



Dr. W. Edwards Deming Revolutionary Hero

W. Edwards Deming started a revolution. The revolution was in manufacturing quality. It was a long and tough war. Deming was an American statistician that told American companies to improve their processes and therefore improve their quality.

His words fell on deaf ears. American manufacturers always controlled their quality by inspecting. Their processes were fine. The rejects were scraped. To improve quality would require adding more inspectors to inspect more parts. The other alternative was to buy much more expensive equipment. Either way, quality improvement was not cost effective in America. Besides, sales were good. Profits were good. What they made, sold. The standard line was, "If it ain't broke, don't fix it."

Do you remember Japanese quality in the 1950's? No competition there. "Made in Japan" meant cheap and low quality. Toyota had made truck doors during the war by hammering them into shape on a bed of sand. Yet they improved little by little.

Dr. Deming had worked under General Douglas MacArthur in Japan after the war helping with the census. In 1950, Deming began teaching Japanese manufacturers that improving quality would reduce expenses and increase market share. The Japanese listened and methodically improved.

American industry kept inspecting. I worked for Ford Motor Company in 1969 and 1970. It was common for auto companies to buy their competitors' products. They disassembled and inspected every part. The story that circulated was that Ford tore apart a Mitsubishi transmission and found such small clearances that they thought it was all a fluke. They bought three more transmissions and were shocked to find the same tight clearances. Ford's engineers could hardly measure any variation at all. To add insult to injury, the Mitsubishi transmission sold for less than a similar Ford transmission.

The Japanese had listened to Dr. Deming very well. Toyota, under Taichi Ohno, led the way with the Toyota Production System. TPS is now the standard of the world and emulated but few do it well. Deming is a hero in Japan.

American automobile companies claimed that the Japanese had the advantage of non-union workers. Then Japan invaded America. They bought failing auto plants and built new plants. Staffed with the same American union workers that the big three employed, the Japanese managed plants out-produced the American auto plants and even the Japanese plants. It wasn't better Japanese workers, but better management.

In the 1980's, Deming helped Ford improve their quality. Still, American companies were slow to change. Deming said, "American management thinks they can just copy from Japan – but they don't know what to copy." Since America can't seem to beat them,



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we have been off-loading significant work to emerging countries. Manufacturing in these countries is getting better and better while their labor costs are still far below ours. By off-loading, we are creating business opportunities in developing countries at the expense of our own businesses, in the name of competitiveness.

Some think that we will end up as a country with only service industries. We have given up a lot of advantage. But don't count us out yet. We are learning and getting better. Much more needs to be done. We are still slow to change. We continue to react and respond. We believe that what we've "got is probably better than the risk and fear that come with change." Seth Godin would call this "Sheepwalking."

This is 2009 and we are flat on our backs. "If we keep doing what we have been doing, we will keep getting what we have been getting." Even that is not true today.

We are getting **worse**. Change is **not** BAD! Change is how we get **better**. What are you waiting for?

Dr. Deming was hero to one revolution. To continue that revolution, there is another Revolutionary Hero in town, Dr. Eli Goldratt, and his Theory of Constraints. Toyota considers Eli Goldratt as Taichi Ohno's heir.

We can change the world!

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