

Building The Machine: Why Deming was so wrong for American business



overmanwarrior

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“Think lightly of yourself and deeply of the world” — [Miyamoto Musashi](#), [A Book of Five Rings: The Classic Guide to Strategy](#)

That is the kind of nonsense that is being taught in public schools and has been adopted into general business practices. It is essentially behind the new Common Core methods of teaching which Glenn Beck so elaborately dismantled in his new book *Conform*. That book shows why well-meaning politicians and philanthropists are backing Common Core—which is a complete destruction of the American education system—specifically destroying the individuality inherent in American children—and integrating them into a more global view which embodies that basic quote of Miyamoto Musashi shown above. As traditionalists cling to the notion that Common Core must be eradicated from public education systems so to preserve the uniqueness that is desired in American children a far more sinister threat can be found behind the politics of the movement.

Most large companies in The United States cling blindly to the management teachings of William Deming—which has proven itself to be a tragedy. Deming is the man responsible for all the ridiculous attempts at Total Quality Management which has tied the hands of American business by putting engineers essentially in charge of the management of company resources so to hamper proper productivity. This trend exploded in America through the largest manufacturers in a time when it appeared that the Japanese were dominating all fields of productive endeavor threatening to overtake American methods in the 1980s. The Japanese in a desperate need to get back on their feet after World War II had embraced Deming, an engineer from America to beat their former rivals at their own game. Deming found among the Japanese people a collective based society that quickly unified behind his management methods which were essentially old Samurai strategy concepts dressed up behind mathematical formulas to justify himself being a paid consultant. Deming was perpetrating a scam to justify his celebrity status as he propped up the Japanese.

Deming was a ruse because he essentially disliked management and sought later in his classes to ridicule American executives free of their ego and to force them into collaboration with employees and co-workers through his collective based management methods. American businessmen listened to Deming as it was believed that the Japanese were dominating manufacturing because of him—which wasn't true. The Japanese were dominating because of their sense of selfless

dedication to collective causes. They thought differently than Americans and the result of their labor could be seen in their products.

It must be remembered that American businesses and the Japanese were both struggling with the spread of communism in post World War II global economic concerns, so Deming was delivering a way that management could restrict the impact of labor union quota refusals by offering managers up to laborers as sacrificial victims. This worked well in Japan who had managed to contain the spread of communism in their society through their selfless dedication to [Miyamoto Musashi](#)'s strategy guide *The Book of Five Rings*. As they were already functioning as a collective society, labor unions had little to offer them, so they were able to resist the push toward communism. Labor unions in Japan maintained an unusually close relationship to their companies as their identities were less focused on individual achievement and more concerned over the general health of their company. This gave Deming fertile ground to develop his management methods.



William Edwards Deming (October 14, 1900 – December 20, 1993) was an American engineer, statistician, professor, author, lecturer, and management consultant. Trained initially as an [electrical engineer](#) and later specializing in [mathematical physics](#), he helped develop the [sampling techniques](#) still used by the Department of the Census and the Bureau of Labor Statistics, championed the

work of Dr. Walter Shewhart, including Statistical Process Control, Operational Definitions, and what he called The Shewhart Cycle^[1] which evolved into “PDSA” (Plan-Do-Study-Act) in his book *The New Economics for Industry, Government, and Education*,^[2] as a response to the growing popularity of PDSA, which he viewed as tampering with the meaning of Dr. Shewhart’s original work. ^[3] He is best known for his work in Japan after WWII, particularly his work with the leaders of Japanese industry which began in August 1950 at the Hakone Convention Center in Tokyo with a now seminal speech on what he called Statistical Product Quality Administration, which many in Japan credit with being the inspiration for what has become known as the [Japanese post-war economic miracle](#) of 1950 to 1960, rising from the ashes of war to become the second most powerful economy in the world in less than a decade, founded on the ideas first taught to them by Dr Deming:

1. That the problems facing manufacturers can be solved through cooperation, despite differences.
2. Marketing is not “sales,” but the science of knowing what people who buy your product repeatedly think of that product and whether they will buy it again, and why.
3. That In the initial stages of design, you must conduct market research, applying statistical techniques for experimental and planning and inspection of samples.
4. And you must perfect the manufacturing process.^[4]

He is best known in the United States for his 14 Points (Out of the Crisis, by Dr. W. Edwards Deming, Preface) and his system of thought he called the System of Profound Knowledge, consisting of four components, or “lenses” through which to view the world simultaneously:

1. An appreciation of a system,
2. understanding of variation,
3. psychology
4. and Epistemology, or a theory of knowledge.^[5]

Deming made a significant contribution to Japan’s later reputation for innovative, high-quality products, and for its economic power. He is regarded as having had more impact upon Japanese manufacturing and business than any other individual

not of Japanese heritage. Despite being honored in Japan in 1951 with the establishment of the Deming Prize he was only just beginning to win widespread recognition in the U.S. at the time of his death in 1993.^[6] [President Reagan](#) awarded him the [National Medal of Technology](#) in 1987. The following year, Deming also received the Distinguished Career in Science award from the [National Academy of Sciences](#).

The philosophy of W. Edwards Deming has been summarized as follows:

Dr. W. Edwards Deming taught that by adopting appropriate principles of management, organizations can increase quality and simultaneously reduce costs (by reducing waste, rework, staff attrition and litigation while increasing customer loyalty). The key is to practice continual improvement and think of manufacturing as a system, not as bits and pieces.”^[26]

In the 1970s, Deming’s philosophy was summarized by some of his Japanese proponents with the following ‘a’-versus-‘b’ comparison:

(a) When people and organizations focus primarily on quality, defined by the following ratio,

quality tends to increase and costs fall over time.

(b) However, when people and organizations focus primarily on *costs*, costs tend to rise and quality declines over time.

“The prevailing style of management must undergo transformation. A system cannot understand itself. The transformation requires a view from outside. The aim of this chapter is to provide an outside view—a lens—that I call a system of profound knowledge. It provides a map of theory by which to understand the organizations that we work in.

“The first step is transformation of the individual. 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 organizations that he belongs to. “

Deming advocated that all managers need to have what he called a System of Profound Knowledge, consisting of four parts:

1. *Appreciation of a system*: understanding the overall processes involving suppliers, producers, and customers (or recipients) of goods and services (explained below);
2. *Knowledge of variation*: the range and causes of variation in quality, and use of statistical sampling in measurements;
3. *Theory of knowledge*: the concepts explaining knowledge and the limits of what can be known.
4. *Knowledge of psychology*: concepts of human nature.

He explained, “One need not be eminent in any part nor in all four parts in order to understand it and to apply it. The 14 points for management in industry, education, and government follow naturally as application of this outside knowledge, for transformation from the present style of Western management to one of optimization.”



Key principles

Deming offered fourteen key principles to managers for transforming business effectiveness. The points were first presented in his book *Out of the Crisis*. (p. 23–24)^[28] Although Deming does not use the term in his book, it is credited with launching the [Total Quality Management](#) movement.^[29]

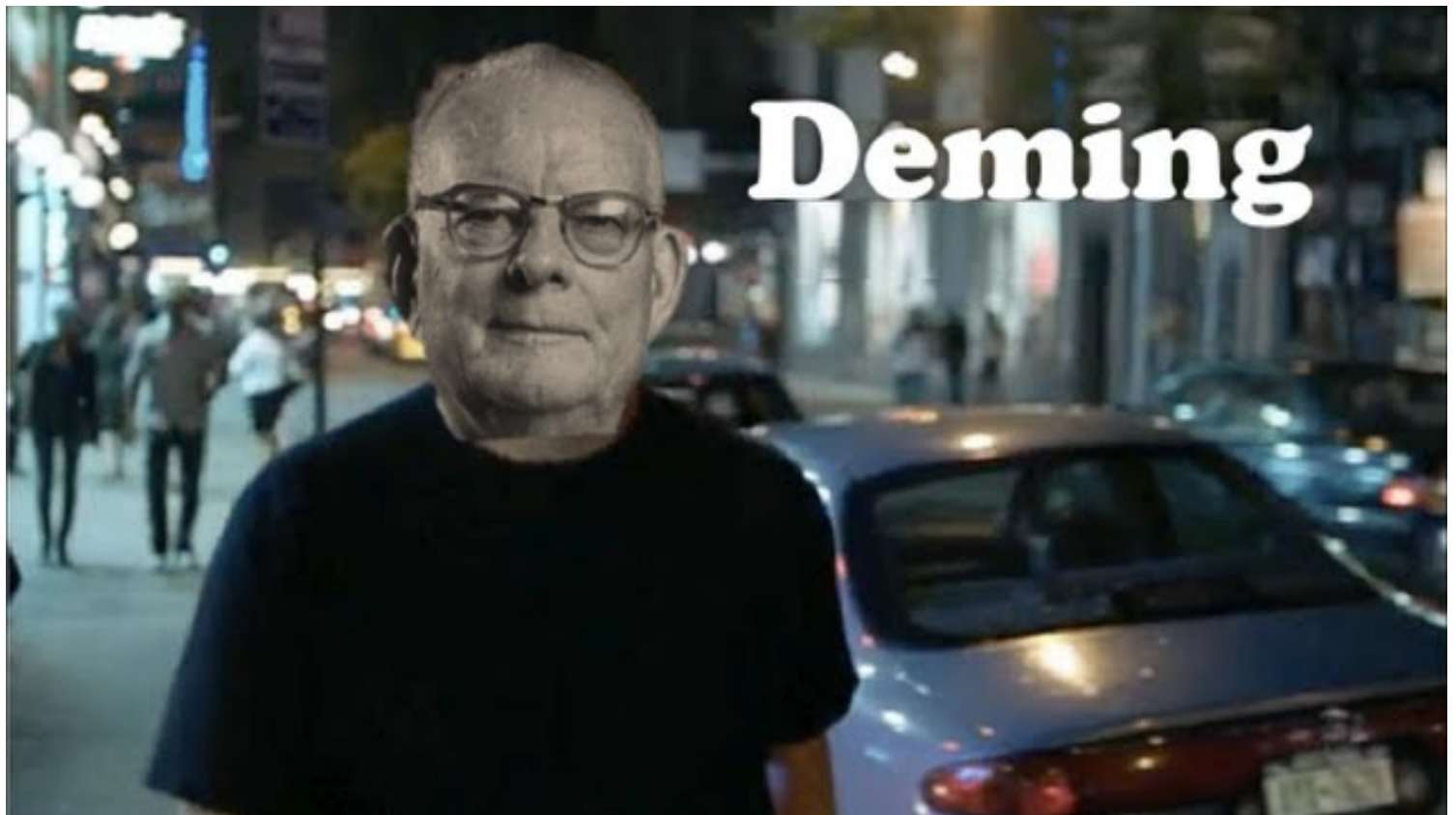
1. Create constancy of purpose toward improvement of product and service, with the aim to become competitive, to stay in business and to provide jobs.
2. Adopt the new philosophy. We are in a new economic age. Western management must awaken to the challenge, must learn their responsibilities, and take on leadership for change.
3. Cease dependence on inspection to achieve quality. Eliminate the need for massive inspection by building quality into the product in the first place.
4. End the practice of awarding business on the basis of a price tag. Instead, minimize total cost. Move towards a single supplier for any one item, on a long-term relationship of loyalty and trust.
5. Improve constantly and forever the system of production and service, to improve quality and productivity, and thus constantly decrease costs.
6. Institute training on the job.
7. Institute leadership (see Point 12 and Ch. 8 of “Out of the Crisis”). The aim of supervision should be to help people and machines and gadgets do a better job. Supervision of management is in need of overhaul, as well as supervision of production workers.
8. Drive out fear, so that everyone may work effectively for the company. (See Ch. 3 of “Out of the Crisis”)
9. Break down barriers between departments. People in research, design, sales, and production must work as a team, in order to foresee problems of production and usage that may be encountered with the product or service.
10. Eliminate slogans, exhortations, and targets for the work force asking for zero defects and new levels of productivity. Such exhortations only create adversarial relationships, as the bulk of the causes of low quality and low productivity belong to the system and thus lie beyond the power of the work force.
 1. Eliminate work standards (quotas) on the factory floor. Substitute with leadership.
 2. Eliminate management by objective. Eliminate management by numbers and numerical goals. Instead substitute with leadership.

11. Remove barriers that rob the hourly worker of his right to pride of workmanship. The responsibility of supervisors must be changed from sheer numbers to quality.
12. Remove barriers that rob people in management and in engineering of their right to pride of workmanship. This means, *inter alia*, abolishment of the annual or merit rating and of [management by objectives](#) (See Ch. 3 of “Out of the Crisis”).
13. Institute a vigorous program of education and self-improvement.
14. Put everybody in the company to work to accomplish the transformation. The transformation is everybody’s job.

“Massive training is required to instill the courage to break with tradition. Every activity and every job is a part of the process.”^[30]

http://en.wikipedia.org/wiki/W._Edwards_Deming

Of course there is one essential ingredient that Deming avoided and if his work, lectures and methods are studied properly it will be discovered that Deming was attempting to use mathematic equations to get his mind around leadership—and he never succeeded. The Japanese succeeded because as a society they are happy to yield their individualities toward collective goals, but in The United States—which is an individually based society—workers are not. Goals for American workers have to be made to align with the company’s goals—they cannot be bent to subjugate themselves to a system devised by Eastern manufacturing methods. Deming’s methods worked in Japan, but they never have, and never will work in America. There were initial increases in profit for companies who applied Deming techniques—simply because they began with so much waste to begin with—but most large companies today have simply outsourced their manufacturing to evade the impact of Deming—because once an American worker is broken down from their individuality they become automatons and resist the impulse to innovate. Their negativity often turns into a corrosive relationship with their company as they psychologically see their employer as the source of crushing their individual will.



All through the 80s and 90s in America there was grave concern that America was somehow inferior to Japan and everyone else in the world who seemed to find success with Deming's methods. Yet what those same critics ignored was that America produced Deming, and the machinery that won World War II, and had never had any manufacturing issues prior to Deming—so why did they need him? American executives had lost their incentive to be innovative, and to push themselves as they had been pushed into a collective goo following Deming methods of Total Quality Management that really sought to alleviate their personal input. Modern managers were discouraged in using their individual gifts to improve productivity, quality, and work environment because Deming had already provided a system that their companies were forcing them to adhere to—leaving them generally uninterested in the manufacturing process.

What Deming never put his finger on and seemed to struggle with all his life was the source of his “concept of human nature.” Within that was the realization that some people were born leaders and some people were just born followers and this equation did not fit well into the mathematical formulas of an electrical engineer. The ability to create a leader is what everyone wanted, but they lacked the ability to detect them—so companies used Deming as a second hander to give them a process that would hide their inability—and deficiency in recruiting, staffing, and mid-level leadership.

Yet, America has produced without any help from any college, or management consultant many leaders who have created companies that amassed huge amounts of wealth—Microsoft comes to mind. Yet Bill Gates who founded Microsoft as a college dropout is the premier instigator of Common Core leaving him to be thought of as the modern Deming. Politicians and other business leaders think that because Gates created a company that generated so much wealth that he is somehow qualified to provide an education method that would create a generation of children that can compete with the world. However, Americans are not like other people—there is a reason that American Exceptionalism exists and it isn't because they can integrate themselves into a Deming process. Bill Gates with all his genius has been unable to put into any kind of mathematical formula the reason for his success—so has been unable to create an education system that can make more of him—which American companies and state governors are hoping Common Core will do for the youth.

Common Core like Deming's Total Quality Management ignores human initiative and thus fails to find the best among human populations to instigate innovation and productive enterprise—and to capitalize off of American Exceptionalism. Instead they are seeking kill it which is why most people are ready to hang themselves in The United States after they take one of Deming's four-day seminars. It's not the extreme boredom of the classes, or the lack of real relevance to manufacturing—it is the destruction of individual initiative yielding toward collective causes that creates the anxiety.



The failure of Deming, and thus of every company that follows his methods is the destruction of internal leadership that was foolishly studied from the East as if such things could have been born there. Deming was an American creation and had he never went to Japan, he would have remained an obscure engineer that nobody would have listened to if he had not struck it rich bringing together a battered people in the Japanese to resurrect themselves. For Japan, Deming was like the feather Dumbo carried around making the elephant believe it could fly—Deming was a crutch to rely upon in a time of need. He didn't give the Japanese anything they couldn't have given themselves—because their culture would have achieved those same heights completely on their own. Deming in the United States appealed to the second-handers who live through others and looked at Japan and wanted to copy what they were doing—ignoring their own propensity toward leadership, because they failed to see who among them had the capacity to rise. When second handers are in charge and fear being replaced by those who are truly oozing with leadership and human initiative, Deming systems are adopted to protect their social status—which is why Total Quality Management ultimately fails in America.

Those same second handers are behind Common Core and for the same reasons. Bill Gates became wealthy building operating systems that could interact with machines to usher in the personal computer revolution. He doesn't know why he

was so different from everyone else—but he was. Now he hopes to do the same for education through Common Core. However, like Deming his problem is a complex one because what his methods are achieving is not self initiated leadership among work forces—but rather destroying individuals into simple machines who can function within a system. Gates is building a machine with Common Core and like Deming before him—the world is eating out of his hand hoping that Gates knows something about human nature that they don't.



Deming his whole life struggled with the notion he obviously learned from the Japanese of profound knowledge. As he said, “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 organizations that he belongs to. ” But he never figured it out. He was seeking the basis of leadership which is not produced by any system put in place—it comes from human initiative and creativity and is a by-product of American Exceptionalism—the same Exceptionalism that invented the airplane, the light bulb, and built an economy based on capitalism where the exceptional rise to the top and are easy to spot instead of being hidden behind a TQM system obscured from the eyes of the people who could most directly benefit. Common Core is essentially the same failure applied to American business from Deming—which has all but destroyed manufacturing in the United States, and passed it on to education. The crime is not that Common Core will

destroy the millions of minds who are destined to be simple cogs in a grand machine that will dance willingly to Deming's processes. The crime is that Common Core will destroy the few exceptions that will have a vast impact on the development of the human race led by America. It is for that reason that Common Core must be vanquished. Deming did enough damage for one lifetime. The world certainly doesn't need more of him.

The proper counter to [Miyamoto Musashi](#) would be:

"Think greatly of yourself and the world will directly benefit from the fruit that springs forth from a free mind."

–Rich Hoffman

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