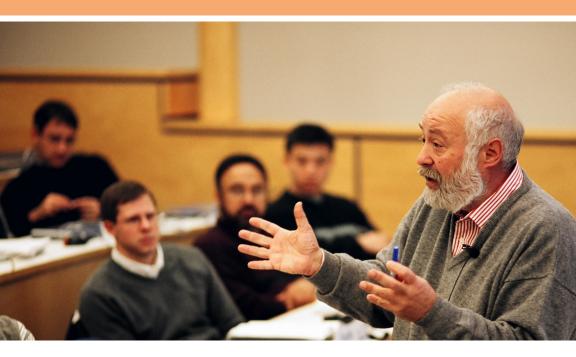


# Creating Operational Excellence

# About the Deming Center



Founded in 1990, the W. Edwards Deming Center for Quality, Productivity, and Competitiveness at Columbia Business School promotes operational excellence in business through the development of research, best practices, and strategic planning. The center is committed to training the next generation of managers through the creation of innovative curriculum materials on operations management and strategy.

The center also fosters partnerships with a range of companies and nurtures relationships with key senior managers through business forums, executive education opportunities, and management publications.

The Deming Center's initiatives connect academia and industry through leadership in quality, productivity, and competitiveness. The center currently focuses on eight initiatives:

#### The Deming Cup

Awarded annually, the Deming Cup recognizes world leaders and business practitioners who have made outstanding contributions in the area of operational excellence and who have fostered a culture of continuous improvement in an

organization. The judging committee is led by Rob Amen '73, an executive in residence at the School and former CEO of International Flavors and Fragrances, and Paul O'Neill, 72nd Secretary of the US Treasury and former director and chairman of Alcoa.

The 2013 Deming Cup winners are Fisk Johnson, chairman and CEO of SC Johnson Inc., and Paolo Rocca, chairman and CEO of Tenaris S.A.

The inaugural Deming Cup was awarded in 2010 and honored Sam Palmisano of IBM. In 2011, recipients were Dr. Brent James (Intermountain Healthcare) and Sergio Marchionne (Chrysler Group; Fiat S.p.A.). In 2012, Terry Lundgren (Macy's, Inc.) and Ratan Tata (Tata Sons Ltd.) were selected as recipients.

#### **Doctoral Fellows**

The center bridges theory and practice by placing a doctoral student in a company to work on a project designed by the student and a faculty member. Students have the opportunity to use company data to validate academic hypotheses, increasing their exposure to industry problems and enhancing the relevance of their research.

-W. EDWARDS DEMING

#### Columbia CaseWorks

The center develops study cases and reading materials on the recipients of the Deming Cup to propagate Deming's principles and foster operational excellence practices. We have developed an article on IBM and a study case on Intermountain Healthcare that are already being used in the curriculum.

#### Practitioners in Class

Each year the Deming Center invites a number of leading practitioners to participate in classes. Recent speakers include Rob Amen '73, executive in residence in Columbia Business School; Steve Blank, serial entrepreneur; Kevin Cai, CIO of China Eastern Airlines; Stephen Murray, president and CEO of CCMP Capital; David Neeleman, founder, chairman, and CEO of Azul Linhas Aéreas Brasileiras and founder and former CEO of JetBlue Airways; and Harry Silver, managing director of Goldman Sachs.

#### Young Alumni in Retail Network

The Young Alumni in Retail Network program (YARN) aims to connect young alumni with leading practitioners in the retail industry by hosting several events throughout the year. Events include a breakfast in the spring, the Deming Forum in the summer, and a reception in the fall.

## Mentoring Breakfasts

The Deming Center encourages MBA, EMBA, and doctoral students to participate in networking breakfasts with business practitioners, providing them with unique opportunities to meet and interact with business leaders in an informal setting. Advisory board members Tom Cole, chief administrative officer of Macy's, and George Stalk, senior advisor and BCG fellow, Boston Consulting Group, are recent participants.

#### Deming Forum in Retail

Launched with guidance from Richard Jaffe and David Schick, managing directors of the Stifel Nicolaus Retail Team, the Deming Forum is an annual conference that addresses key issues in operations within a specific industry.

In 2012, we hosted panel discussions on "Global E-commerce Strategies," "Operational Excellence in Retail", and "Probabilities on the Election and How the Outcomes Could Affect Consumers." In 2013, this one-day conference included presentations on "How Washington's Decisions Will Affect Consumer Confidence & Housing", "Distribution and Fulfillment for Omni-Channel" and "History and Future of Outlet Malls."

#### Faculty Study Tours

This initiative provides professors who are currently teaching operations management and strategy with a global perspective through visits with leading manufacturers and service firms in emerging markets.

In 2012, a group of faculty members from Columbia Business School visited eight companies in Brazil in a variety of industries, including Alcoa's Juruti Mine, Lojas Riachuelo, Aéreas, IBM, and Beleza Natural. In 2013, another group spent spent three days in Detroit visiting Chrysler's headquarters, two manufacturing facilities — the Toledo Assembly Complex and Dundee Engine Plant — and the World Class Manufacturing Academy (WCMA).

## Operational Excellence in Healthcare

In September 2013 the Deming Center, New York Presbyterian, and Columbia University Medical Center cosponsored a conference in healthcare to promote operational excellence practices within the industry. The key topics for discussion included, among others, technology challenges in order to improve healthcare outcomes, institutionalization of change (setting the culture to make it happen), and operational excellence (presentation of some successful examples).

## **Deming Center Leadership**

#### Director

Nelson M. Fraiman '71 is a professor of professional practice in the Decision, Risk, and Operations Division at Columbia Business School. He is also the faculty director of Entrepreneurship and Competitiveness in Latin America (ECLA), a program for Latin American entrepreneurs who aim to be successful across borders. His current research centers on entrepreneurship and operational excellence.

Fraiman joined the faculty in 1995 after a 17-year career at International Paper Company, where his most recent position was chief technology officer. He teaches operations management and strategy and has conducted executive education programs in Argentina, Chile, Colombia, Holland, Israel, Mexico, South Korea, the United States, and Uruguay. Fraiman holds a BS in industrial engineering, an MS, MBA, and PhD from Columbia University.

#### Research Director

Gabriel Y. Weintraub is an associate professor in the Decision, Risk, and Operations Division at Columbia Business School. His research covers several subjects that lie at the intersection of operations research and microeconomics. He is particularly interested in developing mathematical and computational models for the economic analysis of problems in operations.

Weintraub received the 2002 IFORS Prize for Operations Research in Development, which is given every three years to the best application of operations research in a developing country. His research has been published is such prestigious journals as *Operations Research* and *Econometrica*. He teaches operations management and microeconomic and game theoretical modeling. Weintraub earned his MA and PhD from Stanford University.

## Chairman of the Advisory Board

Robert M. Amen '73 is currently an executive in residence at Columbia Business School. Formerly he was the CEO and chairman of the board of International Flavors and Fragrances (2006–09). In 2006, Amen retired as president, chief operating officer, and director of International Paper after spending 26 years with the firm. He started his career with Gulf & Western before joining Schlumberger, which launched Amen on a career in international business.

A graduate of Columbia Business School and of Boston College, where he studied economics, Amen serves on the board of the UK infrastructure company Balfour Beatty, and is also a member of the board of the Inner-City Scholarship Fund. He is a Knight of Malta and is involved in community service initiatives in New York.

## Advisory Board Members

Membership on the Deming Center's advisory board is reserved for those individuals and companies that possess an extraordinary commitment to the center's initiatives. The board convenes twice a year.

- Rob Amen '73, Executive in Residence, Columbia Business School
- Wolfgang Bernhard '88, Head of Mercedes-Benz Cars Production and Procurement, and Member of the Management Board, Daimler AG
- Omar Besbes, Associate Professor, Columbia Business School
- Bruno Di Leo, Senior Vice President, Sales and Distribution, IBM
- Ricardo dos Santos '07, Executive Vice President, ENCORPAR
- Herb Elish, Chief Operating Officer, College Board
- Beth Ford '95, Executive VP, Chief Supply Chain
   Operations Officer, Land O'Lakes, Inc.
- Nelson Fraiman '71, Professor of Professional Practice, Columbia Business School
- Thomas Groos '80, Partner, City Light Capital
- R. B. Harrison, Chief Omnichannel Officer, Macy\*s Inc
- Richard Jaffe '92, Managing Director, Stifel, Nicolaus & Co
- David Niles '98, President, SSA & Company
- Bennett Nussbaum '71, Senior Advisor at Lone Star Funds/Hudson Advisors
- Paul O'Neill, 72nd Secretary of the US Treasury
- Kristin Peck '99, EVP and Group President, Zoetis
- James Peterson, Director of Corporate Initiatives Group, GE
- Harry Silver '80, Managing Director, Goldman Sachs

- Medini Singh, Senior Lecturer in the Discipline of Business, Columbia Business School
- George Stalk, Senior Advisor and BCG Fellow, Boston Consulting Group
- Burt Steinberg '70, Former President and Director, Dress Barn
- Garrett van Ryzin, Paul M. Montrone Professor of Private Enterprise, Columbia Business School
- Andrew Wallach '00, President, Central National-Gottesman, Inc.
- Gabriel Weintraub, Associate Professor, Columbia Business School

To learn more about joining the advisory board, contact Angela Quintero at aq2163@columbia.edu.



2013 Faculty Tour (Chrysler, Detroit)



2010 Student and Faculty Tour (Chanel, New Jersey)



2012 Faculty Tour (Beleza Natural, Rio de Janeiro)





 $2011\ Deming\ Cup\ Winners, Brent\ James\ (Intermountain\ Healthcare)\ and\ Sergio\ Marchionne\ (Chrysler,\ Fiat)$ 



2012 Deming Cup Winners, Terry Lundgren (Macy's) and Ratan Tata (Tata Sons) with previous years' cup recepients

# About W. Edwards Deming



W. Edwards Deming was an adviser, consultant, author, and teacher to some of the most influential businessmen, corporations, and scientific pioneers of business process reengineering. He has been described as a national folk hero in Japan, where he was directly responsible for inspiring and guiding the spectacular rise of Japanese industry after World War II. He is also know as the original management science guru and founder of the third wave of the Industrial Revolution. His extensive list of published works includes nearly 200 papers, articles, and books. Deming joined the Columbia Business School faculty in 1988 at the invitation of Professor John Whitney.

To learn more about W. Edwards Deming and the Deming Center, visit www.gsb.columbia.edu/deming.



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