kondo's recalls the first Deming lectures in Japan and expresses admiration for the warmth of Dr. Deming's character and his teachings.

Additional commemorative letters have been sent to JUSE and will be forwarded to the Institute. The collection will be kept in a keepsake album.

Conference sessions

Numerous sessions at the fall 2000 conference examined the influence Dr. Deming had — and continues to have — on society, as well as possible future applications and extensions of his theory. Among several sessions taking up this theme, Myron Tribus and Gipsie B. Ranney each led discussions that examined the diffusion of Dr. Deming's teachings and, more generally, how ideas diffuse through society. Dr. Tribus's presentation described a series of interviews he conducted with educators "who have made a

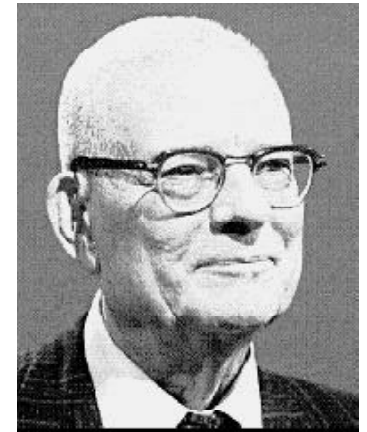
difference," regarding Dr. Deming's influence on their thinking and its relationship to their own contributions to the field of education. Dr. Tribus, a retired engineer who now works with schools to improve education, stresses quality methods combined with the methods of cognitive modifiability developed by Reuven Feuerstein of Israel. His conference paper is available at http://deming.ces.clemson.edu/pub/den/deming_tribus.htm.

The session led by Dr. Ranney examined the challenges raised over the years by some management thinkers and educators who have suggested that Dr. Deming's ideas are impractical, irrational, or even in conflict with American principles and values. This highly interactive session examined these charges, and their bases, and discussed possible responses. (See related story.) Dr. Ranney, a consultant and professor of management at Belmont University in Nashville, is a member of the board of trustees of the Deming Institute and a member of the advisory board of Fordham University's Deming Scholars Program.

Other conference sessions included "Deming in the Internet Age," a discussion facilitated by Dr. Nida Backaitis and Marcia Daszko; "Theory and the Questions Asked and Not Asked," a session led by Dr. Clifton Bailey; "Deming in the 21st Century," a discussion led by Beth Blankenship; "The Tacoma Experience," a report of the Institute's community partnership project presented by Patricia Clark; "The Use and Misuse of Control Charts," a session led by Dr. William J. Latzko; "PDSA History and Application," an examination of how thinking about the PDSA cycle evolved, led by Ron Moen; "Using the Deming Collection at the Library of Congress," a session led by Pete Petersen; "Commercial Deming, Customer Loyalty and Employee Motivation" by Stein Smaaland; "It's Transformation, Stupid" by Scott Stegall; "The 0-th Stage," an interactive session led by Mike

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The W. Edwards Deming Institute's fall 2001 conference will be held at Georgetown University Conference Center, October 13-14, 2001. It will be followed by a Four-Day Video Seminar, October 15-18, 2001. The theme of the 2001 conference is "Joy in work." Program chairperson for the conference is Patricia Clark, patclark@cpug.org.



Courtesy MIT/CAES

"It's absolutely vital for business that you settle this method of counting, measuring, definition of fault, mistake, defect, before you do business. It's too late afterwards."

— W. Edwards Deming
The Deming Video Library
Vol. 8, "Lessons of the Red Bead Experiment"

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Contributions welcome
The Institute welcomes your charitable donation to further its educational programs. Please telephone 301-294-8405 or fax 301-294-8406 or email at staff@deming.org.

Challenges to Deming's ideas

During the October 2000 Deming Institute conference, a session led by Dr. Gipsie Ranney sparked lively discussion about challenges to Deming's ideas on a variety of topics. The purpose of the discussion was to seek clarity about what Deming said, to surface incorrect assumptions or inferences about Deming's ideas, and to formulate responses to these challenges.

One topic discussed at some length was the view that Deming advocated socialism. One discussion participant pointed out that there is considerable disagreement about the meaning of the term socialism. Another said that the term refers to an economy in which the government, rather than private persons, owns and manages capital goods and natural resources; income from the use of these resources goes to the government for public use. Still another participant reported that on one occasion, when Deming was asked if he was advocating socialism, he said that socialism involved an attempt to redistribute wealth through taxation and social programs. This is a commonly held view of socialism. Deming said that he was not talking about redistribution of wealth, but rather about principles and methods that could increase wealth for everybody.

The session also examined challenges to Deming's criticism of annual ratings of performance. Here, the conversation led to an exchange about motivation and an animated discussion of the work of B.F. Skinner. In response to some negative comments, one participant observed that we tend to discount and avoid the work of people whom we see as having views that are opposed to our own world view. Another participant remarked that we should seek out opposing viewpoints in order to challenge and develop our own thinking and to learn.

In yet another part of the session, discussion focused on the assertion that Deming's ideas are not relevant to the world of business in the twenty-first century. This view appears to be based on the assumption that application of Deming's work is restricted to the tools of improving quality at the lowest levels of an organization, so that changing technologies of production, communication and distribution would appear to require different methods. One participant pointed out that Deming proposed principles for management that lead to improvement of organizational capabilities and, as Deming said, "restoration of the individual." These principles are not technology-dependent. They apply as much to e-business as to any other business. The system of profound knowledge provides a way to make more effective, humane use of the subject-matter knowledge involved in production of any product or service. ■

British Deming Forum

In the wake of the now-defunct British Deming Association, a group of Deming activists in the U.K. formed the Deming Forum in February 2000 "to enable and optimize learning and application of the Deming philosophy."

The Deming Forum is a not-for-profit organization headquartered in the U.K. It has purchased the copyright for many of the publications originated by the British Deming Association. The new organization's key resources include an archive of Deming materials and a group of dedicated volunteers.

Within the months of its creation, the Deming Forum offered its first Transformation Forum, an activity conducted completely by volunteers. The event's second day was sold out, and delegates declared the event an outstanding success. The next Transformation Forum is May 9-10, 2001, in the UK.

The Deming Forum welcomes both individual and corporate support. An annual contribution entitles individual supporters to a 10 percent discount on all Deming Forum events; discounts on affiliated events; and access to Forum archives including its library of books, tapes, conference papers, photographs, and (eventually) videos. Supporters also are eligible to receive special pricing on the Deming "A5 Research" booklets.

The Forum also accepts contributions from organizations and acknowledges its corporate sponsors at all Forum events.

The core operating team of the Deming Forum includes Hazel Cannon (director), Martin Malpas and Alan Winlow. The Forum's advisory group currently includes Hazel Cannon, Diana Deming Cahill, David McCormack, Martin Malpas and Alan Winlow. The Deming Forum operates in cooperation with The W. Edwards Deming Institute.

For details about the aims and activities of the Deming Forum or for information about the next Transformation Forum, contact: Hazel Cannon, The Deming Forum, Ternion Court, 264-268 Upper Fourth St., Central Milton Keynes, UK, MK9 1DP; telephone 44 (0) 1525 720632, fax 44 (0) 1525 718652, email demingforum.uk@virgin.net, web site <http://freespace.virgin.net/demingforumuk> ■

New web site unveiled

The “new and improved” Deming Institute web site opened to information seekers early in December. The new site — still at www.deming.org — provides more in-depth information on the life and teachings of Dr. Deming.

The site is organized into several key sections including Institute facts, information about the Deming Prize, biographical information, resources, and links.

The “Institute Info” section provides information on the Institute’s history, its areas of focus, and biographies of the current board of trustees.

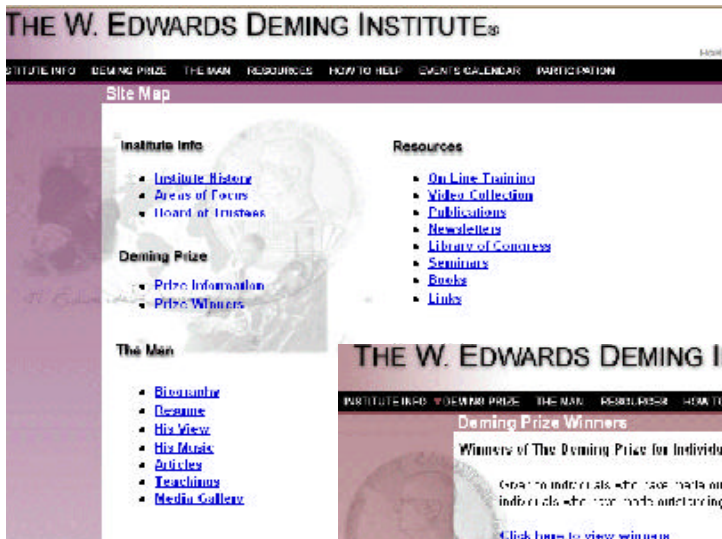
The “Deming Prize” section provides extensive information and background on the Deming Prize,

The “Resources” section includes explanations of how to view the Deming collection at the Library of Congress and how to apply for grants funded by the Institute. The “Links” section provides web site links to other organizations of interest.

The new web site also includes copies of past Institute newsletters and information on the upcoming online education courses under development with Corpedia LLC.

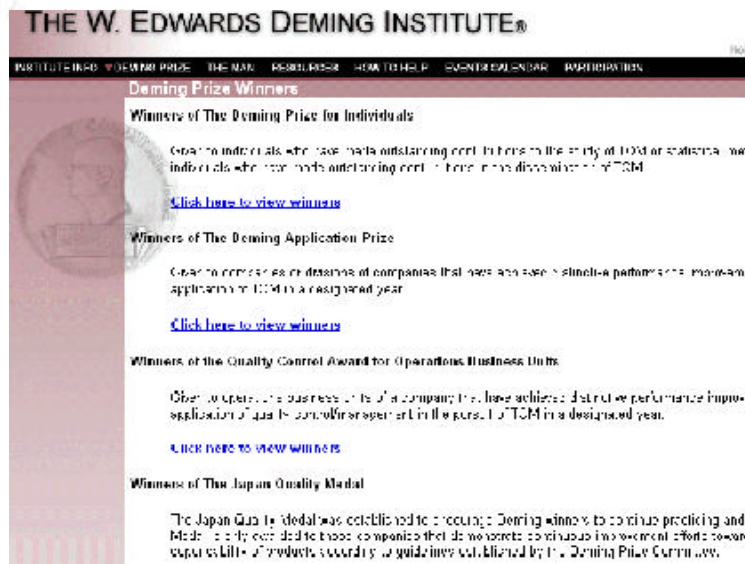
Customer friendly site

The new web site is more customer friendly. Thanks to the development of an e-commerce capability and online database, the Institute is now able to take orders and provide online payment for videos and future conferences via a secure online server. Users can also edit their profiles and indicate what publications and information they wish to receive. The site also features section of “frequently asked questions” (FAQ) which will be expanded over the coming year based on questions and comments received from users.



which is awarded annually by the Union of Japanese Scientists and Engineers (JUSE). It also provides an in-depth description of the Deming Prize process and lists past winners in the various categories.

“The Man” section of the web site offers personal information about Dr. Deming. The section provides biographical information about Dr. Deming’s and features photos of his early trips to Japan as well as pdf files of original scores of music he composed. Also of interest is an article written in 1965 about his early years at the University of Wyoming. This section also includes two contrasting resumes Dr. Deming used, one from 1974 and another almost 20 years later.



Plans call for the Institute web site to evolve and improve in response to customer needs and technological advances.

If you have any ideas, comments, or suggestions for the web site or for other internet activities, please contact Kevin Cahill, project leader for the Institute’s internet initiatives: kevinc@viewbridge.com. ■



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, video seminar facilitators, members of the design council, and the board of trustees, all donate their time to the Institute. Since 1999, approximately 14,500 hours of time have been donated to carry out Institute activities.

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

Correction

In the last issue of Deming Interaction, the story on the Tacoma project misspelled the name and email address of John Briehl, director of the Collaborative on Family Violence. To contact Mr. Briehl, the correct email address is jbriehl@tacoma.wa.us.

MARK YOUR CALENDAR

• **Fall Conference**

October 13-14, 2001
Georgetown University Conference Center
Washington, DC

• **Four-Day Video Seminar**

October 15-18, 2001
Georgetown University Conference Center
Washington, DC

**For reflection****Dr. Deming on winning**

Dr. Deming's writings offer frequent observations about winning and losing. The following passage appears on page 88 of the second edition of *The New Economics*. For more of Deming's views on cooperation, competition, and "win, win," see pages 29, 55, 56, 73, 75, 76, 82, 121, 123, 149, and 150-153 in the second edition of *The New Economics*.

"What we need is cooperation. Every example of cooperation is one of benefit and gains to them that cooperate. Cooperation is especially productive in a system well managed. It is easy to make a list of examples of cooperation, some of which are so natural that we may not have recognized them as cooperation. Everybody wins."

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Makepeace; and "Some Simple Methods for Applying the Techniques of Inspection Economics" led by David Wayne.

The conference also featured a series of spontaneous, or "open space" sessions. In open space sessions, conference organizers provide a time and space for conference participants to self-organize around topics of mutual interest. At the fall conference, participants organized sessions on the following topics: involving project management, placing the Shewhart/Deming school of thought in the context of process philosophy, applying the system of profound knowledge in a train operating company, introducing Deming's theory and methods in government, growing and sustaining Deming associations, and grounding knowledge management in Deming's theory of knowledge. Notes from the open space sessions are available on the web at www.NGC.Peachnet.Edu/Academic/Bus_Gov/BADM/kmelton/OST00.htm.

Like all Institute activities, the October 2000 conference was the result of the combined efforts of many volunteers, including the speakers and the program chairperson, Dr. Kim I. Melton of the Department of Business Administration of North Georgia College and State University, Dahlonega, GA. ■