

November/December 2003
Vol. 3 Issue 3

Main Topic for the November General Meeting: Macro-Asset Perspective

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Most people today practice the concept of “vertical diversification,” that is, diversification of risk. But risk allocation is just part of the story. This interactive presentation will help attendees discover the value of proper “horizontal diversification,” that is: diversification between tax treatments, the potential rewards associated with such a strategy and how to integrate the concept into their own personal planning.

Mr. Schechter and Mr. Orenstein will present the Macro Asset Perspective (MAP)[®], which gives a view on allocating assets across all types of investment vehicles. You will learn why you may want to defy your 401(k) handbook’s recommended principles of diversification. You will also learn how to best benefit from tax-advantaged products.

About our speakers ...

Scott Schechter is a Financial Adviser with Eagle Strategies, Inc. and an Agent of The New York Life Insurance Company. Scott has completed his Masters Degree in Economics from Northwestern University and his

MBA from the University of Chicago, and worked previously as an equities analyst, assisting in the management of a multi-billion dollar portfolio. Scott worked in the field of economics and finance for ten years prior to joining New York Life. The primary focus of Scott’s work today is advising executives and professionals on wealth building strategies with potentially lower risk.

Robert Orenstein is a Financial Services Professional with The New York Life Insurance Company and NYLIFE Securities, Inc. Following the completion of his MBA from the University of Wisconsin, Robert worked for 15 years as a corporate banker, negotiating multi-billion dollar transactions as an automotive industry specialist. Since joining New York Life in April of 2000, Robert has devoted his attention to meeting the financial needs of small businesses and families by designing alternative strategies for wealth building and asset protection.

Turn to page 5 for registration information.

Visit our website: www.asqchicago.org for more information on the Chicago Section

Nothing “Lean” about the Northern Illinois Quality Conference (NIQC) 2003

By: Ron Tozydlo

Although the theme of NIQC held on September 29, 2003 (with pre- and post-conference workshops on the day before and day after) was “Thriving in a Lean Environment,” the conference was anything but “lean.” That is, it exhibited the opposite of lean as defined by the Merriam-Webster Dictionary— “2: lacking richness, sufficiency or productiveness,” and “3: deficient in an essential or important quality...” Unlike these definitions of lean, the conference was both productive and high in quality.

With the widely recognized business definition of lean as “reducing waste,” the conference aligned itself well with Merriam-Webster’s first definition of lean: “1b: containing little or no fat”. Dr. Kenneth E. Case, President of the American Society for Quality, portrayed this focus in his Keynote 1 presentation on “Lean”ing on Quality. He presented implementing a systems approach to reducing waste by managing flow. This reduction in waste should not be limited to the flow of materials through production, but also to the flow of information from and to suppliers and/or employees that affect production. One of the memorable points he addressed was that American business knew of lean previously, but is only beginning to adopt it now. He quoted W. Edwards Deming (indicating that Deming slammed his fist on the table during a meeting with American management over 20 years ago): “you are supposed to eliminate waste!”

The Keynote 2 presentation by Timothy C. Preheim, Dean of the Stuart Graduate School of Business at the Illinois Institute of Technology, addressed the importance of leadership and developing a rationale for the “next sustainable opportunity” in quality for products and services. He stressed that every consumer now expects high quality and businesses must have an effective leader to identify and advance on opportunity.

Patrick Lucansky, Co-executive Director of Value Innovation Partners, presented the Keynote 3 address. His presentation entitled “Lean in Business” included some very relevant points on lean. A few of the more intriguing points illustrated that in general, approximately 95% of the time spent in manufacturing and delivering a product is non-value added, and about 75% of the time spent in office processes is non-value added. Traditionally, companies have focused on improving the 5% value-added resources by performing workshops, and automating processes, as examples. In the lean approach, companies focus on the 95% non-value added aspects.

After a delicious lunch that included a choice of a vegetarian dish or chicken vesuvio and roasted vegetables, the afternoon breakout sessions convened. Five tracks were offered: Lean Manufacturing, Information Integrity, Employee Satisfaction, Quality Standards and Tools, and Sustainable Business Performance. Each track included two presentation/discussion

sessions. Between sessions, refreshments and snacks that included fruit and cookies were provided.

Although I was not able to attend the pre- and post-conference workshops, I spoke to a few who had. All were extremely satisfied with the workshops. In particular, I spoke to a few people who attended the Lean Simulation Workshop on Sunday, September 28. They told me the hands-on learning experience was very stimulating and enlightening.

The three-day conference provided many opportunities for learning and networking. Its content on lean practices agreed well with Merriam-Webster’s first definition of lean: “containing little or no fat,” and undeniably the conference was “phat.” I look forward to attending next year’s NIQC.

Attention Readers:

Subscription to the newsletter is provided as long as your membership is registered with the Chicago Section. Your address and other contact information is maintained at the ASQ headquarters. Please contact them with any changes at:

ASQ

P.O. Box 3005

Milwaukee, WI 53201

or call Customer Service @ 800-248-1946.

The newsletter will be issued for: September, October, November/December, January, February, March, April/May, and June for the 2003-2004 year.

The Bulletin

Our first edition arrived at the ASQ meeting of February 2003. It was a response to a request of the Chicago Section ASQ Board. From time to time requests are made to contact the ASQ population. Rest assured your membership listing is safe with us! In an effort to help individuals contact our members “The Bulletin” has been established.

Who would want to recruit the services of “The Bulletin”? Well, those who would like our members to participate in surveys, job opportunities, seeking expertise, etc. For those interested parties we are pleased to introduce the Bulletin. Copies will be distributed at the ASQ General Meetings. Forward your requests to asq10@earthlink.net. Be sure to submit your request by the 1st of the month for inclusion at that month’s meeting.

It is required that you submit your requests, questions or supply as much information as possible. Be sure to include contact information, *including* a phone number, should we need to ask questions regarding your submission before printing and distribution.

New Statistical Software Course to be Offered this Winter at the Training Institute By: Ron Tozydlo

ASQ Chicago Section Institute for Quality Control Training is offering a new course on statistical software entitled *Software for Statistical Applications* beginning Tuesday, December 9, 2003 at Triton College in River Grove, IL. The class will meet for three hours from 6:30 to 9:30 p.m. each Tuesday for 10 weeks through February 24, 2003.

Only the first class will be held at Triton, the remainder of the classes will be held at QualiFine in Roselle, IL for hands-on learning. QualiFine's facility is equipped with a ceiling-mounted overhead projector and no-glare lighting allowing the instructor to present computer-screen demonstra-

tions to students. As the instructor demonstrates, each student will be seated at a computer workstation utilizing the same computer program as the instructor.

The software programs to be presented include Excel[®], but the course will mainly focus on programs such as Minitab[®], Statgraphics[®], Statistica[®], and DesignExpert[®]. Not only will generating analyses be emphasized, but also the interpretation of results.

Topics include:

- Analyzing data and using graphs such as histograms, box-plots, interval plots

- Pareto charts, cause-and-effect diagrams
- Probability distributions, t-tests, ANOVA, regression analysis
- Measurement system analysis (Gage R&R)
- Process capability
- Control charts
- Design of experiments (DOE), response surface methodology

The prerequisites for the course include computer knowledge in a Windows[®] based environment and the Chicago Section SPC III course. Visit asqchicago.org for registration.

Chicago Section 2003-2004 RECOGNITION & SERVICE AWARDS

Presented to the following individuals and organizations on October 8, 2003 at the Section General Meeting

Founder's Award

Kathleen M. Gearty

Kathleen Gearty was recognized for continuing contributions to the Quality Profession as Section Secretary, Chair of Several Committees and willing worker on behalf of Section activities.

Service Anniversary Awards

Presented to Chicago Section members who have now entered their 30th year of membership in the American Society for Quality (Control).

Frank D. Straka and Homer H. Turner, Jr.

Special Service Awards

For the year 2003-2004, the following individuals and organization were recognized for their contributions to Chicago Section activities:

Luke J. DiSilvestro, Mark Ehrlicher, Samuel Makwana, the Examination and Proctoring Committee consisting of: Joaquim Antao, James Calhoun, Huy Doan, Mark Ehrlicher, Sudhir Ghanta, Al Javier, David Kroman, Sean Mitus, Lisa Royal, Hari Soni, Christopher Trent, Bruce Wedeking, and the Management Association of Illinois

Meritorious Service Awards

The following persons have worked conscientiously in support of the Chicago Section's continuing programs of information and education. The cited enterprise expended diligent effort to assist administration of Section activities.

George Alukal, Lisa M. Royal, and the Four Points Hotel by Sheraton

Distinguished Service Award

Edward J. McCarthy

Thanks to the 2003-2004 Recognition and Awards Team:

William L. Lieberman, Chair, Jayne Leone, Maurice Maurer, Rama Shankar, and Raymond Wick

ADVANCE SESSION FOR THE NOVEMBER GENERAL MEETING: IMPLEMENTING AN EFFECTIVE RELIABILITY PROGRAM

Speaker: Ken Schmidt

The presentation establishes the single driving motivation of “Product Dependability” and outlines four fundamental elements of a successful reliability program. These fundamental elements are naturally supported by cross-functional management in such a manner that traditional reliability tasks and activities can now be cross-functionally understood and linked as value add. The net result is a decrease in O&M expenses, an increase in working capital, and an optimization of warranty and liability expenses, then in turn allows increased focus on market share and new growth opportunities.

Ken Schmidt is the founder and president of OPTIM Associates, Inc., a management and professional consulting company specializing in risk management and reliability performance solutions.

OPTIM Associates, Inc. improves corporate financial performance through product-focused and business systems enhancements without compromising efficiencies or FDA regulatory compliance. For each performance category—Risk Manage-

ment, Safety/Dependability, Assessments/Audits, and Incident Investigation—OPTIM solutions are specifically tailored for sustainable growth as well as robust remediation of FDA findings. Specific expertise includes, design controls, design validation, process validation, safety and risk assessments, product testing, CAPA, field surveillance, auditing, 510(k) submissions, warranty reduction, project management, business processes re-engineering, and change management.

Mr. Schmidt has 17+ yrs. experience in the quality sciences and over 10 yrs. experience solving problems for medical device and pharmaceutical companies. He has worked successfully with various regulatory agencies including FDA, CSA and TUV to obtain medical device and/or laboratory certifications. He is a Senior Member of ASQ and is certified by ASQ as a Reliability Engineer. Prior to founding OPTIM, Mr. Schmidt served in a variety of management and engineering positions with Baxter Healthcare, CR Bard, Nellcor Puritan-Bennett, and GE-OEC Medical Systems.

REGISTRATION INFORMATION PAGE 5

Voice Your Opinion on the Future of ASQ and the Quality Profession 30 Volunteers Needed

It is obvious the economy and our jobs are changing. Can you help ASQ determine what lies ahead for the people working in the quality profession and how ASQ can best serve them?

To gather this information, ASQ Headquarters is conducting a series of dialogues across the country in order to gauge “the voice of the member.” The goal is to engage you in dialogue that will feed into ASQ’s strategic planning process.

The session will cover topics such as those listed below:

Learn about and share input to help shape ASQ's "nNew" view of the future for Quality.

Understand/share how that view is shaping ASQ direction.

What is meant by ASQ's Living Strategy?

What does the Living Strategy mean to you (as a member)?

Engage in strategic dialogue about the most important questions to the future of quality, the quality profession and ASQ.

(Attendees will receive .3 CEUs)

The dialogue session will be held on:

November 19, 2003 from 6:00 to 9:00 pm

Management Association of Illinois

1400 Opus Place (5th Floor)

Downers Grove, IL 60515

To volunteer to attend this dialogue session or to request additional information, please contact:

Bob Gottel by phone at (708) 387-6160 or by e-mail at Robert.Gottel@gm.com

Lela Perteet at amoirie4@aol.com, or Jayne Leone at vcsectionaffairs@asq.org

Hurry to register!!!! Accommodations available for only the first 30 volunteers.

Library Programs at the University of Chicago and North Park University

The Board has voted to continue the Chicago Section’s corporate membership at the John Crerar Science Library, University of Chicago. Upon presentation of an ASQ membership card, Society members are allowed use of Crerar’s extensive collections and are also permitted access to the University’s Regenstein Library. These are research libraries and the materials do not circulate. The benefit of this membership is access to less common or scholarly books on quality not available at other libraries. There is an extensive magazine collection and access to the full-text articles from electronic magazines available in the U of C library system, (this includes “*Quality and Reliability Engineering*,” and “*Total Quality Management*,” to name a few). The library is located at 58th and Ellis, behind the bookstore.

In addition, the board reviewed the collections it owns and maintains at the Brandel Library of North Park University. The titles include: *Industrial Quality Control*, *Quality Progress*, *The Journal of Quality Technology*, *Quality Engineering*, and *The Quality Management Journal*. Again, be prepared to show your current ASQ membership card. This library is situated on the North Park University campus at the corner of Foster and Kedzie in Chicago.

November 12th General Meeting Agenda:

5:30-6:30 p.m.	Check-in
6:00-6:30 p.m.	Advanced Session
6:00-6:45 p.m.	Section business meeting
7:00-8:00 p.m.	Dinner

Location:

Manzo’s Banquets
1571 South Elmhurst (York) Road
Des Plaines, Illinois 60018
847-593-2233

Directions: From the north or from I-294: Take I-90 west. Exit Elmhurst Rd. north. Go past first light (Oakton). Manzo’s is located on the right.
 From the west: Take I-90 and exit Arlington Hts. Rd. Turn right. Left at Higgins (Rt. 72). Left at Oakton. Left at Elmhurst Rd. Manzo’s is located on the right.

Cost: Preregistered members, \$25; preregistered nonmembers, \$30;
 (Price on night of the dinner for walk-ins: members, \$30; nonmembers, \$35)

- **Registration by phone:** Make your reservation by calling 847-358-7000 by *Friday, October 3rd, before 5:00 p.m.* Leave a message as directed if no one is available to take your call. Please include your name, company name, whether or not you are an ASQ member, a return phone number, whether or not you are bringing guests, (and if so, their names and membership numbers if applicable). You can also save some time at the registration table by including your credit card number with your phone registration. Visa, MasterCard, and American Express are accepted. *The Discover card is not accepted.*
- **Registration on-line:** Go to <http://asqchicago.org/onlinereg.htm>, complete the required information.
- **Registration by FAX:** Use form below.

(Registrations received after the deadline are subject to availability. If you wish to attend without dinner, there is no charge. Additionally, special provisions are available for unemployed members. Please address questions to James Persaud at 847-982-1786, or by e-mail at jimsaud@aol.com.)

Fax Registration Form for November General Meeting at Manzo’s in Des Plaines

Name: _____ Company Name: _____

Return Phone Number: _____ Membership Number (if applicable): _____

Number of Reservations: Member _____ Non-member: _____

Additional Requirements: _____

Fax your form to ASQ at: 847-202-0590

New Course: “Tolerance Design for Developing Optimal Specifications”

By: Ray Wick, Master Black Belt and
Chicago Section Director

Training Institute will offer this new class in December. The course is a comprehensive study that addresses the analytical and experimental methods available for the development of tolerances.

Course content is fairly broad in scope. It reviews the three initial phases of the product-development process, where tolerance development resides as the final cost-versus-quality balancing process. It explains, in detail, how tolerances design relates to concept design and parameter design. It also relates the tolerance design process to many other engineering and product development tools and tasks, including reliability growth activities. All the basic analytical methods that exist in modern and traditional tolerancing techniques are covered. The course rigorously examines the latest experimental methods that can be employed in the tolerance design process.

This course will illustrate how to balance product cost and quality. Great emphasis is placed on how the engineering and manufacturing teams must work harmoniously and concurrently to develop optimal tolerances. The course will instill a philosophy that tolerance development is as much about cost optimization as it is about functional integrity.

Today’s world is so competitive there is simply no way to keep our industries economically viable by using the same ad hoc engineering processes that have evolved over the past 50 years. In the United States, the traditional approach to tolerancing has been primarily in the domain of designers and drafters as opposed to that of new product development engineers. The engineering focus has emphasized defining the nominal set points at which the part or design functions correctly. The designers are frequently left to finish the job by defining the tolerances and

then properly communicating them to the appropriate manufacturing personnel through drawings or specifications documents. Regardless of who established the tolerances, what is important is the tolerancing definition PROCESS! Optimized tolerances are critical to the successful manufacture and performance of the product over its intended life cycle.

With this in mind, a major focus in this course is given to the disciplined methods of quality engineering as defined by Dr. Genichi Taguchi. His unique contributions to tolerance literature include the application of orthogonal array matrix experiments – complete with stressful noises, ANOVA data decomposition, and the quality loss function. The class will provide a way to bring the design into production with a deliberate, balancing process to be sure both the customer and the corporation have the right quality and cost designed INTO the product.

As in all engineering tasks, the need for a disciplined process is essential to assure that the life cycle cost goals, including the customer’s cost goals, are actually met. To this end, the overall tolerancing process is important. It is too important to be left as a detail that receives little or no serious thought until a project is nearly ready to go into production. It is a deliberate set of steps that are as critical as concept design and parameter design. Detailed procedures are necessary to perform tolerance design on components, having first undergone parameter design. These are thoroughly documented and flow-charted, as is the process of performing tolerance design on components that are not robust and need improvement.

This course is also about matching the designed tolerances with manufacturing processes that are capable of economically producing parts or components that maximize quality and minimize loss over the life of the product. Considerable material is presented to provide a strategy for attaining six-sigma level part quality.

Note: Portions of this article are paraphrased from, “*Tolerance Design: A Handbook For Developing Optimal Specifications*,” by C. M. Creveling.

RECERTIFICATION

While there are guidelines and requirements to meet in order to maintain your certifications, business cutbacks, layoffs, unemployment, training budget cuts, etc., should NOT interfere with your recertification efforts. Before you abandon your recert effort or feel that you won’t qualify, please contact :

Recert Chair, Ed McCarthy, CQE at
emccarthy@methode.com
or call (708) 457-4066 (daytime).

Ed has the most up to date news and

changes in Recert rules and can broadly interpret them to help you recertify. Ed reviews all recert submissions and makes all recert decisions for Chicago Section members.

His mission as Recert Chair is to make the process easy and fruitful for ALL Section 1201 members. In the past two years, not one member who wanted to maintain their certs has lost their credentials. Even in special cases submitted by Ed during the past two years, ASQ Headquarters in Milwaukee has not rejected one. (Ed, you should be an attorney!)

There are ways to earn points that you

may not be aware of. Ed has helped many of our members salvage what initially appeared to be a lost cause and helped them maintain their certifications.

Have you let a certification lapse in the past year or so and wondered if anything can be done? Contact Ed. If you are short credits and your recert is about to lapse, contact Ed. If you think you have no credits, contact Ed. Ed is here to help you maintain what you worked so hard to obtain.

Next issue be sure to read about “Upgrades.

Winter 2003 / 2004:

Monday Evenings—December 8–February 23

- #019 Tolerance Design
- #033 Design of Experiments II

Tuesday Evenings—December 9–February 24

- #003 Intermediate Statistical Process Control II
- #036 Software for Statistical Applications
- #044 Certified Quality Technician / Certified Mechanical Inspector Exam Review

Saturday Mornings—December 13–February 28

- #003 Intermediate Statistical Process Control II
- #007 Geometric Dimension and Tolerancing
- #014 Quality Cost Management
- #039 Six Sigma II: Laboratory
- #042 Certified Quality Manager Exam Review
- #063 Quality Auditing II: Laboratory



All Monday Evening Classes: Management Association of Illinois, Downers Grove—6:30–9:30pm

All Tuesday Evening Classes: Triton College, River Grove—6:30–9:30pm

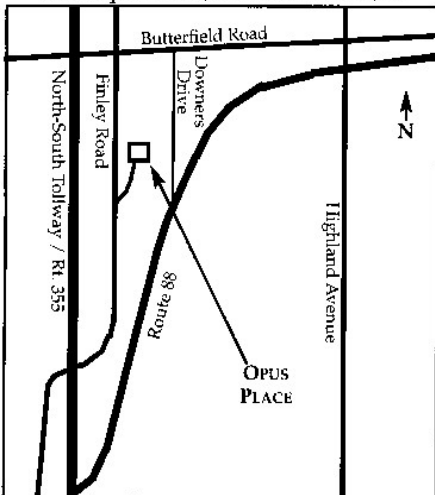
All Saturday Morning Classes: Harper College, Palatine—9:00am to 12:00 noon

REGISTRATION INFORMATION:

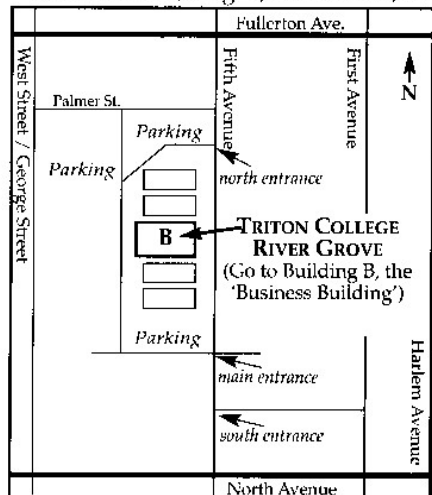
- ▶ Advance Registration is advised, and **payment must be received with application.** If you are an ASQ Member, bring your Membership card to Registration, for the discount.
- ▶ **No course confirmation notices will be sent to applicants...** you will be notified if a class is full or will not be held. You will receive a receipt at the first class.
- ▶ On-site Registration is held on the first class session—at 6:00pm Monday and Tuesday, and 8:30am Saturday.
- ▶ Please do not contact the schools, as these courses are offered by the ASQ Chicago Section Training Institute and are not associated with programs at The Management Association of Illinois or Harper or Triton Colleges.

- ▶ The difference between the Member and Non-Member Course Fee may be applied—through the 4th class session of each course—toward a Membership in ASQ. (Applications available during class periods; return completed applications to the Site Manager for processing.)
- ▶ The Training Institute reserves the right to cancel courses and to limit enrollment in any course. There is an enrollment minimum of seven (7) per course.
- ▶ In-Plant Training: Companies may take advantage of any of these courses for In-Plant Training. For information, contact Jack Blazejak at jblazejak@orbital.com or at (630) 881-3216.
- ▶ ASQ Chicago Section Members can take Management Association of Illinois courses (Leadership, Supervisory, Human Resources, etc.) at their membership rates. Visit their website at www.HRSources.org for more information.

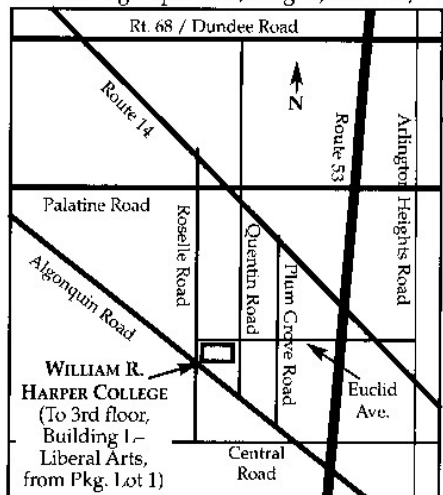
The Management Association of Illinois
1400 Opus Place, Downers Grove, IL



Triton College River Grove
2000 Fifth Ave., Bldg. B, River Grove, IL



William Rainey Harper College
1200 W. Algonquin Rd., Bldg. L, Palatine, IL



For information: (800) 422-2478

Student Application

(Please print clearly!)

Preferred Mailing Address:

- Home Work

Payment must be received with Application. Remember to include ASQ Member Number to receive Course Fee Discount. Since class enrollment is limited to 30, **Advance Registration is advised.** For this school year 2003/2004, an advanced registration discount of \$25 per course can be realized if registrations are received prior to the first day of class. Students can also realize a multi-course discount of 5% for two courses within the same year and 10% for three courses. Discounts apply only to the current school year. Subject to classroom space, on-site registration will be accepted the first day of each class. Please note that **no confirmation will be sent.**

NAME (Last, First, Middle)	SOCIAL SECURITY NO.	EMPLOYER
HOME ADDRESS	HOME TELEPHONE NO.	BUSINESS ADDRESS
CITY, STATE, ZIP	BUSINESS TELEPHONE NO.	CITY, STATE, ZIP
COURSE: NUMBER & TITLE	COST: \$	FAX NO.
CLASS DAY: <input type="checkbox"/> MONDAY <input type="checkbox"/> TUESDAY <input type="checkbox"/> SATURDAY	ASQ MEMBER? <input type="checkbox"/> YES <input type="checkbox"/> NO	PLEASE CHARGE MY: <input type="checkbox"/> American Express <input type="checkbox"/> VISA <input type="checkbox"/> MasterCard
CLASS TERM: <input type="checkbox"/> FALL <input type="checkbox"/> WINTER <input type="checkbox"/> SPRING	MEMBER #	# _____ EXP. DATE: _____
		SIGNATURE: _____

Mail Application with Check or Credit Card information to: Chicago Section ASQ, P. O. Box 2008, Northbrook, IL 60065-2008, or Fax with Credit Card information to (847) 272-7717. (No purchase orders accepted.) Please note that no confirmation will be sent to applicants—we will notify you if class is full.

This area is for the postal information and remains blank

Scheduled Programs for 2003-2004 <i>Do you have questions regarding the meetings ? Please contact James Persaud at: 847-982-1786 Registration information and FAX form is on page 5 And when your newsletter isn't at hand visit us on the web!</i>	Date	Location	Program Topics Main Meeting / Advance Session
	September		Lean Manufacturing/ Presentation of the Chicago ASQ and SPE Boards
	October		Personal Quality Improvement/ Recognition and Awards
	11/12/03	Manzo's, Des Plaines	Macro-Asset Perspective/ Implementing an Effective Reliability Program
	1/14/04	Steven's Steakhouse Elmhurst	Education Night sponsored by the Training Institute
	2/11/04	Manzo's, Des Plaines	Job Panel/ Preparing for the Unexpected
	3/10/04	Maggiano's, Oak Brook	Building Personal Resilience/ ISO/TS 16949
	4/14/04	TBA (Joint session with Illiana Section)	Quality Software Creation/ Stress Management
	6/04	TBA	Joe Lisy Awards Dinner