
**OCTOBER
2008**

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October 2008**

Chairman's Column

Quality Process Update

**All Day Conference in
November**

**17th Annual Audit
Conference**

**Be sure to visit our section
website:
<http://www.asq0905.org>**

Section 0905 Mission Statement

The mission of Section 0905 is to develop and provide a strong organization for exchanging knowledge and ideas necessary for the growth and development of quality professionals in a manner that benefits the membership, business, and the Northeast Indiana Community.

Mailing Address:

**American Society for Quality
Northeastern Indiana Section 0905
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Fort Wayne, Indiana 46861-1887**

The Histogram

N e w s l e t t e r

OCTOBER DINNER MEETING

October 9, 2008

Arrival: 5:30 - 6:00 PM Dinner: 6:00 PM

Presentation: ~6:30 PM

Don Hall's Guest House

1313 West Washington Center Road

Fort Wayne, IN 46825

For reservations contact Dan Templeton:

dtempleton@aptimise.com

Telephone: 260-407-0203, ext. 2001

Webcast of the Fort Wayne Presentation

Ramada Inn

2519 East Center Street

Warsaw IN 46580

Same times as above and same dinner price

For reservations contact Nathan Prieshoff:

nathan.prieshoff@mchsi.com

Telephone: 260-267-6826, ext 7863

Topic: FARO's Technology Including the World's Best-selling Portable Measurement Arm

Presenters:

Allen Golden is the FaroArm Account Manager for the Indiana region. He specializes in portable measurement for large and small volume inspection. He earned his B.S. in Chemical Engineering from Michigan Technological University and his MBA from Butler University. He has been working in the manufacturing industry for the last 17 years.

Stephen Green is the FARO Gage Account Manager for the Indiana region. He earned a B.S. in Mechanical Engineering from Wright State University. His work experience includes Product Engineer at Wright Patterson Air Force Base, Design Engineer at United Air Specialists and Sales Rep at Vector Marketing.

Brief Description:

FARO Laser ScanArm: Users can collect simple point variations with the Arm's hard probe, then laser scan (up to 19,200 points/sec) the sections requiring larger volumes of data – without adding/removing attachments, untangling cabling, or needing a separate CMM to import data. It's the industry's first ever 7-axis contact/non-contact measurement device with a fully integrated laser scanner.

Platinum FaroArm: Available in four- to 12-foot configurations, offers up to .0005" accuracy for inspection, reverse engineering and CAD-to-Part-analysis. It's ideal for facilities needing GD&T and SPC output. Durable enough for harsh manufacturing environments, yet lighter than standard portable CMMs, it also includes extended-use, on-board batteries. The Platinum FaroArm is now equipped with the popular *Bluetooth*® wireless technology already available in Quantum FaroArms. Users can now inspect, digitize, then transmit data up to 30 feet (10m) away – even through walls – without having to use cables.

FARO Gage: features up .0004" accuracy, a complete line of accessories, and requires little training. Convenient, fast and intuitive enough for shop-floor personnel to use, the Gage also provides 3-D graphical and tabular SPC reports for QC managers.



ADVANCING THE QUALITY PROFESSION

STRATEGIC PLAN 2008-2009, PART II

The Section Leadership team discussed future needs and last year's problems.

Two major topics were put forward:

Internal communications is an issue

The section has to increase the awareness of the community about ASQ.

The August Leadership team meeting had the benefit of seasoned members and first-year team members. Insufficient internal communications during 2007-2008 was a well-documented issue. Failure modes included the following:

- * Recent transferees couldn't get put the mailing or e-mailing list;
- * The Histogram had typesetting, receiving-content and converting-to-.pdf problems, hence it often arrived late.
- * The website didn't have current postings

Corrective action plans just never seemed to solve the problem, although no 8D was done. The root causes may be

- * We lacked of a written process for corrective action
- * Our leader-volunteers were overcommitted on time to give enough time to ASQ

First solutions: Institute an 8D process for our own section processes whenever there is an issue disclosed. Get more members active in the Leadership Team and supporting roles.

To that end, all members are invited to participate in the Leadership Team meetings held the 4th Thursday of the month starting at 5. They are held at Ivy Tech/North campus and on-line at MeetingBridge.com. You can attend from your office, home, or vacation.

For Telephone-only option:
Access Numbers: Tollfree (US & Canada): 1.866.409.4300

**Participant Entry Code:
4070204**

Open the Web Conferencing page at www.meetingbridge.com/web and complete the ~~'Join a Conference'~~ information including the Participant Code (4070204).

BOOK OF KNOWLEDGE ON-LINE

Last year, the section investigated getting quality resources on line. This is especially valuable for the practitioner who needs a formula or a planning idea, and doesn't have the book and can't get to a library big enough to have a "Quality" section.

No dice, ASQ National had not figured out digital rights management, and had not planned on doing so for five more years.

Enter the Book of Knowledge On-Line. It's not comprehensive. But, the book gives a member a starting place to quickly find information.

http://www.asq.org/knowledge-center/index.html?WT.mc_id=EM2111M&WT.dcsvid=1929970796

QUALITY PROCESS UPDATE

OCTOBER 2008

QUALITY POLICY DEPLOYMENT PROCESS



FOLLOW-UP

China experienced a tragic recurrence of intentional poisoning of baby formula with melamine. Two brothers, who were vendors to the one of China's largest formula manufacturers, have been arrested. They reportedly added the melamine to boost nitrogen content when they had failed a QC incoming inspection.

The more critical story regards the recall. The manufacturer is nearly half owned by a New Zealand firm. The manufacturer had known of the problems since March 2008, defined the problem as melamine in early August, and disclosed it in mid-September. The manufacturer disclosed it because the New Zealand firm published the data to the Prime Minister, after being rebuffed in its efforts to get a Chinese recall in August. The New Zealand government forced China to recall the product. One result, the small grocery store owners didn't want to return the product!!! Here's a case of the market not getting the control function done.

STRATEGY

How ready are we for recalls? From private discussion over dinner at the Section meeting, maybe American manufacturers don't want to deal with them either.

About half of the table had been asked to falsify certification reports. The ASQ Code of Ethics does not specify any particular response to such a call. The closest is "Hold paramount the safety, health, and welfare of the public in the performance of their professional duties." And, second is like unto it: "Being honest and impartial in serving the public, their employers, customers, and clients."

Responses around the table included, "tell your supervisor, if that doesn't yield results, you have at least, fulfilled your duty." The most honorable person wasn't at the table, having resigned from the quality role and transferring to a different department.

The talk turned, appropriately, to root causes of the issue. Cases will vary, but some possible causes suggested are (1) insufficient design and process data during development to get very good data for setting the specifications, (2) the quality profession has created such a bureaucratic tangle that no one wants to do an 8-D to solve the problem (is this blaming the victim?), and (3) no one is really sure if the process isn't overspecified, 'is a CpK greater than 1.33 really necessary for this part or process?' Sometimes, even the Quality professionals don't buy into the specification.

Tomorrow morning, look yourself in the mirror and run through the scenario for yourself. Then, ASQ section, look at yourself in the mirror, how can we support our colleagues that are put in this position?

ASQ section: how can we support our colleagues who are asked to falsify data?

TACTICS

Speaking of alarmist stories, this week it was announced that gene A increases the likelihood of dreadful disease B. What can you believe? And, it's only going to get worse.

One of the more significant recent inventions is the "false discovery rate" procedure. It is a way to tell when a claimed discovery, such as whether a certain gene increases risk of some disease, is worth the pixels it is announced in. Such claims formed the basis of

growing DNA-testing industry and, not incidentally, life-and-death decisions.

Traditional tools of statistics work fine when analyzing mere thousands of points of data. But in this century, we have a whole new class of problems: 100,000 times more data than used to be seen. In searching for genes that raise the risk of developing some disease, geneticists applied a traditional test: is a link to a gene less than 5% likely to occur by coincidence? Unfortunately, and analogous to using ANOVA instead of multiple t-tests, when you are testing thousands of genes, that lets too many false positives occur. Geneticists now acknowledge that scores of claims about DNA and disease are wrong. Unfortunately, compensating for the process by applying stricter, special confidence limits to keep out false links leads to overestimates of what proportion of the risk of getting a disease is due to DNA rather than, for example, lifestyle.

In microarray data studies most researchers are clearly aware of the potentially high rate of false positives and the need to control it. Their solution is a statistical procedural shift away from the well-known P-value to false discovery rate (FDR). But, there also has to be study of the sensitivity or the associated false negative rate (FNR). In microarrays, FDR factors include the proportion of truly differentially expressed genes, the distribution true differences, measurement variability, and sample size. Controlling only FDR made lead to unacceptably large FNR.

FDR is calculated using Bayesian methods. It corrects well for independent genes and genes with loose dependence, which is called **clumpy dependence**. Based on simulations, FDR is biased upward in terms of the null hypothesis when the genes are correlated with one another. **Microarrays appear to have clumpy dependence because genes worked in pathways. Small groups of genes interact to produce overall processes.** Further, genes with molecular similarity have evolutionary and/or functional

relationships. This is called cross-hybridization. Statisticians have introduced a new term, the q-value, which is the positive false discovery rate (pFDR) for a nested set of rejection areas. Statisticians call it a “posterior Bayesian p-value.” The q-value can be reported with every statistic and describes the minimum positive false discovery rate over which the null hypothesis can be rejected.

FDR calculations are available for Matlab and SAS, but not Minitab, Mathematica, or SPSS. The q-value calculation software is available from the John Storey, originally at the University of Washington, now Princeton (<http://genomics.princeton.edu/storeylab/qvalue/>).

DIFFERENCES IN PERSPECTIVE

In most industries today, quality professionals are concerned with the defect rates ranging from parts-per-million to low single-digits. A draft report By the Inspector General of Health and Human Services finds an error rate of 31.5% in Medicare claims. A portion of this is fraud. But, many of the errors are generated in the payment process.

Medicare's administrative costs are just 3% of total spending, whereas private sector expenses are 11%-14%. This should be a classic case for quality cost reporting, where prevention and appraisal costs such as in the private sector's screening methods shine in comparison to the external failure costs of the Medicare system. Perhaps, quality professionals should be involved in design of the business processes if Medicare is to be used as a model for government-run "universal" health care.

ASQ PODCASTS

The first-ever podcasts from the American Society for Quality (ASQ) are now available on www.asq.org/manufacturing. The content is devoted to exploring timely issues.

Part 1: Why HACCP Certification Helps You

Part 2: Transform Your Food Supply Chain Using Quality Systems

Part 3: Quality Tools and Standards-Your Weapons of Transformation

All Day Conference

Going Beyond Lean Six Sigma and the Balanced Scorecard: The Integrated Enterprise Excellence (IEE) System

Presented by Forest Breyfogle (Crosby Award Recipient)

**Sponsored by ASQ Section 0905
and
Ivy Tech Community College (Fort Wayne)**

November 12, 2008 (Wednesday)

**Don Hall's Guest House
1313 West Washington Center Road
Fort Wayne, IN 46825**

**Cost: \$190.00 for ASQ members (\$210.00 for non members)
(Continental Breakfast & Lunch included as well as 2-books)**

**0.7 RUs/CEUs available to those who complete
the workshop and an evaluation of the program**

7:00 AM – 8:00 AM	Continental Breakfast and Registration
8:00 AM – 12:00 PM	Workshop
12:00 PM – 1:00 PM	Lunch
1:00 PM – 4:00 PM	Workshop

Registration

**Payment due at reservation.
All major credit cards accepted or pay by check.**

**G. Daniel Templeton
Aptimise
9910 Dupont circle Drive East, Ste. 140
Fort Wayne, IN 46825
Telephone: 260-407-0203, ext. 2001
Fax: 260-407-0206
Checks payable to: ASQ Chapter 0905
(Reservations by check at the door accepted as space permits)**

All Day Conference Continued

Going Beyond Lean Six Sigma and the Balanced Scorecard: The Integrated Enterprise Excellence (IEE) System

- Are business goals not being met?
- Do you have all the right tools, but still find yourself wasting time firefighting the same problems over and over again?
- Are organizational metrics leading to the wrong behaviors?
- Does your organization simply tell stories when reporting metrics but the metrics don't seem to be improving?
- Are the most beneficial organizational strategies being created and executed?
- Are projects either not getting completed or, when completed, don't seem to impact the bottom-line as much as claimed?

This one-day seminar with renowned Lean Six Sigma and Process Improvement expert and author **Forrest Breyfogle** helps organizations address these issues and more.

"The one day workshop by Forrest Breyfogle, entitled "Going Beyond Lean Six Sigma and the Balanced Scorecard", was an in-depth deployment tool of the Integrated Enterprise Excellence methodologies. Each participant of this workshop was able to take away the tools to help their company integrate metrics with achieving excellence while keeping focused on the strategic intent of the company. It was my pleasure to host Mr. Breyfogle for this sold-out one day workshop."

Ginger Truan

Chair, ASQ Greater Houston #1405

Competitive pressures are forcing executives to react faster to changing business conditions and customer requirements. Line managers and decision-makers need to have an efficient and effective system for day-to-day business operation with access to performance metrics that lead to the most appropriate activities. In short, what's needed is a performance measurement and improvement system to drive financial and operational success: **Integrated Enterprise Excellence**.

Come learn from **Forrest Breyfogle** how to address these issues using the Integrated Enterprise Excellence (IEE) system, which goes beyond Lean Six Sigma and The Balanced Scorecard. IEE helps orchestrate the three Rs of business (everyone doing the Right things and doing them Right at the Right time).

Be one of the first people to obtain a copy of two new books written by Forrest on the revolutionary method of IEE. Many references will be made to the book and volume during the workshop.

- *The Integrated Enterprise Excellence System: An Enhanced, Unified Approach to Balanced Scorecards, Strategic Planning, and Business Improvement*
- *Integrated Enterprise Excellence Volume I - The Basics: Golfing Buddies Go Beyond Lean Six Sigma and the Balanced Scorecard*

Forewords by Chris Galvin, past-CEO Motorola, Scott Dickman, CEO Oracle Pkg., and Matt Spinolo, CEO Primacy

ASQ Refreshers in Columbia City this Fall

Workforce & Economic Development of Ivy Tech Community College will be offering certification refresher classes in Columbia City this Fall as a convenience to the 0905 membership in that area.

The **CMQ/OE & CQT Refresher** classes will meet on Saturday, September 6th through October 11th. *The ASQ exam registration deadline has been extended to August 22nd and the exam date is October 18th for these certifications.*

The **CQA & CQE Refresher** classes will meet on Saturday, October 18th through November 22nd. *The ASQ exam registration deadline has been extended to October 10th and the exam date is December 6th for these certifications.*

All classes will meet from 8:00 a.m. to 12:00 p.m. at the Peabody Library in Columbia City. Each course fee is \$279. For more information or to get registered, call Ann Travis at (260) 480-4118. More detailed information will be posted on the web at www.asq0905.org as well.

Please note that the certification exams will be proctored at Ivy Tech Community College, 3800 N. Anthony Blvd. Fort Wayne, IN 46805 as usual.

Career Center Enhancement

Beginning September 1 you will notice a big difference on the [ASQ Career Center Web page](#) -more jobs! We are happy to announce that ASQ is joining 16 other science and engineering associations on the Engineering and Science Career Network (ESCN). What does this mean to you? More jobs specifically for ASQ job seekers and more reach for employers. So get your résumés ready for September 1-and employers get your jobs lined up!

Gas Card from ASQ.

Being a part of an association is a very important step in someone's career. You've recognized this step yourself by being a member in ASQ. ASQ is a great way to keep young professionals and veterans up-to-date on news and tools. With this special offer, now is the perfect time to pass along the value of ASQ.

Throughout the month of September, for each member you refer through ASQ's Each One Reach One (EORO) referral program, you will be entered into a drawing to win a free gas card up to \$100. That's in addition to your 5 ASQ Bucks for recruiting an individual member, 120 ASQ Bucks for recruiting a Site member, or 1,000 ASQ Bucks for recruiting an Enterprise member. If you recruit 10 members in September, you will have 10 chances to win!

17th Annual Audit Conference in October

Register Today!

This is your final chance to save! [Register](#) by September 4, 2008, and receive discounted rates for individuals and groups. Individuals pay only \$750.00 and groups of 10 or more pay \$675.00 per person. Join other audit professionals and learn how to “master your audit game.”

Preconference Offerings

The 17th Annual Audit Conference offers 12 preconference courses and tutorials held over two days beginning October 13. You can choose any of the following:

- CQA Exam Refresher
- CMQ/OE Exam Refresher
- After the Audit: Benefiting From the Audit
- Problem Solving and Decision Making
- Project Management Workshop
- Root Cause Analysis
- Auditing for Risk: A New Model Using Risks and Controls
- Auditing for Lean
- Audits and Legal Requirements
- On the Fairway: Effective Writing Skills for the Quality Auditor
- Process Auditing and Techniques: Validate, Verify, and Identify Risk
- Integrated Internal Auditing

You can find [pricing](#), [scheduling](#), and [course or tutorial descriptions](#) online in the conference brochure.

Concurrent Sessions

Design your own conference schedule to fit your professional needs. Choose from 40 concurrent sessions to satisfy everyone from “beginners” to “pros.”

Session Tracks Include:

- Getting Equipped and Teeing Up
- On the Fairway and Out of the Rough
- The Short Game
- Leaderboard

Relax!

Before heading back to the office, join the Audit Division at the beautiful [River Golf Club](#) for the annual Golf Tournament on Saturday, October 18, 2008. Tee time is 12:30 p.m. Club professionals will provide support services as applicable for this private tournament, including golf carts, cart signage, scoreboard, scorekeeping service, rules sheet, and range balls. Club rental is limited, but available for an additional fee.

Tournament Fee: \$59.00 per player

Club Rental: \$25.00 (To be paid at the time of the rental to River Golf Club.)

*Note: Price includes transportation to and from the course, greens fee, cart, tax, range, and a one-hour instruction clinic with the club professional. A light box lunch will be provided prior to play with a cook-out meal at the end of play. Prizes will be awarded to winners and participants at the conclusion of the tournament.

[Register Here!](#)

For more Augusta, GA, attractions, visit the Augusta Convention and Visitors Bureau at <http://www.augustaga.org>.

Visit <http://www.asq.org/conferences/audit/program.html> for the complete conference brochure and register today.



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