



MARY ANN MASKERY/AUTOMOTIVE NEWS

W. Edwards Deming is surrounded by this year's winners of the Deming Award.

QUALITY TIME

Forty years later, Japanese still revere Deming and his teachings

MARY ANN MASKERY
Staff Reporter

W Edwards Deming, whose thoughts on management have been America's most eagerly embraced export to Japan, puts a flow chart into the overhead projector. On this crisp Monday afternoon, the two tiers of Tokyo's Keidanren Hall are packed with hundreds of academics and business leaders who have come to see and hear their *sensei*, revered teacher, perhaps for the last time.

"I put this same diagram on a blackboard in 1950," the 91-year-old Deming tells his rapt audience, many with pens poised for note-taking.

"I taught Japanese managers and engineers that the system must be all Japan together. Those are the words I used — the whole of Japan working as a system for all of Japan. For quality. Quality means trade," he says.

Deming stresses that he did not export "American" management methods to Japan.

"I took something new to Japan," he says. "Americans still have not learned it."

At 91, age has dimmed some of the big man's abilities. For his walk to the podium, he leans on an assistant. To pick up questions, he turns his

hearing aid toward his audience. His voice has lost some of the thunder-clap. No matter: After more than 40 years, Deming still has the stage presence of a revivalist preacher.

"If you try to make every sector of your business a 'profit center', you destroy the system as a whole," he tells his audience, coming down hard on one of corporate America's latest buzzword-pursuits.

"Every component must work to accomplish the aim of the system" — even if this means that one sector sacrifice its profits for the good of the whole, he says.

"We have been misled in America by (the concept of) competition," he continues. "We think competition is important, but cooperation is much better. We worry about market share, when everyone in the corporation should be concerned about expanding the market."

Deming has been dishing up such axioms since the late 1940s, when he began expounding the radical notions that quality was vital to corporate health, and that quality could be quantified through statistical analysis.

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Quality control guru revered in Japan

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he took his principles to Japan — where they were quickly and fervently embraced.

"Quality-control theories were well known then," said Koji Kobayashi, the chairman *emeritus* of NEC Corp., who recalled going to Tokyo's Haneda Airport in 1950 to meet Deming's plane. "I knew the principles from 62 years ago. But it is very difficult to put into practice."

Kobayashi said many industrial leaders in postwar Japan recognized the importance of quality control — Japanese goods at the time were laughably shoddy — but didn't know how to implement it as a system. —

Deming showed them how, Kobayashi says. "He is quite an authoritative person, so we learned. He persuaded the Japanese people," he says.

More than 40 years later, those first lectures and blackboard diagrams remain the bedrock principles of Japan's awesome industrial pre-eminence.

Dr. Deming's theories form "the foundation of our management," said Toyota Motor Corp. President Shoichiro Toyoda last week. "Quality is the most important thing. We call it what it is — customer satisfaction."

Like many of Japan's business leaders, Toyoda wears a silver commemorative tie clasp signifying his membership in an elite brotherhood — a Deming Award winner. Toyoda won his in 1980.

Deming was in Tokyo for the annual Deming Awards program, which recognizes outstanding contributions to quality control. At a formal Japanese ceremony, complete with *bonsai* tree and gold screen as backdrop, this year's recipients stepped up to the stage, bowing first to Deming, and then to the panel of judges for the Union of Japanese Scientists and Engineers, the same group that first invited Deming to Japan in 1950.

At a reception for the seven award winners, Deming sat quietly on one corner of a raised platform, bathed in the lights of photographers and television cameras. The devoted stood in line, hoping for an autograph or a greeting.

Takanori Yoneyama reminded Deming that he had sat in his lec-

tures when he was working on quality control for Konica Corp. Now, Yoneyama told a pleased Deming, "I am president."

The meetings were filled with nostalgia and warm, affectionate exchanges. Fifteen former Deming Award winners joined the *sensei* for tea and reminiscences. The afternoon drifted by in long, comfortable silences and quiet nods, as first one, then another, recalled a fragment of the past.

"I remember your lecture in August 1950," one said.

"July, I believe," the teacher corrected. "In Ochanomizu, there were

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235 people there. In Osaka, 150. Nagoya, 125. Hakata, 85. And in January 1951, Atami, there were more. And in June, July, August, more."

The faces around the table were those of distinguished scholars and leaders in their own right, now long retired, some only a few years younger than Deming. But all came to recall a shared experience that was important in their lives, and to honor their teacher.

The sweet nostalgia of the meetings was broken only when Deming was asked directly about new theories, or about Detroit. Then, Deming's responses became sharp and pointed.

What about the recent reports that Japanese companies are now jumping ahead to another level of perfection, something called "zero defects" or "post-lean production?" he was asked.

"That is nonsense. From people who do not know what they are talking about," Deming says.

And what about Detroit?

"I spend a lot of time there now," he says.

Does that mean Detroit is paying more attention to his theories? "No. No. Not at all. It would take a reformation," he said. **AN**