

Ongoing Discussion “Thought Piece”

Prepared by

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Ongoing Discussion Host: Bill Bellows
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for

**Pratt & Whitney Rocketdyne’s
InThinking Network**

ENTERPRISE MANAGEMENT SUCCESS ~ DRUCKER PHILOSOPHY + DEMING PRINCIPLES + JURAN PROCESSES + ACKOFF PITFALLS + COLLABORATION + FLEXIBLE MIND IMMUNE SYSTEM + PERSUASIVE STORIES + CREATED VALUE

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- **Preface. Thought Piece is the Integration of Many Approaches & Concepts**
- **Chapter 1. Nancy Mann: Interface 1 & 2 and then Deming 1-Some-Penultimate**
- **Chapter 2, Mother-in-Law & Sadie Juran: Very Close, Joe's Card & Baby Book**
- **Chapter 3. After Deming, "Toto" Psychology & Then Ackoff Practicalities**
- **Chapter 4. Janet Myhre Collaboration and Doris & Peter Drucker Near the End**
- **Chapter 5. Deming Principles Need Juran Processes as Their Implementation**
- **Chapter 6. Juran Processes Need Deming Principles as Fundamentals & Guide**
- **Chapter 7. Drucker Philosophy Needs Ackoff Pitfalls as Caveats for Practicality**
- **Chapter 8. Ackoff Pitfalls Need Drucker Philosophy as Guiding Fundamentals**
- **Chapter 9. Philosophy, Principles, Processes & Pitfalls Do Power Management**
- **Chapter 10. Their Linear Combinations "Span" Enterprise Management Space**
- **Chapter 11. Collaboration & Value Creation Are Core of Enterprise Management**
- **Chapter 12. Visualizations Based On Organism & Protein Cycle Process Models**
- **Appendix. Drucker/Deming/Juran/Ackoff Motor + Collaboration Shaft + Flexible Mind Immune System Oil + Persuasive Story Gears + Value Wheels**

**ENTERPRISE MANAGEMENT SUCCESS ~ DRUCKER
PHILOSOPHY + DEMING PRINCIPLES + JURAN PROCESSES
+ ACKOFF PITFALLS + COLLABORATION + FLEXIBLE MIND
IMMUNE SYSTEM + PERSUASIVE STORIES + CREATED VALUE**

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- **VISUALIZATION OF ENTERPRISE MANAGEMENT COMPONENTS**
- **TEXT VERSION OF ENTERPRISE MANAGEMENT COMPONENTS**
- **VISUALIZATION OF FACTORS IN THE COLLABORATION PROCESS**
- **VISUALIZATION FOR FACTORS IN THE VALUE CREATION PROCESS**
- **FLEXIBLE MIND IMMUNE SYSTEM & PERSUASIVE STORY PARTNER**

MODELING

ENTERPRISE

ENTERPRISE

ENTERPRISE

DRUCKER

PHILOSOPHY

DEMING

COLLABORATION

JURAN

PRINCIPLES

VALUE CREATION

PROCESSES

ACKOFF

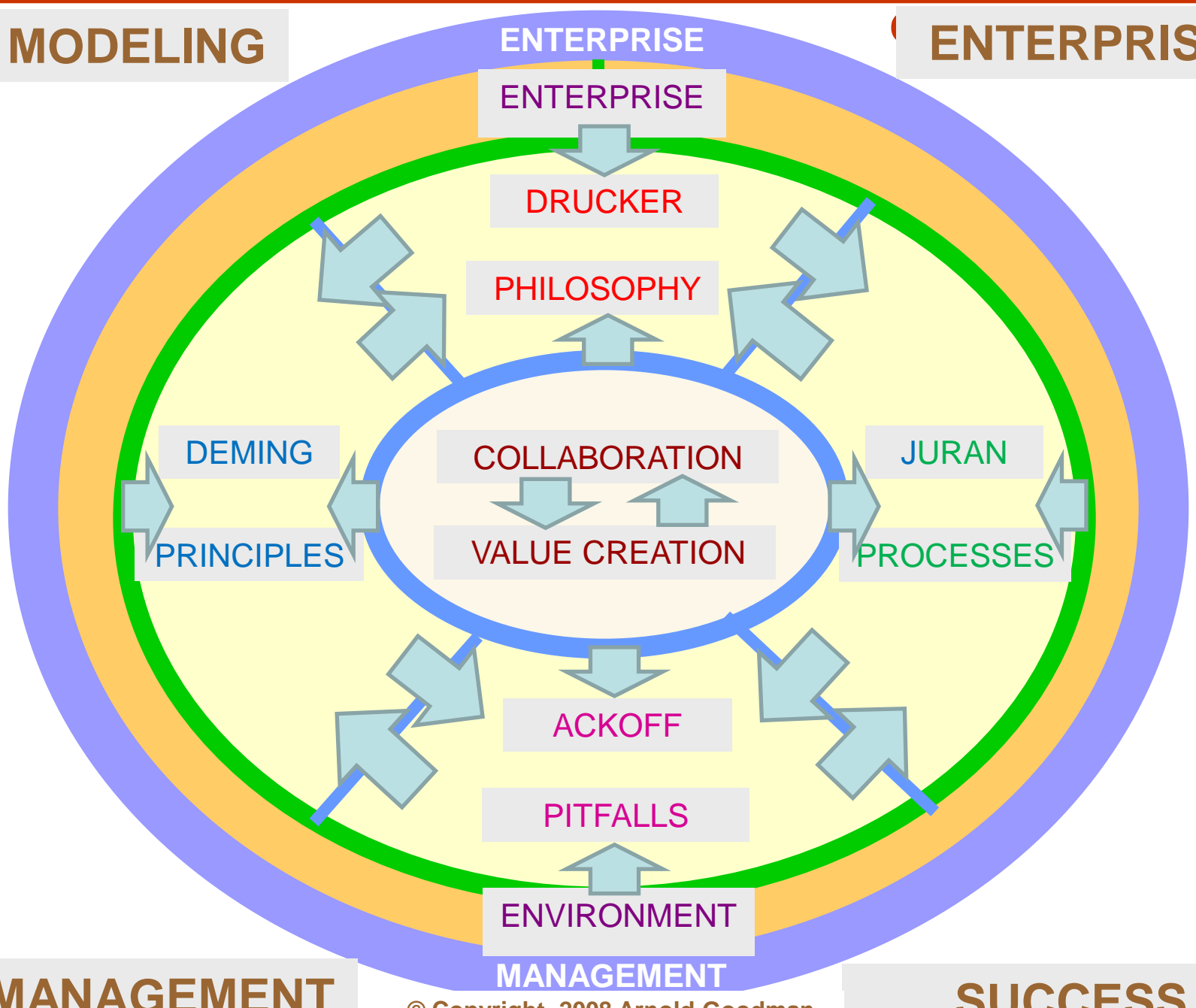
PITFALLS

ENVIRONMENT

MANAGEMENT

MANAGEMENT

SUCCESS



DRUCKER PHILOSOPHY + DEMING PRINCIPLES + JURAN PROCESSES + ACKOFF PITFALLS + COLLABORATION + CREATED VALUE

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DRUCKER PHILOSOPHY

DEMING PRINCIPLES

JURAN PROCESSES

VALUE CREATION COLLABORATION MAXIMIZES VALUE CREATION VALUE CREATION

↓***:

ACKOFF PITFALLS

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PROVIDE QUALITY SERVICES & PRODUCTS FOR CURRENT MARKET

.08 BE CONSTANT IN PURPOSE *DEMING PRINCIPLES ARE 'CHEMISTRY' OF HOW TO ACHIEVE QUALITY* DEFINE GOALS
JURAN PROCESS IS 'PHYSICS' OF WHAT TO DO TO PRODUCE QUALITY
DRUCKER PHILOSOPHY IS 'BIOLOGY' OF MANAGING FOR QUALITY

ACKOFF PITFALLS ARE 'CAVEATS' INVOLVING CRITICAL FLAWS & DIFFERENCES

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PLAN TO ABANDON SERVICES & PRODUCTS FOR CURRENT MARKET

.08 ACCEPT NEW CHALLENGES *DRUCKER: ORGANIZE ABANDONMENT/IMPROVEMENT TO SUCCEED* DETERMINE REQUIREMENTS
DEMING: WHAT IS IMPOSSIBLE BUT MAY BE REVOLUTIONARY?

JURAN: QUALITY BOTH MEASURES & IMPROVES SERVICES & PRODUCTS

ACKOFF: STOPPING THE OLD IS EVEN HARDER THAN STARTING THE NEW

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ORGANIZE SERVICES & PRODUCTS FOR NEW MARKET

.08 ALWAYS BE BETTER *JURAN: QUALITY IS AMONG MOST PRODUCTIVE AGAINST COMPETITION* DEVELOP FEATURES
DRUCKER: INNOVATE QUALITY OVER QUANTITY/ASSETS OVER COSTS
DEMING: BE COMPETITIVE TO CREATE & KEEP STAKEHOLDERS & JOBS

ACKOFF: CONFORMITY DECREASES BOTH CREATIVITY & INNOVATION

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*** WEIGHTS ESTIMATE PRIORITY FOR OUR ATTENTION, BUDGETING & CONTRIBUTION TO SUCCESS

VALUE CREATION COLLABORATION MAXIMIZES VALUE CREATION VALUE CREATION

GENERATE SERVICE & PRODUCT PERFORMANCE STANDARDS FOR NEW MARKET

.07 SEEK QUALITY OVER PRICE *DEMING: QUALITY JOURNALS' HELP DEFINE & SOLVE PROBLEMS* **GENERATE PROCESS**
DRUCKER: IN SOCIAL MANAGEMENT, ASSUMPTIONS FORM PARADIGMS
JURAN: QUALITY REQUIRES PROCESS DESIGN & MANAGEMENT

ACKOFF: THOUGH IT IS HARD TO THINK 'OUTSIDE', IT IS BETTER TO EVALUATE FROM THERE

ADOPT SERVICE & PRODUCT BUDGETARY STANDARDS FOR NEW MARKET

.07 BUILD QUALITY FROM START *JURAN: STAKEHOLDER PROGRESS SPIRALS HELP IMPROVEMENT* **ESTABLISH CONTROLS**
DEMING: REPLACE INSPECTION WITH TEAMWORK FOR QUALITY
DRUCKER: EXPERIMENT FURIOUSLY & PUSH IMPROVEMENT FORWARD FAST IF FAIL

ACKOFF: MANAGERS DO NOT LEARN BY BEING RIGHT, BUT MAY LEARN BY BEING WRONG

"VALUE CREATION"

COLLABORATION MAXIMIZES VALUE CREATION

"VALUE CREATION"

ALLOCATE & BUDGET CAPITAL RESOURCES FOR NEW MARKET

.06 NO FALSE QUOTAS *DRUCKER: ORGANIZE INFO BY KEY EVENT/VARIATION/THRESHOLD* **FOCUS UPON VITAL FEW**
JURAN: GENERALIZED THE 80% - 20% RULE, YET NAMED IT AFTER PARETO
DEMING: UNREALISTIC TASK & SCHEDULE YIELD MISLEADING RESULTS

ACKOFF: AVOID ERRORS OF OMISSION FIRST & THEN ERRORS OF COMMISSION

ALLOCATE & BUDGET PERSONNEL RESOURCES FOR NEW MARKET

.06 NO EMPTY SLOGANS *DRUCKER: MANAGER SHOULD SPECIFY INFO NEEDED/INFO OWED* **BREAK THROUGH NEW ATTITUDES**
DEMING: REDUCE ARTIFICIAL SAYINGS & ARBITRARY OBJECTIVES
JURAN: ENABLNG A BEHAVIOR CHANGE LEADS TO AN ATTITUDE CHANGE

ACKOFF: AN ORGANIZATION IS MEASURED MORE BY WHAT IT HIDES THAN WHAT IT EXPOSES

VALUE CREATION COLLABORATION MAXIMIZES VALUE CREATION VALUE CREATION

MAKE PERSONNEL & CAPITAL RESOURCES PRODUCTIVE

.06 TRAIN FOR QUALITY *DEMING: NO SPECIAL CAUSES, FEW VARIATIONS & FOOL-PROOF* **MOBILIZE FOR SUCCESS**
JURAN: QUALITY IMPLEMENTS ORGANIZATION IMPROVEMENT VISION
DRUCKER: FACILITATE FUTURE BY BALANCING CONTINUITY VS. CHANGE
ACKOFF: DISTINGUISH REQUIREMENTS FROM NEEDS & NEEDS FROM DESIRES

THINK THROUGH SOCIAL IMPACTS & RESPONSIBILITIES

.06 LEAD RATHER THAN BOSS *JURAN: CRITICALITY ANALYSIS AIDS QUALITY MANAGEMENT* **DIAGNOSE FOR KNOWLEDGE**
DRUCKER: TO BE PRODUCTIVE, LEAD PEOPLE INSTEAD OF MANAGE
DEMING: PLAN/DO/STUDY/ACT & ENUMERATIVE VS. ANALYTIC STUDY
ACKOFF: REALLY DISTINGUISH AMONG ADMINISTRATION, MANAGEMENT & LEADERSHIP

“COLLABORATION” VALUE CREATION TURNS COLLABORATION INTO SUCCESS “COLLABORATION”

INNOVATE SERVICE & PRODUCT PERFORMANCE FOR NEW MARKETS

.07 ERASE FEARS *JURAN: CONTROL STOPS THE BAD & BREAKTHROUGH STARTS THE GOOD* **STEER TO SUCCESS**
DRUCKER: SMALL COURTESIES & ACHIEVEMENTS LEAD TO SUCCESS
DEMING: TRANSLATE FEAR IN THE WORKPLACE INTO A JOY & CALMNESS
ACKOFF: ALL WORK & NO PLAY WILL LIKELY LEAD TO LOW QUANTITY & LOW QUALITY

INTRODUCE NEW SERVICES & PRODUCTS

.07 PROMOTE PRIDE *DEMING: REWARD WORK QUALITY AS WELL AS WORK QUANTITY* **BREAK THROUGH IMPROVEMENT**
JURAN: QUALITY GENERATES COST IMPROVEMENT & INCOME TO SHARE
DRUCKER: DEFINE TASK BY WHAT IT IS, IT SHOULD BE, IT CONTRIBUTES & HAMPERS IT
ACKOFF: DEVELOP THE ABILITY, DESIRE, PRIDE & REWARDS IN CONTRIBUTING

DRUCKER PHILOSOPHY + DEMING PRINCIPLES + JURAN PROCESSES ACKOFF PITFALLS + COLLABORATION + CREATED VALUE

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VALUE CREATION COLLABORATION MAXIMIZES VALUE CREATION VALUE CREATION

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SECURE PROFIT TO PAY FOR THOSE OBJECTIVES & THEIR SUCCESS

.08 COOPERATE WITH TEAM DRUCKER: TWO BUDGETS: MIN TO OPERATE & MAX TO SUCCEED OVERCOME RESISTANCE
DEMING: STATISTICIAN HAS BIGGER ROLE THAN DATA ANALYSIS
JURAN: QUALITY NEEDS TO MANAGE CULTURAL CHANGE POLITICS

ACKOFF: ACCEPTING THE NEW DEPENDS MORE ON TRUST THAN CONTENT

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SUCCESS ENABLES & FACILITATES SUSTAINABILITY OF THE BUSINESS

.08 IMPROVE ONESELF JURAN: ANTICIPATION & PREPARATION ARE PARENTS OF TIMING BREAK THROUGH PERFORMANCE
DRUCKER: ANTICIPATE FUTURE, GET AHEAD OF IT & HELP CREATE IT
DEMING: HAVE LONGTERM OPERATIONS, OBJECTIVES, MANAGEMENT & CONTROL

ACKOFF: A BIG HAPPY COMPANY REQUIRES MORE COMPETENCE THAN LOYALTY

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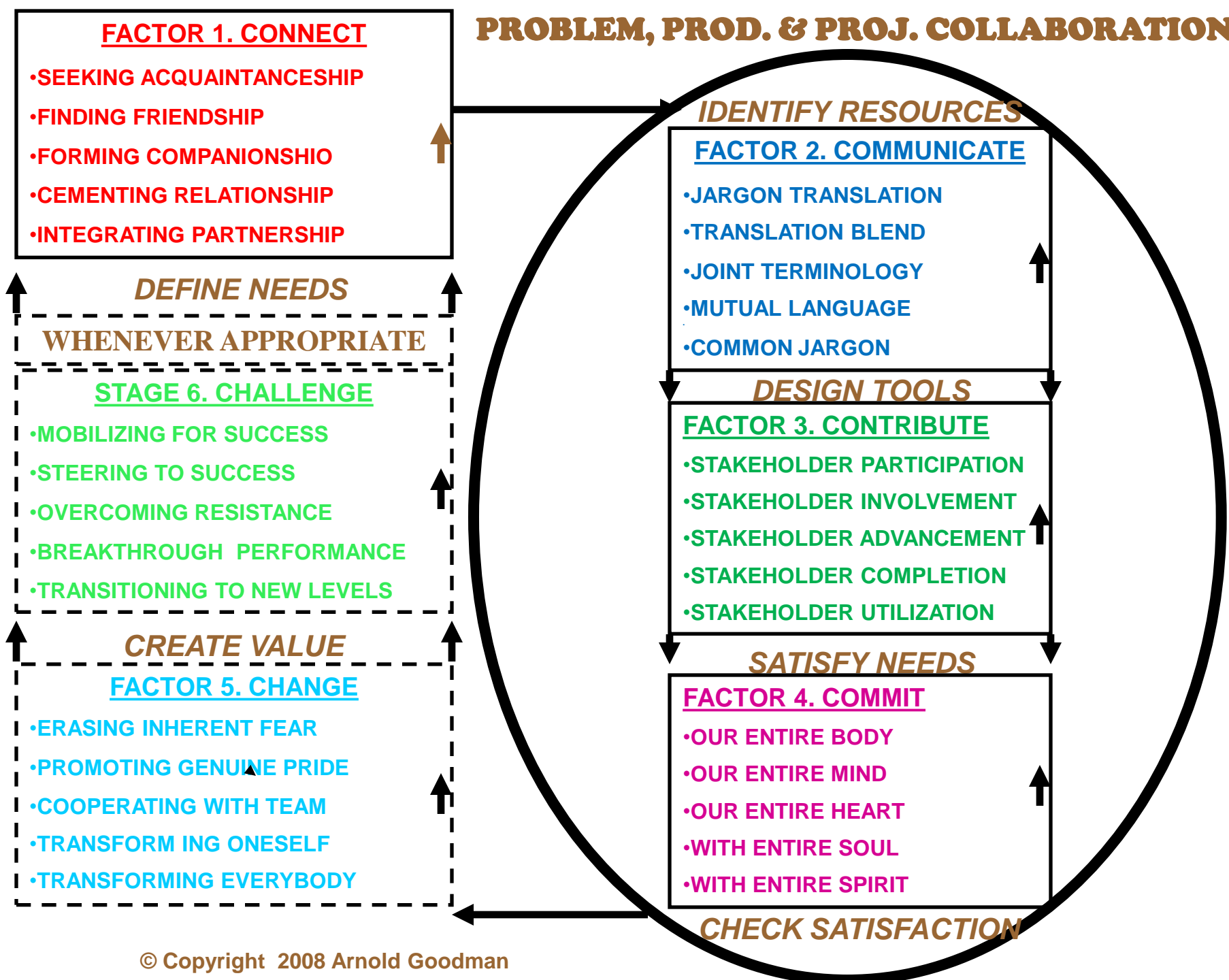
SUSTAINABILITY OF THE BUSINESS ENCOURAGES SURVIVAL OF THE BUSINESS

.08 TRANSFORM EVERYBODY DEMING: "PROFOUND KNOW." = VAR./THEORY/SYSTEMS/PSYCH. TRANSITION TO NEW LEVELS
JURAN: QUALITY IS TO 21ST CENTURY AS PRODUCTIVITY WAS TO 20TH
DRUCKER: MANAGEMENT EXISTS TO PRODUCE RESULTS OUTSIDE ORGANIZATION

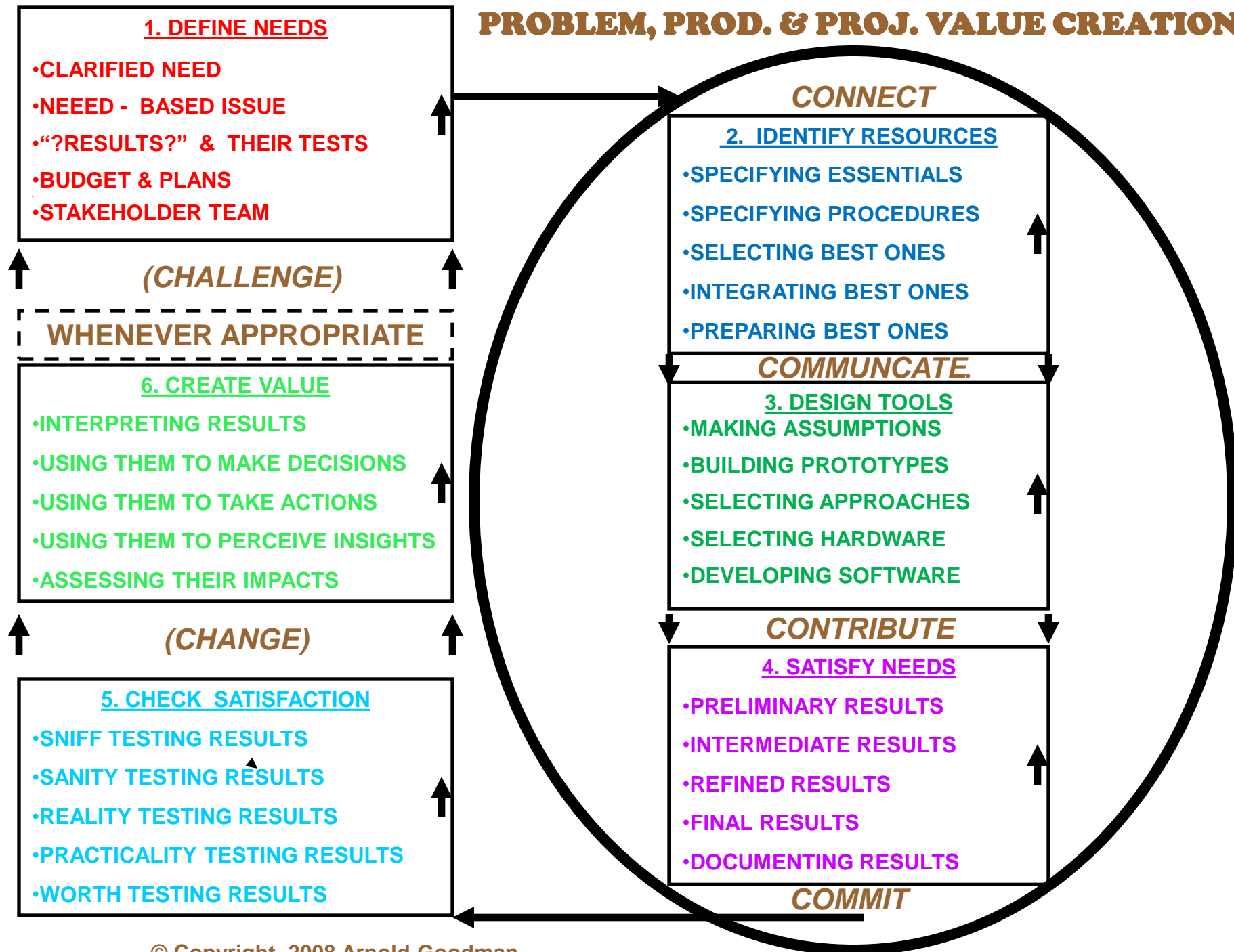
ACKOFF: ORGANIZATIONS THAT DO NOT ADAPT TO CHANGE WILL LIKELY FAIL

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PROBLEM, PROD. & PROJ. COLLABORATION



PROBLEM, PROD. & PROJ. VALUE CREATION



MIND IMMUNE SYSTEM FLEXIBILITY

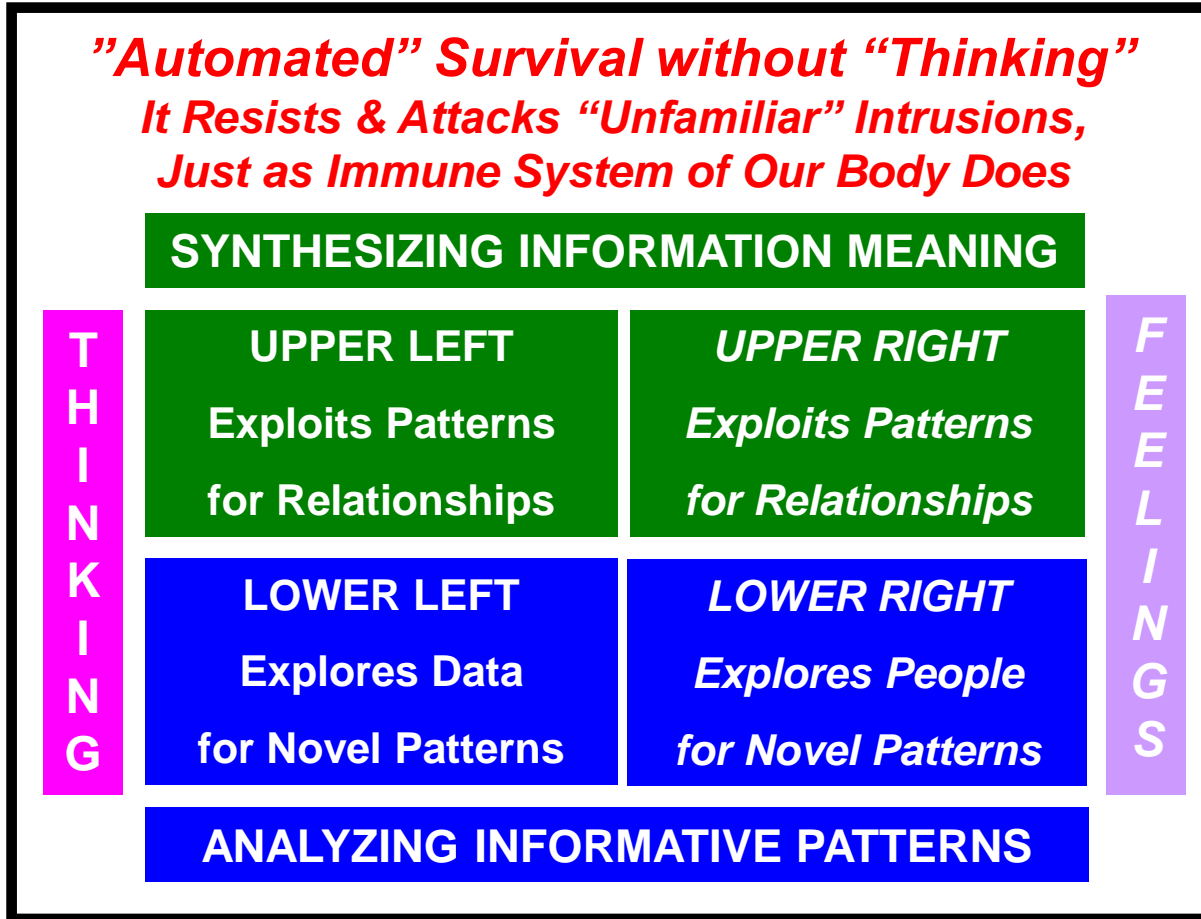
+ PERSUASIVE STORIES TO GET ACTION

Manage Immune System of Mind for Flexibility by Opening It up to “Unfamiliar” Intrusions by Outsiders, Despite the Arrogance of Being an Insider & the Assurance of Internal Dogma*

DETERMINED

→ V P R C
2 A O B N
0 T L U B O N
T H U E L E M & E R G E N T
C E R C E P T
E N T A T I O N
T U R I O N
Y O N
→ N C T
P R O N
B L E M
O B L E M
U E L E M
L E M
E R G E N T
C E P T
A T I O N
I O N
O N
C T

ANSWERS



UNCERTAIN

D I V E R G E N T T H I N K
S O C I A L T H O R K
C O L L A B O R A T I O N
→ 2 I S T C E N T U R Y →

QUESTIONS

Wrap Fact in Emotion to Get Action, Connect What Stakeholders Care About to What We Do Well, Stress Impact Positively & Focus on Future to Correct Past Error or Present Mistake**

* Based upon Whole Brain Thinking Model of ann@hbdi.com ** Based upon Presentation by Bob Dickman at bob@first-voice.com
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Experience in Enterprises & Experiences in Thinking

Arnold Goodman, Co-Founding Editor, *ASA-Wiley Statistical Analysis & Data Mining Journal*

Experience in Enterprises

Power-spectral-density analysis of clear-air turbulence at *NACA* (→*NASA*)

Dominant error-sources of inertial-navigation for its *Autonetics*' inventors

Simulation, info systems & Apollo negotiation at *North American Space*

Senior Staff to *McDonnell-Douglas* Vice President of Information Systems

Management science, IT planning & user computer-cost-allocation at *Arco*

Capacity planning & performance + IT planning & safety at *LA County IT*

Co-Founder of Center for Statistical Consulting (→ Statistics Dept.) at *University of California at Irvine (UCI)*

Except for UCI, always lived in same organization as clients & collaborators

Experiences in Thinking

Bold thinking beyond brain's "immune system": *inside-the-box*, *outside-the-box* & *structural modeling* of complex situations by *checklists* & *scorecards*

Inside-the-box (of cell biology) thinking from *outside the box* (of statistics and systems) includes: 2004- first process or system model of DNA-protein-DNA cycle, exploring uncertainty in Nature's cycles of life & proposing a collaborative means to bridge huge gap between classical & systems biology

Outside-the-box thinking includes: 1962 (was it 1st?) use of mixed model to solve a regression problem where the error variance is unknown & variable, 1965 modeling of information-flow process beyond usual use of histograms, 1967- co-founding of annual symposia on interface of computing science & statistics, 1968 cataloging of consultants' statistical expertise for library use, 1983 generating computer cost-allocation budgets for users to accept/reject, 1988 dollarizing of future computer usage to justify buying new computer, 2000- value creation & collaboration in complex problems/products/projects & 2006- co-founding of *ASA-Wiley Statistical Analysis & Data Mining Journal*

Structural modeling of complex situations includes *checklists* & *scorecards*:

1961 evaluating statistical software, 1973- site selection of ATM & cosmetic studio locations, 1996- evaluating project-managing, 1998- modeling most-significant factors in patient-satisfaction, and 2000- modeling value creation & collaboration plus both their separate growth & their integrated growth