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DAY 12:

**BRINGING IT ALL TOGETHER —
AND MAKING IT HAPPEN**

DAY 12: BRINGING IT ALL TOGETHER—AND MAKING IT HAPPEN

(9.00am – 1.00pm; 2.00pm – 6.00pm)



Introduction (p 1); **Section 1:** Your radar diagram (p 2)

— contains Activity 12–a



Interpretation of your radar diagram (p 5)

Section 2: Wisdom from Peter Scholtes (p 7)

— contains Activity 12–b



Profound Knowledge in a motor equipment operation (p 7)



A System of Profound Trouble! (p 10)

Section 3: “But what can I do?” (p 11)

— contains Pause for Thought 12–c



Guidance for staff (p 14 [WB 220]); Guidance for middle managers (p 19 [WB 225])

Section 4: Leadership for the transformation (p 22)



Section 5: Activity 12–d (p 30 [WB 235])



Section 6: Major Activity 12–e, Part 1 (p 34 [WB 240])



Major Activity 12–e, Part 2 (p 38 [WB 244])



Section 7: Epilogue (p 42)



DAY 12: BRINGING IT ALL TOGETHER—AND MAKING IT HAPPEN

This final day of the course comprises seven sections:

Section 1:	Your radar diagram	pages 2–6
Section 2:	Wisdom from Peter Scholtes	pages 7–10
Section 3:	“But what can I do?”	pages 11–21
Section 4:	Leadership for the transformation	pages 22–29
Section 5:	Activity on the previous two sections	pages 30–33
Section 6:	Major Activity	pages 34–41
Section 7:	Epilogue	pages 42–43

These seven sections are briefly summarised below. Most of your time today will be devoted to Sections 5 and 6: two Activities that are both designed for you to customise in order to concentrate on matters that are particularly relevant to the position you personally hold in your organisation.

On Days 10 and 11 you recorded your “scores” relating the four parts of the System of Profound Knowledge to the 14 Points and the Deadly Diseases. In Section 1 you’ll begin by collecting together that information and then we’ll consider what you can learn from it. The end-product of that learning should be that you will understand how to fit together yet more pieces of the jigsaw that have not “gelled” sufficiently so far.

Section 2 contains some excellent material from Peter Scholtes. We will begin by reading a fascinating account of one of his earliest experiences as a teacher and guide on management and quality. This was long before Deming came up with the System of Profound Knowledge: yet, looking back, Peter later realised that what had happened was a supreme illustration of the latter’s relevance and strength. His account is reproduced from *The Leader’s Handbook* pages 45–46. It will, I believe, be helpful to you in the important Activity which then follows, an Activity that uses Peter’s portrayal of the System of Profound Knowledge to focus on some rather larger pieces of the jigsaw. Finally, as promised earlier and as a parody of the System of Profound Knowledge, we’ll take a look at Peter’s superb portrayal of “A System of Profound Trouble”. That will, I think, speak for itself!

The title of Section 3 probably echoes a plaintive thought that you may have had already, especially if you are relatively junior in your organisation. Let me immediately express my sincere gratitude to Dave Young who has contributed this valuable section.

Then, in Section 4, I shall bring together a wealth of advice from Dr Deming about the kind of *leadership* necessary to help put the theory into practice.

Section 5 is a substantial Activity which invites you to work in detail on the previous two sections in a way that, as mentioned above, will be personalised as appropriate for the position you hold in your organisation.

Section 6 is your final Major Activity of the course. This encourages you to develop the implications of what you have learned during the course in the context of your own organisation, and to consider possibilities for the way forward.

Section 7 is the Epilogue. It contains a concluding memorable extract from *The Deming of America*.



Section 1: YOUR RADAR DIAGRAM

First (well, here's a treat), no hard thinking for the next few pages!

Let's see why I asked you to enter those 0–5 “scores” of what you saw as the strengths of connections between the System of Profound Knowledge and the 14 Points and the Deadly Diseases during the Second Project. I'd like you to collect them together in a “radar diagram”, and then we'll see what that tells you about your current understanding of the Deming philosophy. (And again, this is just for *you*—so you may as well be honest. Sorry to sound like an old-fashioned parent but ... if you cheat then you'll only be cheating yourself!)

Activity 12–a, Part 1 is also on Workbook page 215.

ACTIVITY 12–a, Part 1

Your first task is simply to collect together all of your 0–5 scores from Activities 10a–b and 11a–b into the table on page 4. If you haven't printed out an extra copy of that table (suggested on Day 11 page 36), it will make life easier if you temporally detach that page so that you won't have to keep turning back to it. (The table is deliberately set on a left-hand page because it will be convenient for you to have the table and the radar diagram on facing pages in the third part of this Activity.)



Your radar diagram will finish up containing 19 simple four-sided shapes (“quadrilaterals”). You'll have one such shape for each of the 14 Points and the five Deadly Diseases. Of course, to make the diagram easy to interpret, it will help greatly if the 19 shapes are all distinguishable from each other! That is why I asked you to gather together a number of different-coloured pens and/or pencils for today.

How will you be able to distinguish the 19 shapes from each other? I *could* have asked you to find 19 different-coloured pens and pencils for this Activity—that would have been an obvious but rather extravagant option! However, if you just have around half-a-dozen different colours, you could use each colour three or four times, say with one shape being drawn using four ordinary continuous lines, another using four broken lines, another using four dotted lines, etc.

As with Part 1 of this Activity, Part 2 is also on Workbook page 215.

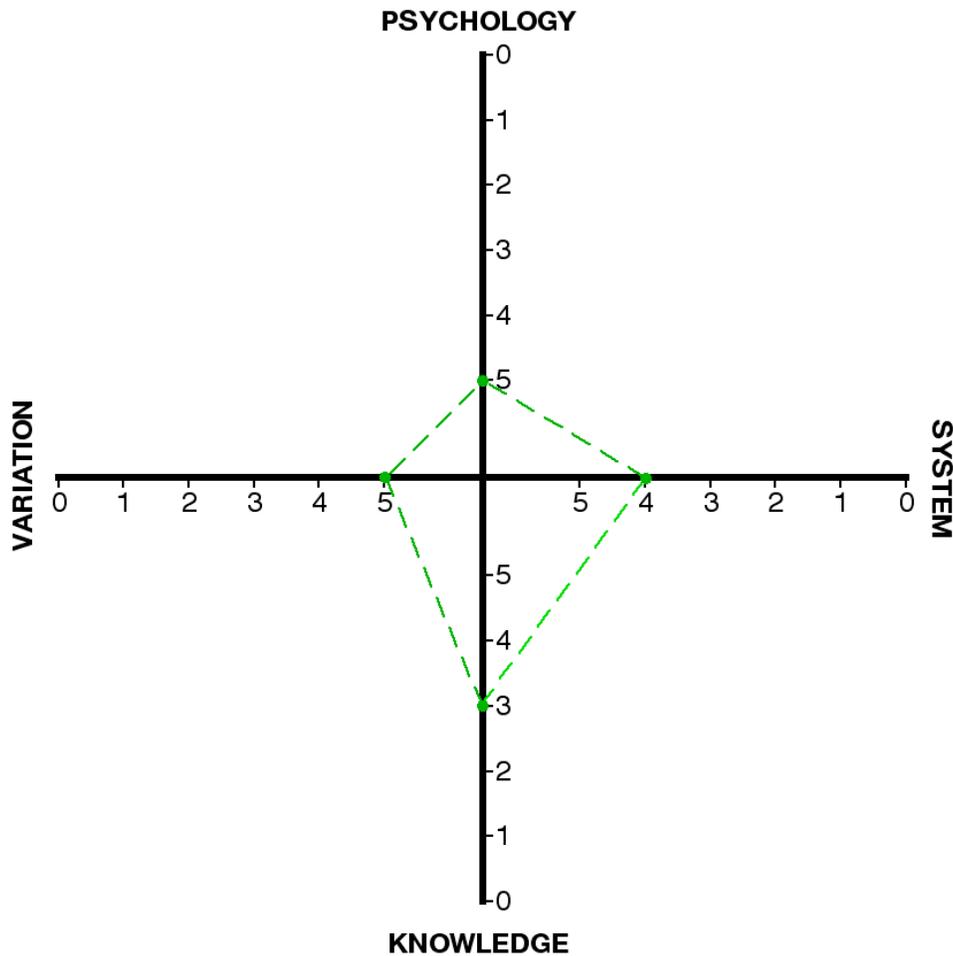
ACTIVITY 12–a, Part 2

So now choose your 19 combinations of colours and line styles and indicate them in the KEY column on page 4, one against each of the 14 Points and each of the five Deadly Diseases. For example, if you've decided that your four-line shape for Point 1 (Create Constancy of Purpose) is to be drawn with broken green lines: *-----* as in the diagram on page 3, indicate that as I've shown in the KEY column on page 4.



Having completed the KEY column, you're now ready to construct your radar diagram. Take a look at the diagram on page 3. You'll immediately guess what I'm going to ask you to do. In this illustration, remember I'm supposing Point 1 will be represented by a shape consisting of four broken green lines: *-----* .

Let's suppose you've scored the strength of connection of Point 1 with both Understanding Variation and Knowledge of Psychology by 5, with Theory of Knowledge by 3, and with Appreciation for a System by 4. (I'm not saying that these are the "right" answers—there are no right answers except for the honest representation of what's in your head!) Then you simply mark the relevant points on the diagram's four "arms" (PSYCHOLOGY, SYSTEM, etc), and join them up using the chosen KEY: broken green lines.



Activity 12-a, Part 3 is also on Workbook page 215.

ACTIVITY 12-a, Part 3

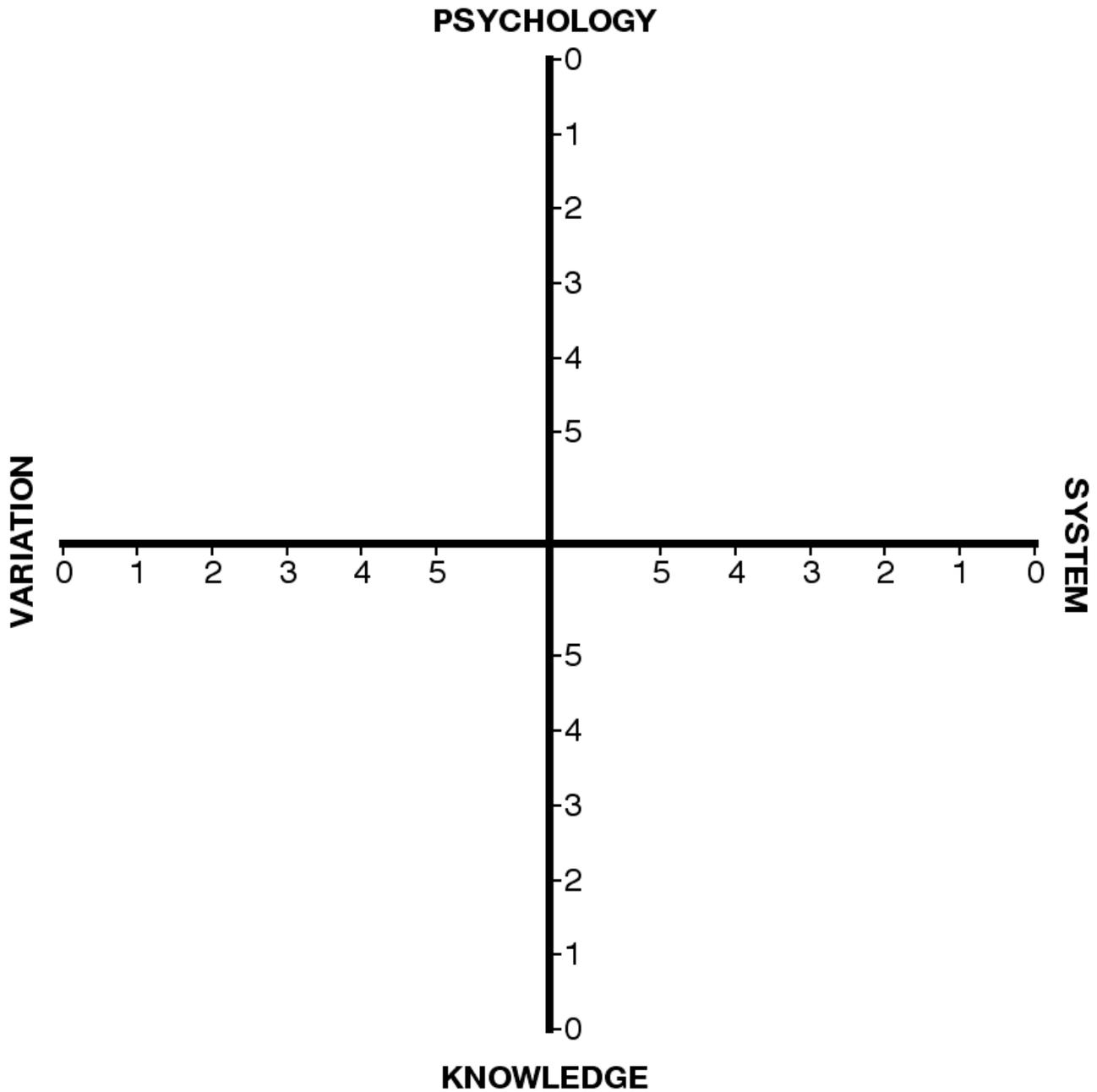
Ready, go! Using your chosen KEYS in turn, carry out this procedure on page 5, illustrating your scores that you've recorded in the table on page 4 for all the 14 Points and five Deadly Diseases.



This table is used in Activity 12-a, Parts 1-3 and is also on Workbook page 216.

KEY		Appreciation for a system	Knowledge of variation	Theory of knowledge	Knowledge of psychology
	14 POINTS				
-----	1. Create constancy of purpose				
	2. Adopt the new philosophy				
	3. Cease dependence on mass inspection				
	4. End lowest tender contracts				
	5. Constantly improve systems				
	6. Institute training				
	7. Institute leadership				
	8. Drive out fear				
	9. Break down barriers				
	10. Eliminate exhortations				
	11. Eliminate arbitrary numerical targets				
	12. Permit pride of workmanship				
	13. Encourage education				
	14. Clearly define top management commitment and action				
	DEADLY DISEASES				
	1. Lack of constancy of purpose				
	2. Emphasis on short-term profits				
	3. Performance appraisal				
	4. Management job-hopping				
	5. Running a company on visible figures alone				

This diagram is used in Activity 12–a, Part 3 and is also on Workbook page 217.



Interpretation of your radar diagram

So, how to interpret the radar diagram once you’ve completed it? Again, no deep thought is required—although there may be some as a *result* of your interpretation!

Do you recall “[The 14 Points ... follow naturally ...](#)” (Day 9 page 16)? So let’s see! Now, it would be unrealistic to think that you—or anybody else, including myself—would have scored 5 *everywhere* throughout the Second Project, in which case all 19 shapes would have been one simple, small diamond connecting the

four 5s. But you should feel pleased if the majority of your scores have genuinely been, say, 3s, 4s or 5s, thus leaving plenty of white space outside the bigger diamond that you'd get by joining up the four 3s. If that's true then it will indicate you've made a really good start on understanding the Deming philosophy.

You could also investigate the diagram for some more detailed information. There may, for example, be a small number of the 19 four-sided shapes that immediately strike you as being rather more spread out than the others. This would indicate that it might be worthwhile for you, when you have the opportunity, to spend more time reading and thinking about the particular Points and/or Diseases corresponding to those spread-out shapes. So let me remind you of some of the sources I recommended to you back on Days 4 and 5.

If the radar diagram indicates that one or two of the Points need some further attention, you could browse through the relevant chapter(s) in *DemDim* Part 5 (where there is a separate chapter on each of the 14 Points). Some of the earlier books on Dr Deming's work also have a chapter on each Point, particularly the first of both Mary Walton's and Bill Scherkenbach's books (respectively *The Deming Management Method* and *The Deming Route to Quality and Productivity*). And then, of course, there is the hefty Chapter 2 in *Out of the Crisis*. If the radar diagram shows that you need to spend some more time studying one or more of the Deadly Diseases then *Out of the Crisis* Chapter 3 is definitely your best source. And (assuming it is still available—see Day 5 page 1) the video *Management's Five Deadly Diseases* will always be well worth a further viewing.

Another effect which might be seen on your radar diagram is that the shapes move rather further out along one of the four arms than along the others. Again the interpretation is clear—you'll need to spend more time studying that particular part of the System of Profound Knowledge. If and when the time comes that you start working with *The New Economics*, I've given you the main page references during the Second Project; but, as I've mentioned before, material relevant to some of the topics in the May 1990 version (which we used throughout the Second Project) will be found elsewhere in the book. Help with several of the topics will also be found in *Out of the Crisis*, even though it predates the System of Profound Knowledge by a few years.

There really is no substitute for going back to the true source! *DemDim* has, of course, given you a start—I hope a *good* start, and that it will stay as a constant companion in the future. But I also hope very much that, if it hasn't been already, it will soon be joined by both *Out of the Crisis* and *The New Economics*—and, maybe later, *The Essential Deming* (see Day 1 pages 12–13).

However, in addition, if at some time in the future you would like to study a rather different—though highly compatible—approach to the System of Profound Knowledge, I'll refer you again to Bill Scherkenbach's second book: *Deming's Road to Continual Improvement* (from which we saw the “Theory of Knowledge in Seven Words” on Day 11 page 9). Chapter 5, appropriately headed “Logical Change”, is a substantial and deep study of the System of Profound Knowledge itself and of its “operationalisation”, Bill's word for “putting it into practice”. And he certainly had had plenty of experience at putting the theory into practice by the time he wrote that book. Through most of the 1980s he was responsible for leading the learning and “operationalisation” of the Deming management philosophy throughout the Ford Motor Company world-wide. By the time he wrote his second book he had, with Dr Deming's approval, moved over to General Motors as Group Director for Statistical and Process Improvement Methods at the Buick-Oldsmobile-Cadillac division of the company. Deming was pleased for him to have the opportunity to spread his good work more widely.

However, Bill's second book (unlike his first) is not for the beginner. I would say that, if we regard our 12 Days course as being at undergraduate level, *Deming's Road to Continual Improvement* is highly recommended reading for the postgraduate student.



Section 2: WISDOM FROM PETER SCHOLTES

The fourth section of today's material will focus on Dr Deming's own guidance about *leadership*. As you know, for a whole book on leadership full of practical guidance and solidly aligned with the Deming philosophy, my clear recommendation is Peter Scholtes's *The Leader's Handbook* (which, unlike Bill Scherkenbach's book just mentioned, is still at undergraduate level!). It is therefore appropriate to include at this stage some of Peter's own ways of helping us to understand the System of Profound Knowledge.

Profound Knowledge in a motor equipment operation

First, here is Peter's story that I mentioned on page 1. As I said there, this all happened long before Dr Deming had begun to speak of the System of Profound Knowledge. But again, what an excellent demonstration of its wisdom and effectiveness this account turns out to have been! You may also find Peter's narrative to be helpful in Activity 12–b on page 9 [WB 218].

“One of my first experiences in applying Deming's philosophy was with the City of Madison, Wisconsin Motor Equipment Operation. Motor Equipment was responsible for maintaining and repairing city vehicles, ranging from police cars to garbage trucks, snow ploughs, and Zambonis [*the latter are machines for resurfacing the ice in ice rinks*]. I had developed some expertise in the areas of organisation development and teamwork. I worked with the late Dr Bill Hunter, a statistician from the University of Wisconsin, who was also very knowledgeable about Deming's philosophy.

In the first meeting with the people from the First Street Garage, where Motor Equipment was located, we asked them: ‘What are your biggest problems?’. ‘Morale!’ was their immediate and universal response. I didn't want to work on morale problems because they are symptoms of something else, so working on them usually involves a lot of useless complaining. I got them to agree to defer working on the morale problem.

They started to work on two other projects: customers' feedback and cycle time. The immediate customers of the Motor Equipment Operation were the other municipal agencies that needed their vehicles to be up and running: the Police Department, Parks Department, Streets Department, etc. The Motor Equipment people did surveys and interviews of their customers to learn their perceptions regarding the services of Motor Equipment. They identified the chief customer complaints and the customers' priorities (which types of jobs should take priority over others). Much to their delight, the Motor Equipment people also learned that, for the most part, the customers were pleased with their service.

The cycle time project studied how long it took from the time a vehicle broke down until it was back in service. They identified all the stages of the downtime process and how much time each consumed. Then they spun off some subprojects aimed at reducing the cycle time. For example, one effort was aimed at reducing the time spent waiting for parts. After six or eight weeks of involvement in such activities, I suggested at a meeting: ‘Now let's talk about the morale problem’. ‘What morale problem?’ they responded.

The originally-presented problem, morale, was part of the *psychology* area of the System of Profound Knowledge [*Part D in Dr Deming's ordering*]. I suggested, instead, activities focused on understanding the *system*, beginning with the customers, who are the end point and purpose of the system (a second area of Profound Knowledge [*Dr Deming's Part A*]). The study of the system and cycle times inevitably involved studying *variation* in the components of cycle time: which delays were due to unique (special) causes and which were built into the current system (common cause). This is, of course, a third area of Profound Knowledge [*Dr Deming's Part B*]. Knowledge of the system and variation allowed them to focus on *improvements* dealing with the systemic causes of problems. Because of their expanded knowledge of customers, systems, and the methods of improvement, the Motor Equipment people made dramatic improvement on problems that had

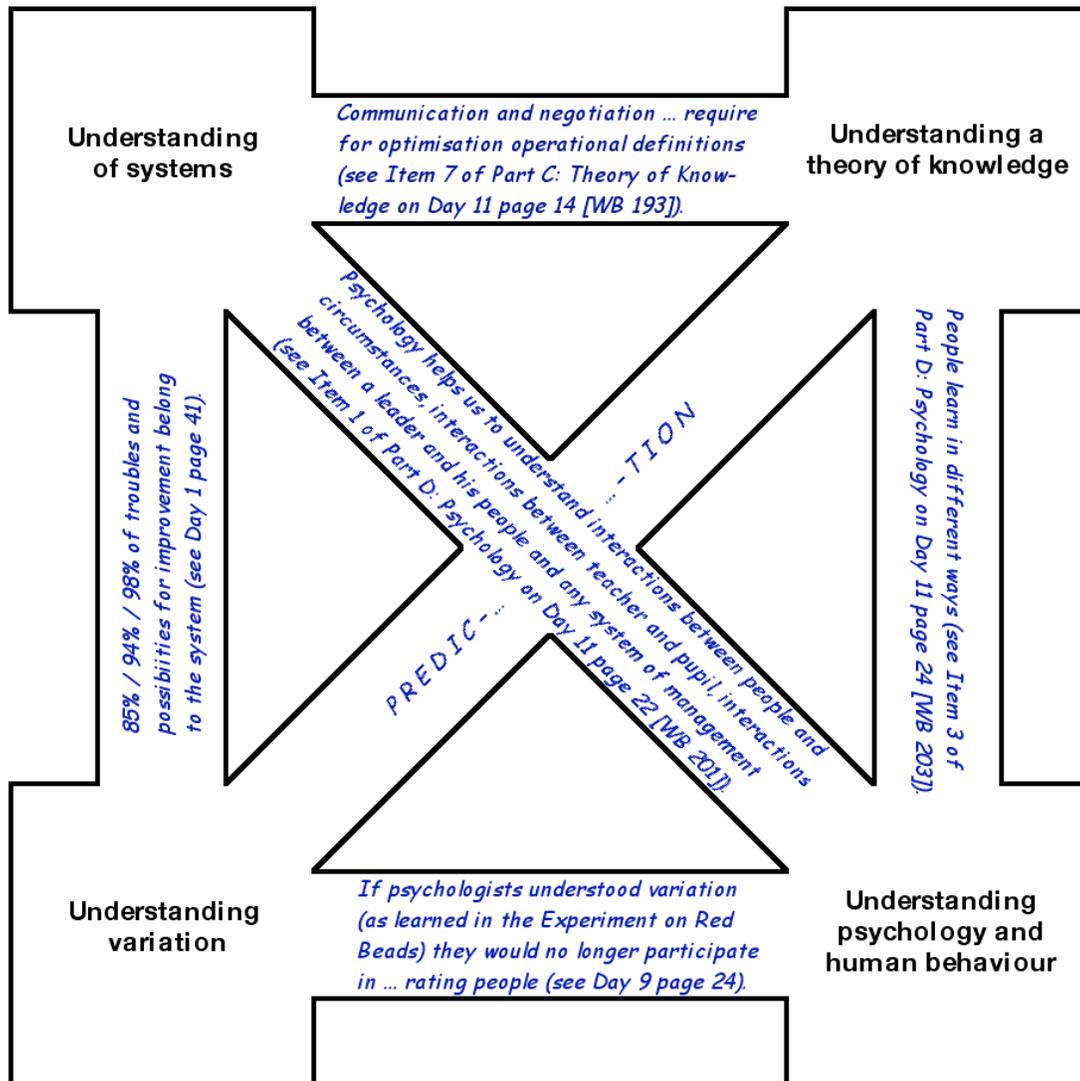
plagued the operation for decades. (Learning, knowledge, and improvement are the fourth area of Profound Knowledge [Dr Deming's Part C].) All of this led to excitement, pride, great motivation, and an evaporation of the morale problem.”



Introduction to Activity 12-b

As mentioned when we first saw it on Day 1, Peter's diagram of the System of Profound Knowledge immediately depicts the interlinking nature of the four parts of the System. But there were no words on the interlinks! So, as yet a further contribution to your appreciating the Deming philosophy as a system, Activity 12-b asks you to try to identify some important *connections* between the four parts. You've now seen major issues in each of the four parts identified (a) in Peter's story just related, (b) in the expanded version of his diagram of the System of Profound Knowledge on Day 9 page 22, (c) on Balaji Reddie's "Contributions" page 34 and, of course, (d) throughout the Second Project on Days 10 and 11. Think through some of this material and see if you can recognise how any of those major issues can link into any of the *other* three parts in addition to the part in which it has first been raised.

To get you started, here is just a single thought for each of the six links:

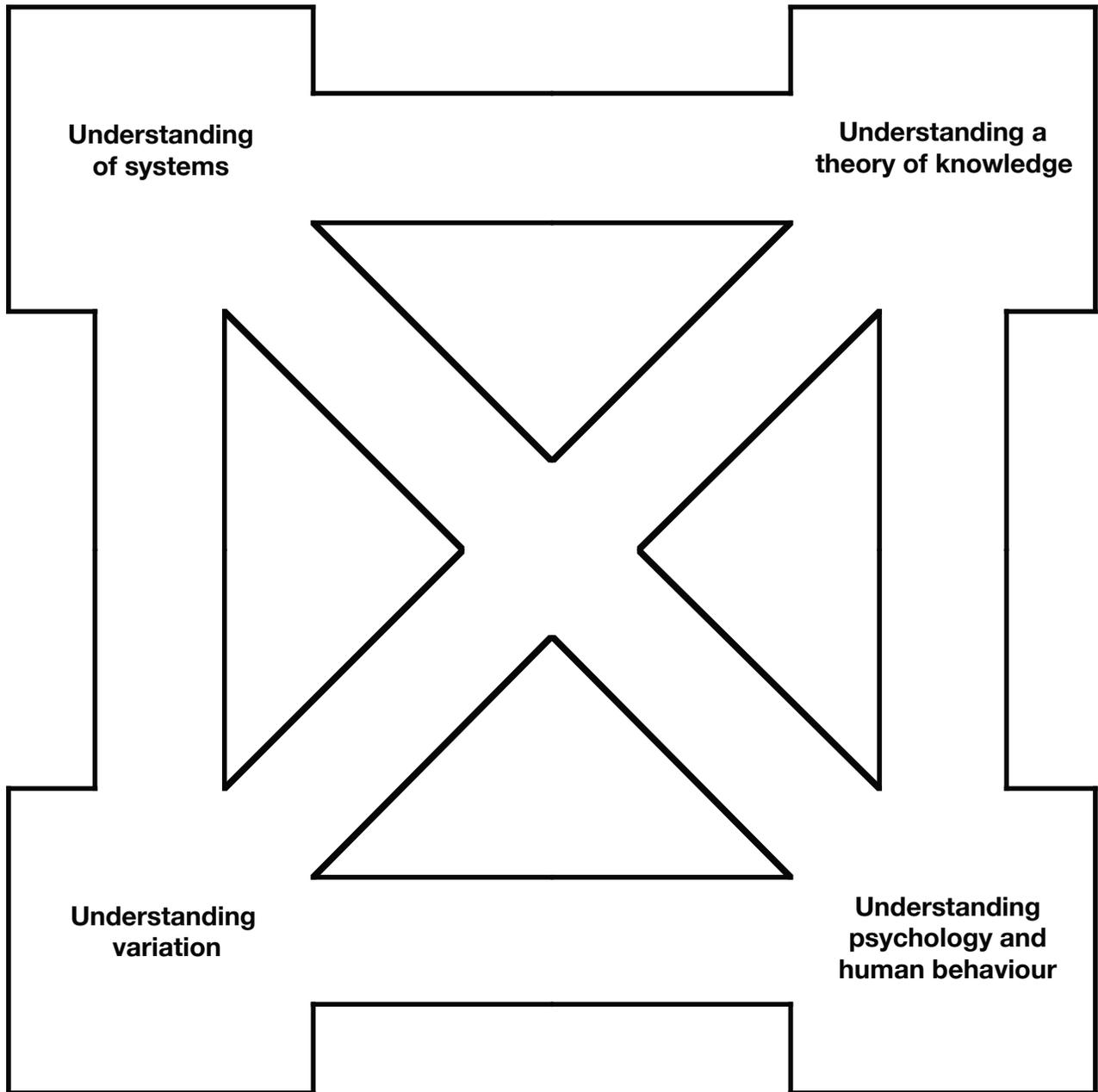


Recall that, at the end of Day 11, I suggested you make some copies or, preferably, enlargements of this page. Now you may soon see why!

Activity 12-b is also on Workbook page 218.

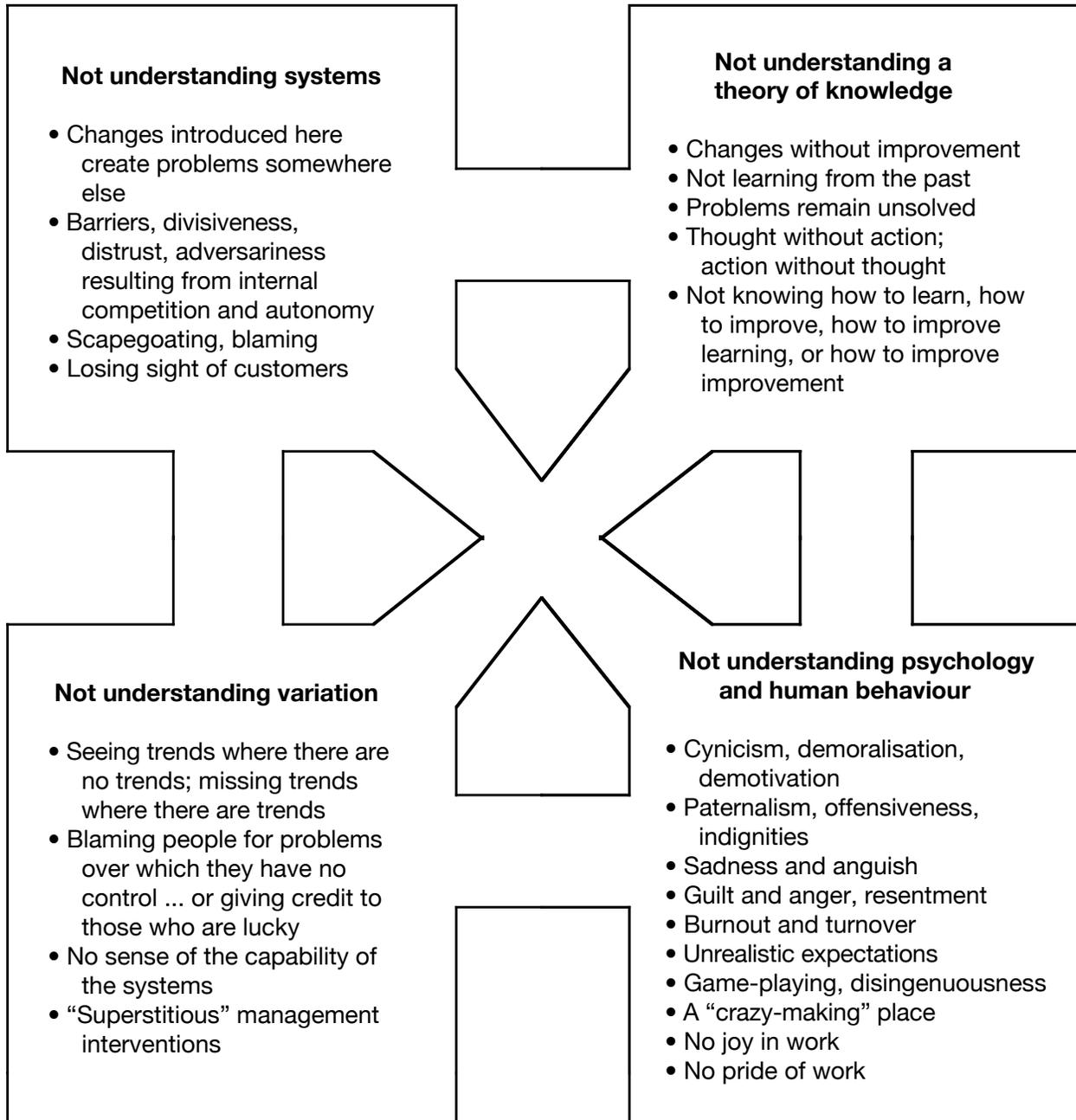
ACTIVITY 12-b

Following some of the guidance on page 8—and anything else that comes into your mind—now try to identify a few of the important *connections* between pairs of the four parts of the System of Profound Knowledge and write them in on Peter Scholtes's diagram below.



A System of Profound Trouble!

Finally in this section of Wisdom from Peter Scholtes is his delightful—and instructive—representation of “A System of Profound Trouble”! I need add nothing in explanation.



Section 3: “BUT WHAT CAN I DO?”

Many people who genuinely appreciate the Deming philosophy can feel very frustrated. They now know something of a “better way”, but may be too junior in their organisation to feel that they can do anything about it. However, their time may come: after all, many seniors used to be juniors themselves ...

Let me first quote some wise words from Dr Deming that apply to seniors and juniors alike. This short section comes from near the beginning of *The New Economics* Chapter 4. These are some thoughts that were not seen in the early versions of the System of Profound Knowledge. I have already quoted a little of this passage back on Day 7 page 28.

“The first step is transformation of the individual. [This first short sentence probably sounds pretty intimidating! So let me make a suggestion. On the assumption that you are not doing so already, how about letting the concept of Win-Win become a major influence in your decision-making and indeed in your life in general? Then you’ll be on the way. If you **are** doing so already then you are already on the way. The transformation is initially largely a transformation in the way we **think**, and then as a result (as I have so often said before) in what we **do**.] This transformation is discontinuous. It comes from understanding of the System of Profound Knowledge. The individual, transformed, will perceive new meaning to his life, to events, to numbers, to interactions between people.

Once the individual understands the System of Profound Knowledge, he will apply its principles in every kind of relationship with other people. He will have a basis for judgment of his own decisions and for transformation of the organisation that he belongs to. The individual, once transformed, will

- Set an example
- Be a good listener, but will not compromise
- Continually teach other people
- Help people to pull away from their current practice and beliefs and move into the new philosophy without a feeling of guilt about the past.”

Pause for Thought 12–c is also on Workbook page 219.

PAUSE FOR THOUGHT 12–c

What do you understand by Dr Deming’s second short sentence above: “This transformation is discontinuous.”?



Much understanding develops gradually—but not all. It may come “in a blinding flash”—or in several blinding flashes, usually well-separated. That has been my experience with learning about the Deming philosophy, and I know it is also true of many of my friends. I wonder if *you* have experienced any blinding flashes while studying this course. I hope so. But if not—keep at it: they’ll come!

That powerful extract from *The New Economics* can apply to anybody—if they are willing. I recommend that you read it and think about how it can relate personally to you, whatever situation you are in, however junior or senior, and to do so repeatedly in the time to come. I think you will also appreciate that (as Deming implies) those wise words represent valuable guidance not only in the workplace but more generally in life as a whole. In particular, it can work well in clubs, associations, etc—as well as at home!

If, now or later, you find yourself in some position of relative seniority, so that it becomes more possible for you to affect significantly what happens in your organisation or your part of it, what particular guidance comes from Dr Deming? That will be addressed in today’s fourth section which begins on page 22. I shall concentrate in this third section on those of you who may well have already been asking yourself—perhaps somewhat plaintively, and maybe from some long way back in the course—the question which heads this section: “But what can I do?”.

After reading what I have written here, my friend Dr Jackie Graham in Australia e-mailed me as follows:

“You could be the cleaner and still be an influencer in the organisation, someone who sparks ideas and gets others thinking. It is often the case that effective influencers are not official leaders—but they can still become unofficial leaders. I wonder whether you should state that that is what you are trying to encourage your students to do.”

That’s well expressed, Jackie. Yes, that is indeed what I would love my students to do.

The guidance for action over the next several pages is split into three levels. I shall ask you first to read through both the rest of this section and all of fourth section since these levels do not have strict boundaries. However, in the Activity which then follows on page 30 [WB 235], I shall recommend that you concentrate particularly on the level(s) that you regard as best applying to your own position in your organisation.

Pages 14–18 [WB 220–224] are focused on those who are at staff level—I hesitate to simply call them the “workers” (as some do) because I appreciate that those in management also work! Then attention in the remainder of the current section (pages 19–21 [WB 225–227]) moves to those in middle management. Some people in middle management regard themselves, maybe with justification, as “lying between the Devil and the deep blue sea”! Their duty is to manage those for whom they have responsibility but, at the same time, they are in a lowly position compared with the senior management. So, relative to the senior management, they are also “staff” and thus pages 14–18 [WB 220–224] could also be pretty relevant to them.

In fact, in terms of the conventional vertical organisation chart (i.e. what Peter Scholtes referred to as the “train-wreck” chart near the beginning of *The Leader’s Handbook*—see Day 9 pages 7–8), self-evidently everyone except those at the very bottom or at the very top are squeezed between those below and those above them. So again, the “levels” to which I am referring cannot have strict boundaries. Even those at the top of an organisation are likely to have yet others “above” them: e.g. the Government in the case of public-service organisations or the market in the case of listed companies.

Then follows Section 4 titled: “Leadership for the Transformation”. As that title implies, this is focused on the senior management level. For them it occurs to me that, in comparison with the title of this current section, that next section could be subtitled: “But what *should* I do?”.

It is worth mentioning here a very brief remark from Dr Deming in *The Deming of America*:

“A manager is a leader—should be.”

If so then there is plenty of substance in “Leadership for the Transformation” for middle management as well.

As you would expect, Deming had plenty to say to those in positions of leadership, and therefore (apart from the introductory page) Section 4 is expressed almost entirely in his own words. Further, with an eye on the recent mention of “Government”, this is an appropriate time to recall yet again that the full title of Dr Deming’s final book is *The New Economics for Industry, Government, Education*.

Almost all of what remains in this current section (pages 14–21 [WB 220–227]) has been provided by my good friend Dave Young, for whose contribution I repeat that I am very sincerely grateful. Dave is one of several people that I know who (like me) effectively changed careers soon after Dr Deming arrived on the British scene in the mid-1980s, keen to become more involved with Deming’s teaching and understanding, and to help others do likewise. Dave’s recommendations here are especially appropriate because, when he was helping organisations to move in this direction, he spent a relatively large proportion of his time working with those at quite junior levels. Dave’s advice for the relative “juniors” is thus particularly valuable and of fine pedigree. Back in those far-off days in the early 1980s when I was involved with the Nashua Corporation, I was similarly able to spend a lot of time with those at staff level, and I shall be ever grateful for having had that opportunity: in many ways I learned just as much as (indeed, probably more than) they did—and that, of course, was exceedingly valuable to me for improving my own teaching.

In the style to which you are now accustomed, my own comments both here and in the following section are in italics and smaller print. In the fourth section I have, in fact, added hardly anything to Dr Deming’s words on pages 23–29 [WB 228–234]. They are expressed in plainer English than his material during the Second Project and I believe that, at this late stage of the course, little “translation” is necessary.

In my timing guidance, you have the rest of this morning to work with the valuable material in these two sections. You can best decide exactly *how* you work with it and on which parts you concentrate. In particular, you *may* like to tackle just a few issues but go quite deeply into them. Or you *may* prefer to take rather briefer looks at a wider selection of the issues, leaving more comprehensive consideration until later. As I said at the start, the rest of the time today is intentionally customisable to you and the position you hold in your organisation—thus you are obviously the better judge about what would be of most benefit and interest to you.

So, wherever you are in your organisation, I recommend that you now **start by reading through all of what follows in this section and the next (i.e. pages 14–29 [or WB 220–234 along with today’s page 22])** at a pace that is comfortable for you. I have tentatively suggested a half-hour for this, but feel free to use more or less time as suits you. Don’t be put off by the thought of such a large number of pages! As has often been the case, much space is left blank for your own notes and comments.

As you read through these pages for the first time, highlight (here or in the Workbook) those parts which immediately strike you as being particularly relevant and/or interesting to you since that will guide you on how to spend the rest of your time this morning. I’ll offer some more guidance in Activity 12–d which immediately follows on page 30 [WB 235]. Make some occasional brief notes if you wish during your first read-through, but the main use for the space left after each item is for your observations while you are working on Activity 12–d. The work that you do this morning should be extremely helpful to you in the final Major Activity (*very major!*) of the course which will then occupy almost the whole of this afternoon.



Guidance for Staff

The obvious one first—if your manager hasn't already seen it, show them this stuff! Invite your manager to get involved with it, and volunteer yourself for any ensuing improvement work.

[In Dave Young's context (and recall that I am now reproducing his words), this was probably relatively straightforward. The fact that he was working within a particular organisation presumably implied that the manager concerned knew something about what he was teaching and (hopefully!) approved of it. Similarly, the fact that you have been working on this course may imply the same about your manager. However, it might be the case that you have been studying this course for other reasons, and your manager may know nothing about it—and, if you're really unlucky, might not care anything about it either! If so then you will, of course, have to tread more carefully. You might have to cultivate interest among friends and colleagues (as I began to do well over 30 years ago!). Some of those friends and colleagues may have a manager who is more inclined and receptive to this kind of thinking, in which case it might be more fruitful for you to channel your efforts in that more favourable direction. If this is the case then naturally you will need to adapt appropriately some of the advice that follows.]

You are familiar with Deming's "Organisation Viewed as a System" flow diagram. But now construct one for your own *personal* "system". *[Of course, you are already quite well-practised at drawing such diagrams through Major Activity 9–e (Day 9 pages 11–15). But this is now personally focused on **you** and therefore should probably come together rather more quickly than did your examples on Day 9. The "central track" of the diagram will now be specifically the main aspects of what **you** do.]* Think hard about, and identify, who are your personal suppliers and customers within the organisation (i.e. rather than the *organisation's* suppliers and customers). They may or may not work in the same department as you. In other words, identify and map out what "system" you personally work in. Every one of us works in a system *[in Deming's sense of the word]* and that system usually crosses both departmental and hierarchical boundaries.

[It may be that you have two (or more) roles in your organisation, involving different activities and different inputs and outputs. If that is the case then, due to time-considerations, it will probably be sensible for you to concentrate on just one of those roles here. However, if so, I would strongly recommend that you return here when convenient at a later date and repeat this paragraph in terms of your other role(s). Are there any interactions between your various roles—or, indeed, any conflicts? This might lead to some interesting new understanding of your situation and perhaps to some useful improvements.]

Quoting Deming from *The New Economics* page 36[50]:

“A system must have an aim. Without an aim, there is no system.”

Think hard about, and identify, the true aim of your *personal* system. [Recall that you worked on the concept of the **aim** of a system on Day 10 page 5. But there, similarly as with the flow diagrams in Day 9’s Major Activity (Day 9 pages 11–15), the concentration was primarily on the “system” being an organisation. Again, here we are instead concentrating on your own personal system. Also, in this current context, you may sometimes (as previously) find it useful to interpret “aim” as “purpose”.] Hopefully, the true aim of your system should have less to do with meeting targets and more to do with pleasing your customer(s).

When you have identified your system and its aim, think hard about, and identify, what can tell you whether or not you are successfully working toward that aim, i.e. your “system measure(s)”. You may discover something important that is not currently being measured by your organisation; what will you do if you find this to be the case? Is it possible to control-chart your key measure(s)? If you can (a) get a good picture of your system, (b) identify its aim, and (c) if possible, examine its key measures on control charts, necessary improvement actions are likely to start becoming obvious. At this point, you may wish to check back to Day 5 pages 26–27 on the fifth Deadly Disease; also, Dr Deming wrote about **“running a company on visible figures alone”** on *Out of the Crisis* pages 103–107[121–126]. If you believe that “unknown and unknowable figures” apply to you (as they do to most people) then *both* they and visible figures need to be taken into account. Something that can always be done is to maintain a continuing conversation with your internal suppliers and customers [for mutual help, cooperation and improvement—see *Dave’s next item*].

When you have identified your internal customer(s), talk to them. Ask them:

- What do you need from me?
- What do you do with what I give you?
- Is there anything you need from me that I am not giving you?

Areas for improvement may become obvious—and you may get a few surprises!

Are there any people in your organisation whom you perceive to be your competitors? Given what you have learned during this course, what do you want to do about this? Would it make a difference if they (or their manager) had also been working on the course?

Identify what power to act you possess. What can you do by yourself or with the help of your colleagues, and what would you need permission to do? Identify which of Deming's teachings you can apply yourself, and where. Where you haven't the authority to act, try to involve your manager—but be careful that you don't leave your manager feeling threatened or belittled in any way.

Guidance for Middle Managers

[As I have already pointed out, middle managers are effectively at staff level in relation to the senior management, and so the preceding pages have relevance to them as well. In addition, Dave has also provided some useful thoughts about what they should try to do to help their own staff; these follow on this and the next two pages. But those in middle management need to tread carefully: as already observed, they can well be in the unenviable position of “between the Devil and the deep blue sea”. To cultivate some friendships with “those in high places” can be helpful for all.

So spend a little time thinking about each of these six issues that Dave raises here, and jot down any thoughts and reactions that occur to you about how they could apply to you and what actions you might be able to take.]

Encourage and help your staff to get involved with this stuff.

Set up a study programme for your staff, wherever they are in the organisation.

Day 12 of 12 Days to Deming

Give them time to study.

Give them time and support to apply what they have learned.

Institute a regime/culture of continual improvement by your staff, throughout the organisation.

If you want this stuff to work in your organisation, you will need to make a serious commitment in time and resources to it.



Section 4: LEADERSHIP FOR THE TRANSFORMATION

Early on Day 5 we looked at the page of “Attributes of a Leader” (*DemDim* page 335) which Dr Deming started to use in some four-day seminars around 1989. That page showed the first version he produced. Over the next few months the list grew and developed. Further, going back to *Out of the Crisis* pages 99–101[116–118], there is a fine section called “Modern principles of leadership”. That section commences with two incredibly powerful paragraphs (see near the top of the next page [WB 228]) that unambiguously demonstrate how Dr Deming considered the usual judgmental type of performance appraisal as being utterly incompatible with genuine leadership. In contrast, that introduction is then followed by a list of innocently-termed “[suggestions](#)” for genuine leadership.

Following those two introductory paragraphs, I present here an expanded list of such suggestions derived both from what is contained in *Out of the Crisis* along with later versions of the “Attributes of a Leader”. I have made no attempt to exclude topics that we saw in the first “Attributes” list—they bear repetition!

If and when you find yourself in a position of leadership, I hope this expanded list will be helpful to you. But before that—i.e. right now!—I’d like you to start thinking about some of the implications of this guidance in the context of your organisation. As usual, I have left some space for you to write your notes after each part of the guidance. Those notes will then come in useful when you reach the final Major Activity this afternoon. However, as with the System of Profound Knowledge on Days 10 and 11, a proper study and discussion of this material would take an order of magnitude longer than you have available at this time; therefore, as with the Second Project, there will clearly be much more to do after this course is finished.

As regards the remaining time this morning, you will soon notice that my timing guidance is rather rushing you through Dr Deming’s material on the next seven pages. Those timings are advising you to start by having a fairly quick look-through these pages, making very brief notes of your first reactions and highlighting what strike you as particularly important items. But that will then leave you with plenty of time for Activity 12–d on pages 30–33 [WB 235–239] which will focus you on various specific considerations about the issues involved with Dr Deming’s material. Write your thoughts on specific items directly underneath those items and more general considerations on the blank pages left for you in Activity 12–d.



So, over to Dr Deming:

Pages 23–33 are also on Workbook pages 228–239.

Modern principles of leadership

“Modern principles of leadership ... will replace the annual performance review. The first step in a company will be to provide education in leadership. The annual performance review may then be abolished. Leadership will take its place. This is what Western management should have been doing all along.

The annual performance review sneaked in and became popular because it does not require anyone to face the problems of people. It is easier to rate them; focus on the outcome. What Western industry needs is methods that will improve the outcome. Suggestions follow.”

1. Institute education in leadership: obligations, principles, and methods.

2. Ensure more careful selection of people in the first place.



11.
 - In the absence of numerical data, a leader must make subjective judgment.
 - He will hold a long interview with every one of his people, three or four hours, at least once a year, not for criticism, but for help and understanding on the part of everybody. They will know what kind of help they need.
 - There will sometimes be incontrovertible evidence of excellent performance, such as patents, publication of papers, invitations to give lectures.

12.
 - A leader has three sources of power: (1) Formal; (2) Knowledge; (3) Personality.
A successful leader develops (2) and (3); does not rely on (1). He has nevertheless obligation to use (1), as this source of power enables him to change the system—equipment, material, methods—to bring improvement, such as to reduce variation in output.
 - He understands a stable system. What to do about mistakes and failures of people, how to help them. What to do about accidents and breakdowns in a stable system is entirely different from action to take in an unstable system.

Section 5: ACTIVITY 12-d

This Activity builds upon the sections that you have just read through, particularly on the parts that are most relevant and of most interest to you. You will have highlighted some already. Here I'll make some general and natural observations about what to choose.

If you are in senior management, or indeed you are the Chief Executive, then have no doubt that Dr Deming's "Modern Principles of Leadership" will be more than adequate to keep you busy for far longer than the rest of this morning! Indeed, that is likely to be true of just those items which you have already highlighted. So be guided by them.

If your position can be described as "staff" then, equally obviously, your focus will be on the "Guidance for Staff" section (pages 14-18). However, "staff" covers a wide range. Some staff are relative newcomers whereas others have been around for quite a while and thus have a lot of knowledge about, and experience of, the organisation. The latter are therefore likely to be given some additional responsibilities from time to time. Consequently, it could well be that some of the guidance for middle management (pages 19-21) will also be important.

If you are already in middle management then that term also covers a wide range: from "lower middle" to "upper middle". So, in addition to the half-dozen items that Dave has provided in his "Guidance for Middle Managers", "lower middle" managers may also find some of the "Guidance for Staff" of relevance whereas "upper middle" managers may similarly find some of the "Modern Principles of Leadership" to be of importance.

So then, how to tackle the items that you want to pursue? As we have previously seen from time to time, a good way to proceed is to ask yourself lots of questions. Perhaps most important of these are:

- Why is this item in the guidance?
- What will happen if I succeed in doing this?
- What will happen if I don't?

Maybe the answers will be obvious to you. Even if so, you are likely to have to explain the pros and cons to others.

- So what would you say to them?

If you are going ahead, there are bound to be plenty of practical questions that need answering:

- Do I need to do other things before embarking upon this item? If so, what?
- Will I need to get somebody's support in order to proceed with this? If so, whom?
- What shall I say to them?
- Will I need anybody's help with this? If so, whom?
- How can I get them involved?
- What plan of action would make sense? I.e., what is Step 1, Step 2, Step 3, ... ?

By that stage, doubtless you will have created yet more questions that need answers!

Jot down your answers to some of these questions and other notes either in the space following the relevant items or on the following blank pages, as you find convenient. Also include any general notes about your work in this Activity, in particular why you have chosen your particular selection of topics on which to concentrate.

(You will note that my guidance allows you plenty of time for this Activity. You may well need yet more.)

(continued overleaf)

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Major Activity 12–e (pages 34–41) is also on Workbook pages 240–247.



Section 6:

MAJOR ACTIVITY 12–e

This final Major Activity of the course is in two parts. The first part is for everyone. The second part is in two versions: choose which version is the more appropriate for you. The choice will largely depend on the position you hold in your organisation. Divide your time that remains today fairly equally between the two parts.

As you will soon see, you may find it helpful to read through “Leadership for the Transformation” (pages 22–29) one more time before embarking upon Part 1.

Part 1

Again you may not have the time to produce anything like a complete version of what will be requested here. That does not matter. What does matter is to summarise (perhaps just as brief notes—see below) the major issues as you now see them. If you can afford to spend more time on this after completing the course, first study Chapters 5 (“Questions to help managers”), 14 (“Two reports to management”) and 16 (“Organisation for improvement of quality and productivity”) in *Out of the Crisis*. And then revise this first attempt—I have left you plenty of space.

During this course you have read a great deal of both Deming’s writing and his spoken word. Hopefully you may also have seen something of him on video. But now it’s your turn!

Let us imagine that Dr Deming has accepted an invitation to spend time in your organisation. He has permission to go anywhere, to look at anything, and to speak with anybody that he wishes, from all levels in the company, in order to learn how the organisation is managed. (He would not have accepted the invitation otherwise.)

And now imagine that *you* are Dr Deming. Draft his subsequent report, addressed to the organisation’s Chief Executive (or whoever is the “top box” in the vertical organisation chart). You do not have to try to imitate Dr Deming’s unique style of writing (although you may do so if you wish!). But you are, of course, welcome to use his terminology and phraseology with which you have become familiar. In practice, you would, of course, need to make yourself available to explain any language with which the addressee might be unfamiliar.

Dr Deming’s reports to management were often written in note form, the notes being numbered 1, 2, 3, ... and subdivided into a, b, c, ... when appropriate. The individual notes were often quite short.

If you would like to see a couple of examples of such reports, and have available a copy of *Out of the Crisis*, turn to Chapter 14: “Two Reports to Management” beginning on page 339[397].

(The following three pages have been left blank for Dr Deming’s draft report.)

Bringing it all together—and making it happen

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(continued overleaf)

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Bringing it all together—and making it happen

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(Part 2 of this Major Activity begins overleaf.)

Part 2

Your choice of option here largely depends on your position in your organisation. If you are the Chief Executive, or are part of the small top management team around the Chief Executive, then Option 1 is appropriate. Otherwise, Option 2 would generally seem to be the more appropriate. Both options follow straight on from Dr Deming's report (that you have just written).

Option 1

Formulate your plans for change in your organisation in order to implement the points raised in Dr Deming's report. You will need both a short-term and a longer-term plan. The short-term plan needs to contain some detailed proposals of what to do during the next 6 to 12 months, and the longer-term plan needs to paint the general picture of change in your organisation over at least the next five years. As emphasised both by Dr Deming and by Dave Young in his "Guidance for Middle Managers", one of the earliest priorities will surely be to develop appropriate education for your people: indicate some of its main content.

OR

Option 2

Since you have now nearly completed this course, assume you have been promoted to the position referred to by Dr Deming on Day 10 page 9 as "aide to the president", "the president" being interpreted as your Chief Executive along with the most senior management team. Members of the senior management team have not embarked upon this course (yet!), and thus the first task in your new role will be to work through Dr Deming's report, point by point, with them. Explain where necessary the points and recommendations that he has made, and then help them to formulate their plans to implement appropriate change. During the Second Project you have had plenty of practice at interpreting Dr Deming's guidance in the System of Profound Knowledge for your interested friend, and so the experience gained there should be helpful for this current task.

(The next three pages have been left blank for your thoughts and ideas.)

Bringing it all together—and making it happen

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Bringing it all together—and making it happen

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(Please move on to the “Epilogue” overleaf.)



Section 7: EPILOGUE

This is an extract from the soundtrack near the end of *The Deming of America*. You first read part of the Narrator's introduction and saw the picture of the medal long ago: on Day 1 page 36.

Priscilla Petty (the interviewer): I asked Dr Deming to show me the medal he received from the Emperor of Japan for his contribution to their economic recovery after World War 2.

Narrator: In 1960, the Prime Minister of Japan, acting on behalf of Emperor Hirohito, awarded Dr Deming Japan's Second Order Medal of the Sacred Treasure. The citation on the medal attributes Japan's industrial rebirth and its worldwide success to W Edwards Deming. No honour among businessmen and industrialists in Japan is more coveted.



P P: How did you feel when he gave that to you?

Dr Deming: Oh, totally unworthy.

P P: You felt unworthy?

Dr D: Yes.

P P: Why?

Dr D: Oh, it was a matter of luck.

Narrator: Quite obviously, a grateful Japanese people don't share Dr Deming's humble view that it was only "a matter of luck". Each year, since 1951, the Japanese have awarded a medal named in Dr Deming's honour to those companies which have attained the highest level of quality. His presence at an award ceremony ... is considered the ultimate honour.

And it's a strange paradox that this American, who is a national hero in Japan, until recent years was virtually unknown in the United States—a prophet without honour in his own country.

P P: I asked about another medal from *our* President.

Dr D: Well, the medal from the President of the United States came 28 years after the medal from the Emperor of Japan.

And that's all he had to say about it: “28 years after”. However, by now you will have become very familiar with the way in which that gentleman could express so much in so few words. Indeed, it was *very* late in his life that the Western world began to appreciate the genius of this man. It is, to me, a shattering thought that we could permanently have lost the opportunity to ever learn *anything* from him. But, as the old saying has it: “Better late than never”. Otherwise, for example, it is certain that you would not have had the opportunity to embark upon this course—because it would not exist.

But it does. “Better late than never” meant that I was one of the fortunate people that had the incredible honour and privilege to meet Dr Deming, to get to know him, to learn from him, and to work with him. Like many others from that time, I can truthfully claim that Dr Deming changed my life. However, we are all getting older and, at this time of writing, it is already more than a quarter-century since anyone had the opportunities that I was so fortunate to enjoy.

But, during the 20 years or so before my retirement, I had the further privilege of presenting many hundreds of seminars and courses—thus involving many thousands of delegates and students—that were solidly focused on Dr Deming's teaching. I have tried to pour as much as possible of the experience that I thus gained into every one of these *12 Days to Deming*. So I hope that this course may also change some lives, and that those whose lives are thus changed will carry on to change yet more. Now that you have made a start, I beg you to continue on this path of lifelong learning and help others to also make a start. Please do all that you can to ensure that the part of the world in which you live knows about Dr Deming and becomes familiar with his priceless wisdom and the guidance that stems from it. If you do then you will truly be able to share with Dr W Edwards Deming the five little words with which invariably he concluded his four-day seminars:

“I have done my best.”



