



SPC

LESSON: Deming's 14 Points for Management

Deming Point 1:

“Create and publish to all employees a statement of the **aims and purposes of the company** or other organization. The management must demonstrate constantly their commitment to this statement.”

- What do we usually call this **published statement** of purpose?

*The company's **mission and vision statement**.*

Deming Point 2:

“Learn the new philosophy, top management and everybody.”

- Basically, what is this point saying?

The purpose of Deming's second point is that companies need to adapt to a changing work environment. Since the world changes so rapidly, companies have to be ready to implement new ideas. When you are adapting to changes be sure that everyone knows what changes have occurred and what that means to the company. Diseconomies of scale can happen when changes are not instilled in every employees mind and be detrimental to a company as a whole.

Deming Point 3:

“Understand the purpose of inspection, for improvement of processes and reduction of cost.”

From Deming's “Out of the Crisis” (pg. 29): “Inspection does not improve quality, nor guarantee quality. Inspection is too late. The quality, good or bad, is already in the product.” As Harold F. Dodge said, “You cannot inspect quality into a product.”

Deming Point 4:

“End the practice of awarding business on the basis of price tag alone.”

Deming Point 5:

“Improve constantly and forever the system of production and service.”

Deming Point 6:

“Institute Training”

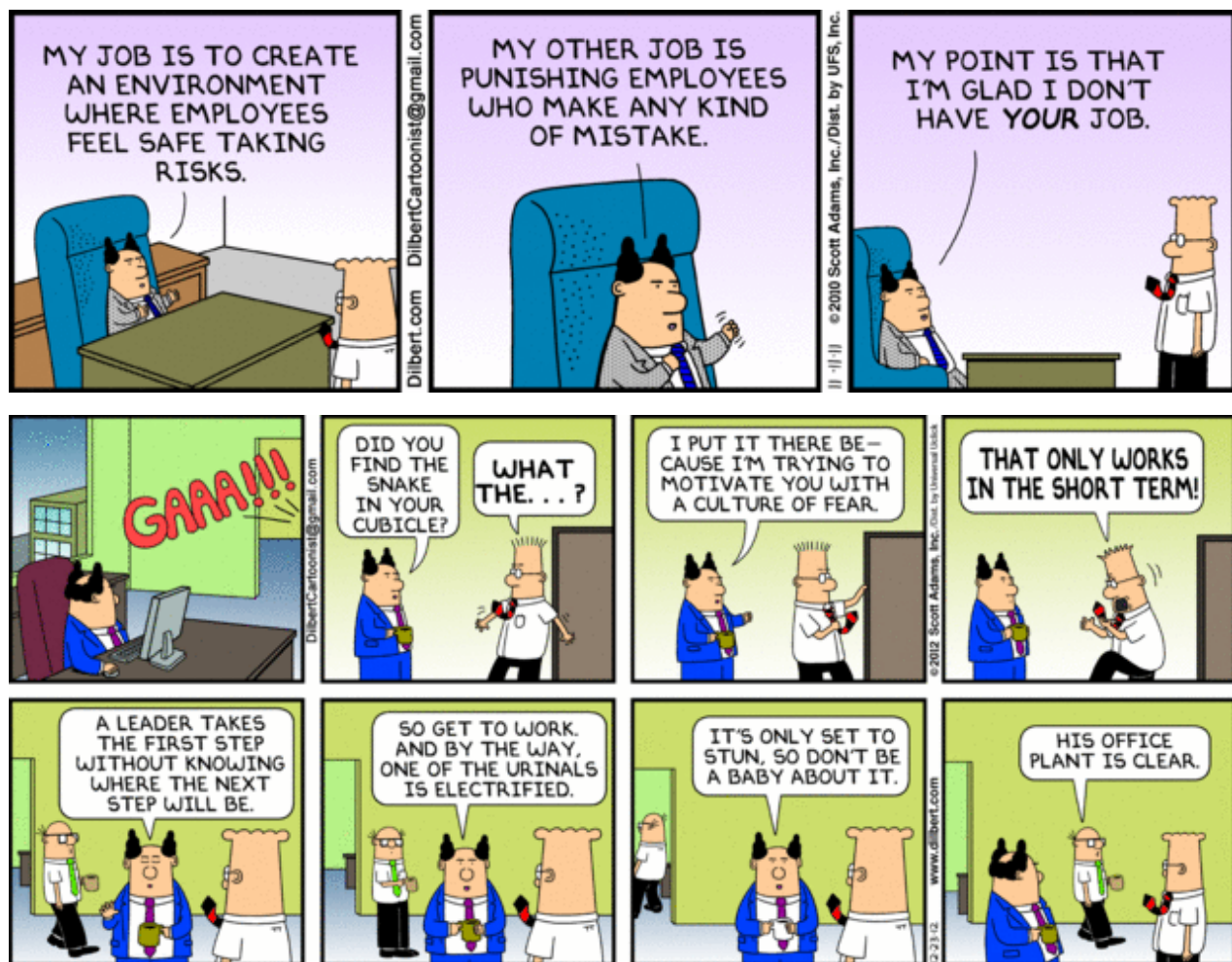
From Deming’s “Out of the Crisis” (pg. 53): “The greatest waste in America is failure to use the abilities of people.”

Deming Point 7:

“Teach and institute leadership.”

Deming Point 8:

“Drive out fear, create trust, create climate for innovation.”



Deming Point 9:

“Optimize toward the aims and purposes of the company the efforts of teams, groups, and staff areas.”

From Deming’s “Out of the Crisis” (pg. 63): “Servicemen learn from the customers a great deal about their products. There may unfortunately be in some companies no routine procedure for use of this information. In one instance, the service department, in response to frantic calls from customers, had routinely cut off a tube that conveys abrasive material to downward outlet, and reversed the auger beyond the outlet. The problem was that the auger jammed the material into the end of the tube. The manufacturing department kept right on making the augers as always before, while the service

department, on a call from a customer, routinely made the correction. The management was unaware of the lack of teamwork between manufacturing and service, and of the loss.”

Deming Point 10:

“Eliminate exhortations (defn: a speech or discourse that encourages, incites, or earnestly advises) for the workforce.”

From Deming’s “Out of the Crisis” (pg. 66): “What is wrong with posters and exhortations??? They are directed at the wrong people. They arise from management’s supposition that the production workers could, by putting their backs into the job, accomplish 0 defects, improve quality, improve productivity, and all else that is desirable. The charts and posters take no account of the fact that most of the trouble comes from the system. Calculations that indicate what proportion of defects and mistakes and high costs come from the system (responsibility of the management) and how much from the people on the job should be one of the chief tools of management, and certainly of leadership.”



Deming Point 11:

“(a) Eliminate numerical quotas for production. Instead, learn and institute methods for improvement. (b) Eliminate “management by objectives.” Instead learn the capabilities of processes and how to improve them.”

Deming Point 12:

“Remove barriers that rob people of pride of workmanship.”



Deming Point 13:

“Encourage education and self-improvement for everyone.”

- This sounds very much Points 7 and 8: Institute Training and Teach and Institute Leadership. How might this differ from those?

Deming Point 13 refers to the Institute, the Leader, and/or the Leader's subordinate being able to learn and improve themselves. This differs from Deming Points 7 and 8 because Points 7 and 8 refer to the leader or the institute teaching the employee and the employee is the only one learning.

Deming Point 14:

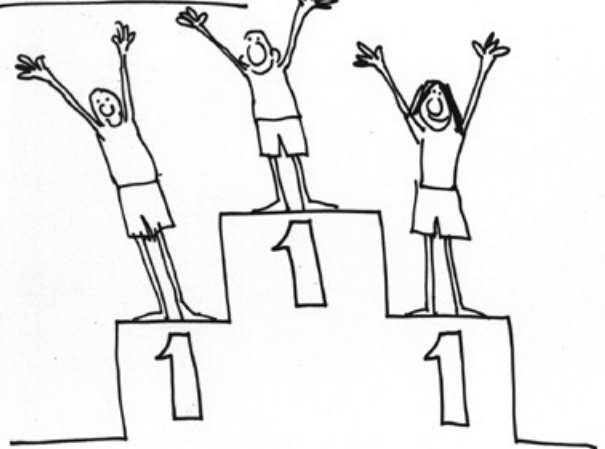
“Take action to accomplish the transformation”.

Deming's 14 Points of Management: The (Clean) Cartoon Version

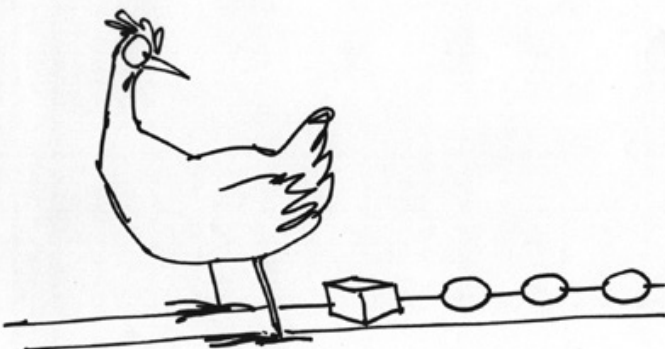
#1 CONSTANCY OF PURPOSE



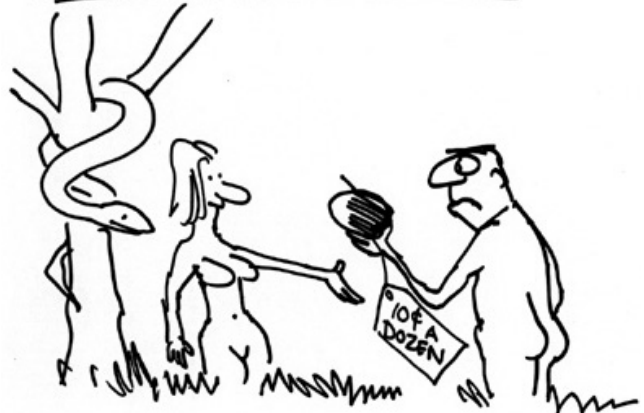
#2 EVERYBODY WINS

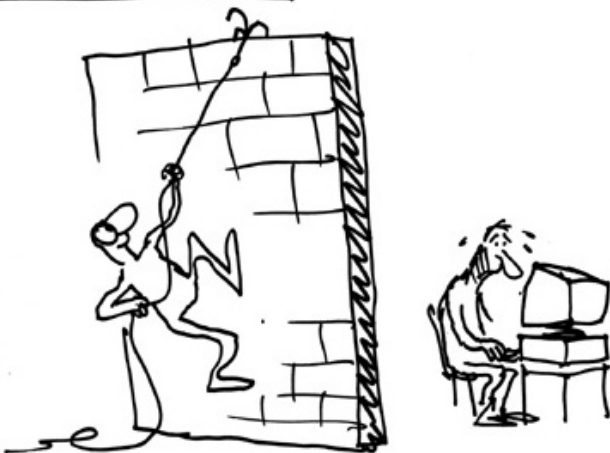
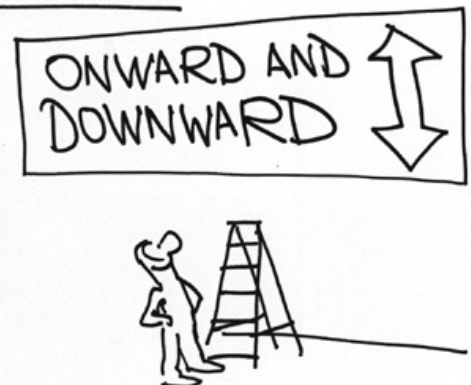


#3 DESIGN QUALITY IN

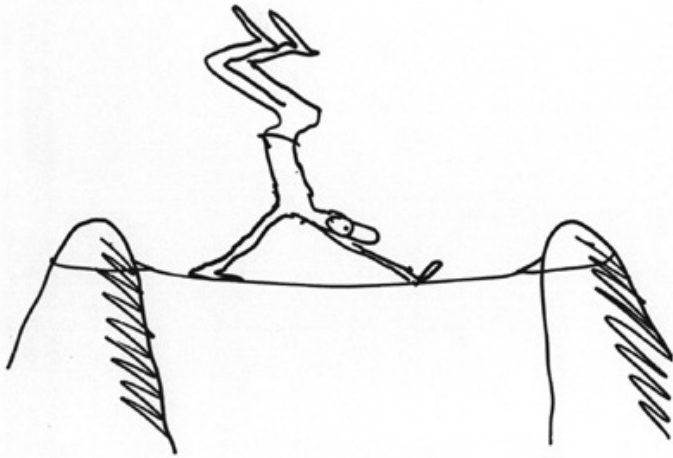


#4 DON'T BUY ON PRICE TAG ALONE



#5 CONTINUOUS IMPROVEMENT#7 INSTITUTE LEADERSHIP#9 BREAK DOWN BARRIERS#6 TRAINING FOR SKILLS#8 DRIVE OUT FEAR#10 ELIMINATE SLOGANS

#11 METHOD



#12 JOY IN WORK



#13 CONTINUING EDUCATION



#14 ACCOMPLISH THE TRANSFORMATION

