Purpose Driven Lean

Lean Transformation Summit 2016
March 17-18, 2016

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OUR PURPOSE

Let’s go to gemba and focus on Guru’s closing thoughts:

“START BY CHANGING HOW PEOPLE BEHAVE – WHAT THEY DO” – John Shook

- Old Model: Change Thinking to Change Behavior
- New Model: Change Behavior to Change Thinking

FOCUS ON ECONOMIC VALUE AND BENEFIT REALIZATION

- Measure the baseline Productivity, Quality, and Labor Costs
- Make key metrics visible and embed them into the day-to-day operations

LEAN SUSTAINABILITY REQUIRES A LEAN MANAGEMENT SYSTEM

- Difference between Lean Production and Lean Management
- Accountability and Visuality

Nationwide Lean IT Associate Experience (Video)

TECHNOLOGY AT NATIONWIDE

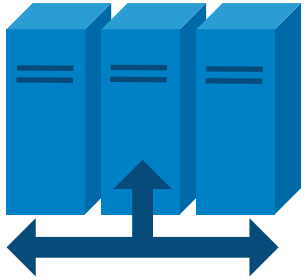
$1+
BILLION
ANNUAL IT SPEND

35,000+
PERSONAL COMPUTERS

9,000+
IT WORKFORCE

PREDOMINANTLY IN-HOUSE

10,000+
PHYSICAL & VIRTUAL SERVERS



~8 PB
IN STORAGE

WHAT IS LEAN IT?

All applications of lean thinking, principles, methods, and tools in the world of information management and technology. **Lean IT** is a new way of leveraging technology to engage people, improve process, and solve problems.

Source: *Lean IT*, Bell and Orzen

WHAT LEAN IT LOOKS LIKE TO US

TRADITIONAL SYSTEMS	LEAN SYSTEMS
Authority	Responsibility
Results focused	Process focused
Expert “staff” functions	Expert workers
Jump to solutions	Root cause problem solving
Corner office management	Go see management
Report analysis (delayed)	Visual management (real-time)

Nationwide
Lean IT Journey
Caution! Integration Ahead
140
Lean and/or Agile Teams
2014
C-Suite
2012
Lean
App Maintainence
Lean Leader Academy
2004
4 Agile Teams
Agile in all major IT units
2007
Nationwide.com goes Agile
Lean to scale Agile
6 teams grows to 30 teams
2002
1st Agile Team

OUR BELIEF SYSTEM

We are a **PEOPLE** organization

THE KEY TO OUR SUCCESS

OPERATIONAL EXCELLENCE
is in our **DNA** which means…

A culture of quality, predictable delivery, and continuous improvement

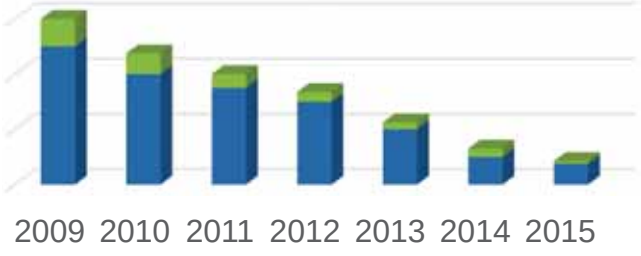
COMPETITIVE advantage through **PROCESS**

VISUALITY

1. **Draws** people to the Gemba
2. **Everyone** has the same view of current state
3. **Drives** transparency and accountability

REAL RESULTS

Critical and High Defects



Nationwide used lean to massively scale agile software development beginning in 2009. Quality results have been staggering in the years since.

At the same time our **lean journey** has made the way we maintain applications more efficient and effective leading to **massive annual savings.**

$31M
ANNUAL SAVINGS

LET'S TAKE A WALK AT **NATIONWIDE'S HEADQUARTERS** IN COLUMBUS…

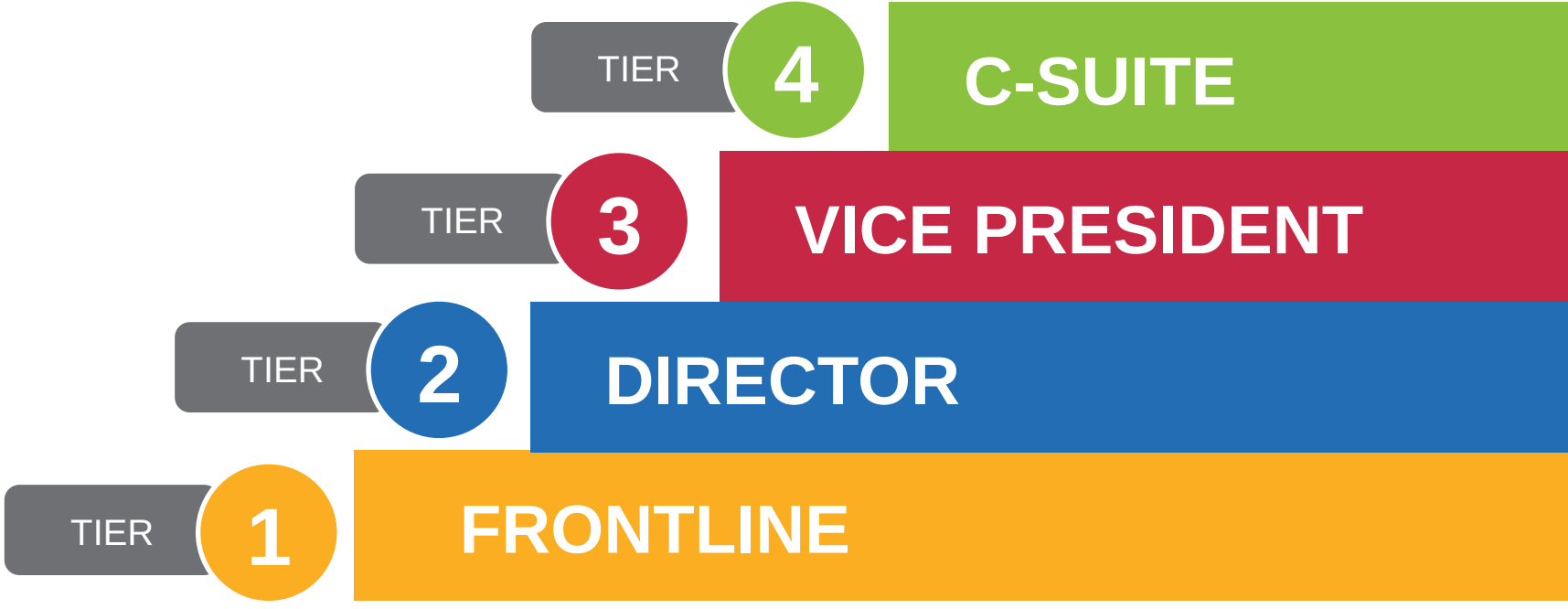
PRODUCTION SYSTEM

PROJECT AND PROGRAM DELIVERY

HELP DESK

LEAN MANAGEMENT SYSTEM

FOUR TIERS FOCUSED ON BUILDING LEAN LEADERS

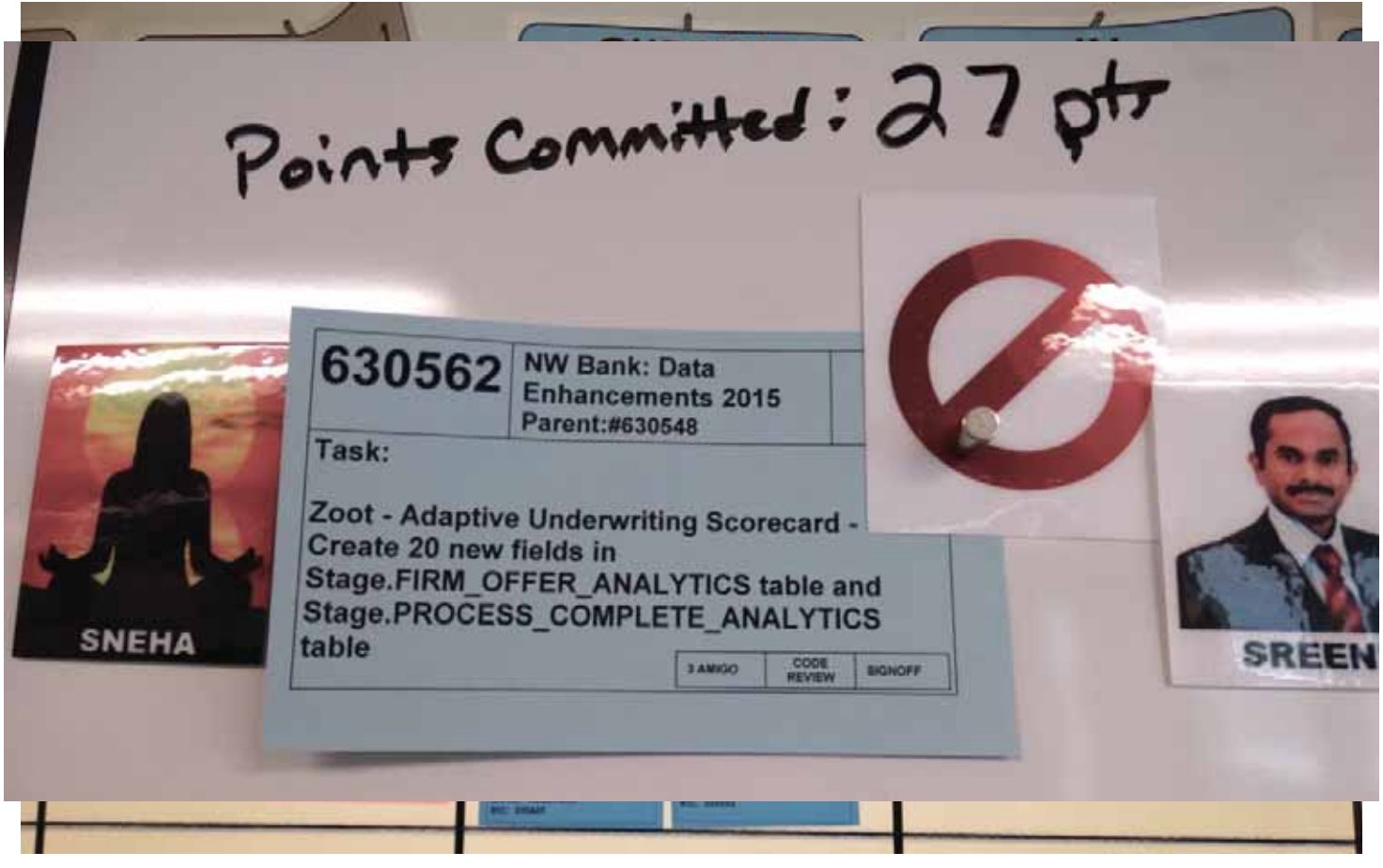


Tier I Lean Management System (Video)

LEAN MANAGEMENT SYSTEM

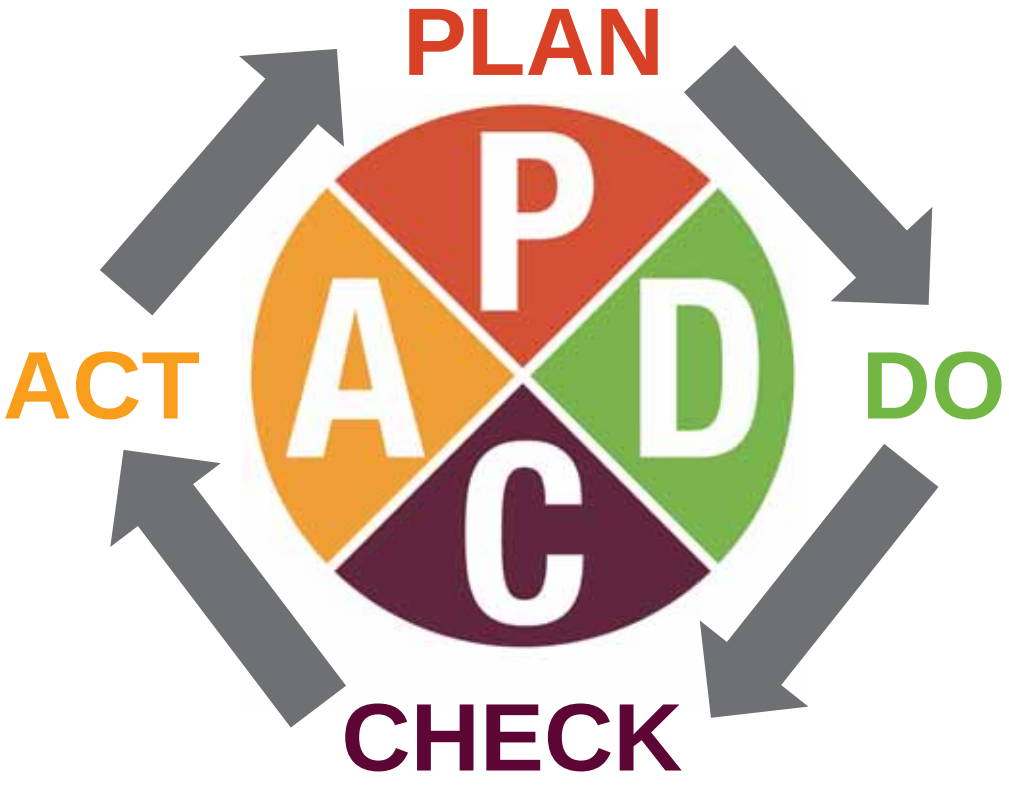
Source: *Creating a Lean Culture*, David Mann

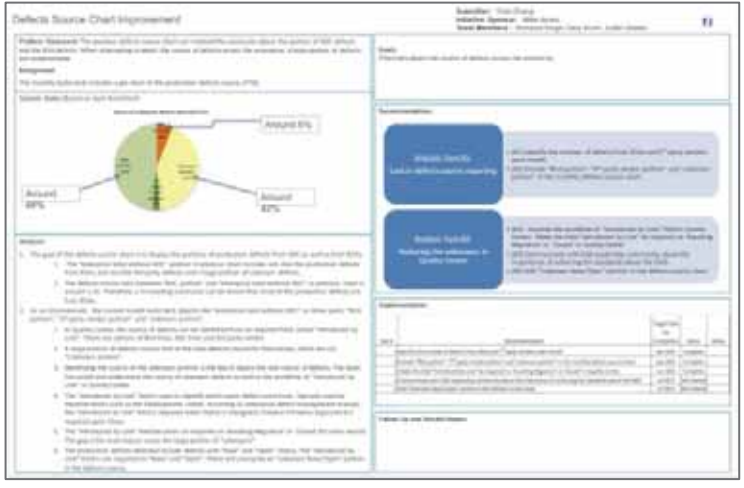
PROBLEM!

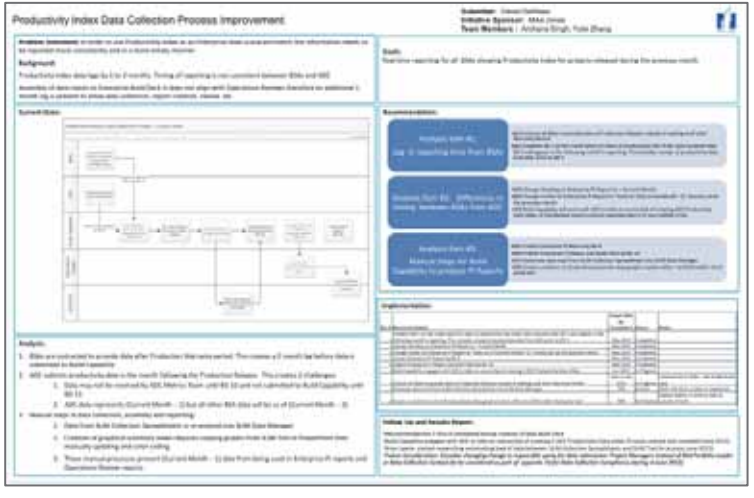

Points Committed: 27 pts
630562
NW Bank: Data Enhancements 2015
Parent:#630548
Task:
Zoot - Adaptive Underwriting Scorecard - Create 20 new fields in Stage.FIRM_OFFER_ANALYTICS table and Stage.PROCESS_COMPLETE_ANALYTICS table
3 AMIGO
CODE REVIEW
SIGNOFF
SNEHA
SREEN

Tier II Lean Management System (Video)

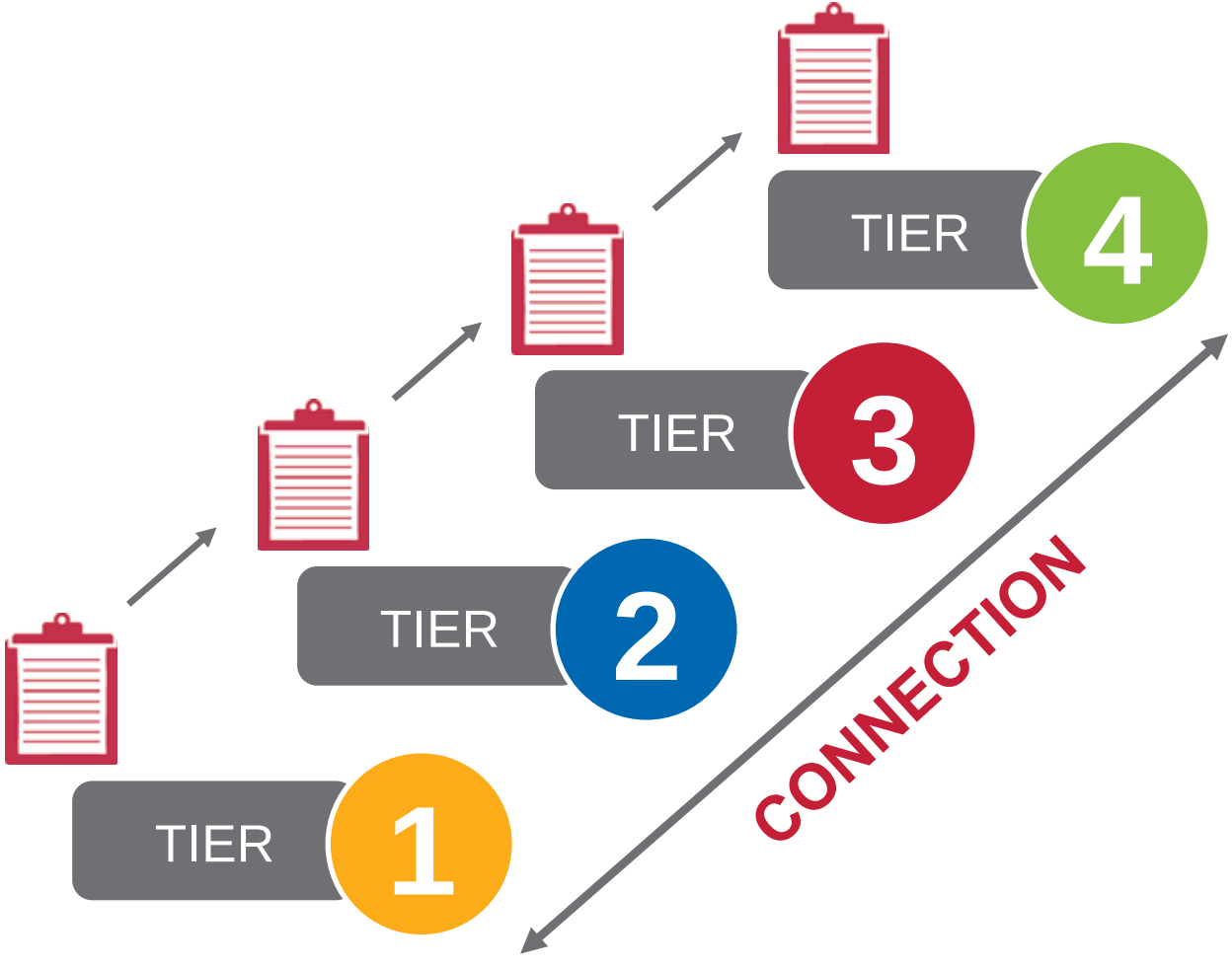
LEAN MANAGEMENT SYSTEM



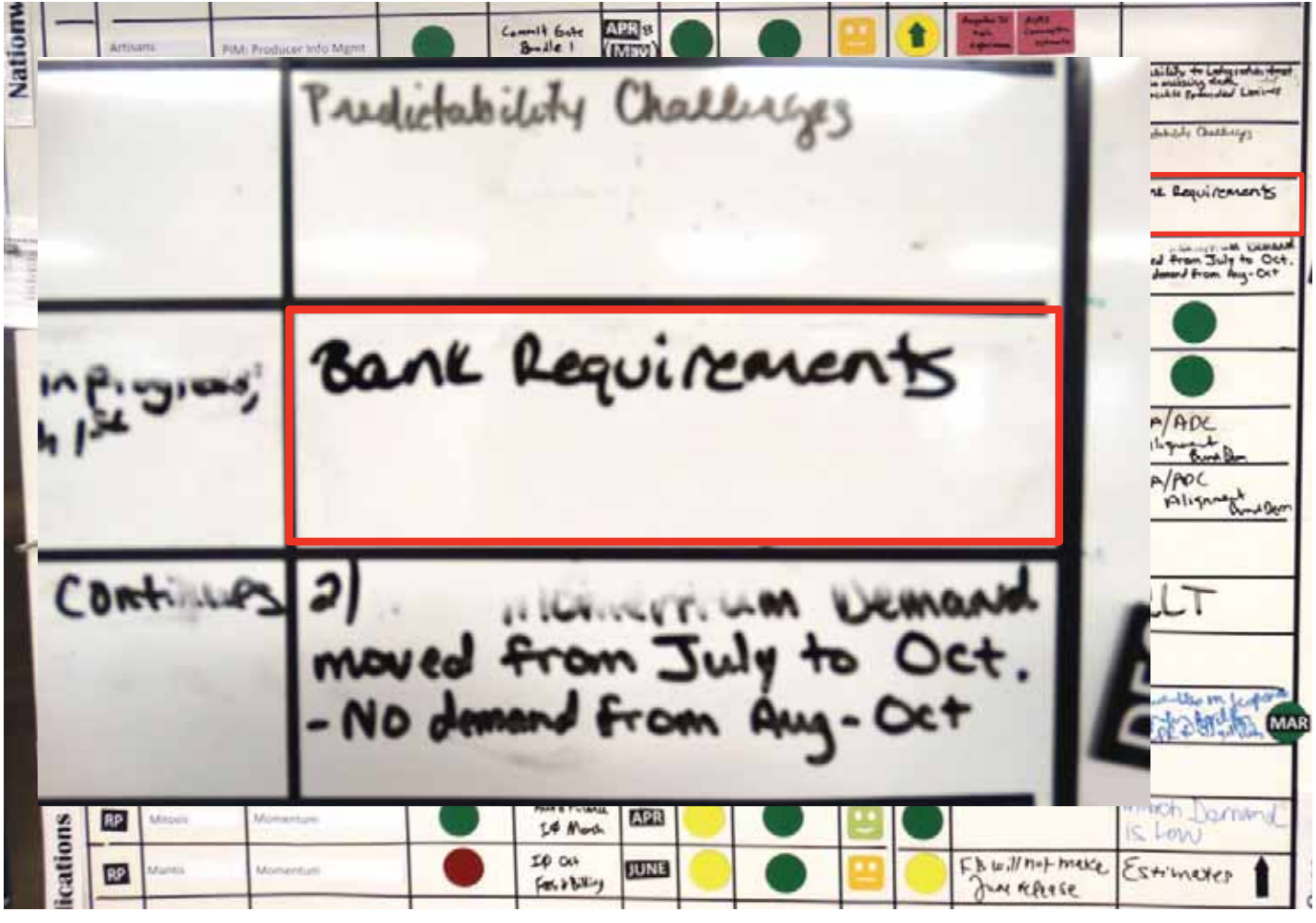




ROLLED UP METRICS



PROBLEM!


Predictability Challenges
Bank Requirements
2)
moved from July to Oct.
- No demand from Aug - Oct

Tier III Lean Management System (Video)

LEAN MANAGEMENT SYSTEM

REAL TIME MANAGEMENT

MODELING BEHAVIORS

LEADER STANDARD WORK

NATIONWIDE LEADER STANDARD WORK
EXAMPLE- BUILD CAPABILITY

Build Capability Leader Standard Work **Name Tom Paider Date Sept 10, 2014**
Version 2.2

Daily (more than once a week)	Intent	How (Optional)
1. Attend my mgmt. standup meeting	Accountability and escalation	At visual boards, follow posted standard work for standups
2. Meet with admin	Alignment and prioritization	In office: review schedule and outstanding action items
3. Review Omnifocus	GTD system	At computer or mobile device
4. One coaching opportunity	Staff Development	Find one coaching opp per day

Weekly	Intent	How (Optional)
1. Meet with Operations Leader	Alignment and prioritization	In office: review standardized items with OL
2. Gemba Walk w/ one area	Go see, ask why, show respect	**Use cadence calendar
3. Book Club	Continuous Learning	Learning Session
4. Attend CTO Standup	Current State, Accountability, Escalation	At CTO visual board
5. Personal Reflection	Personal Improvement	15 minutes – end of week

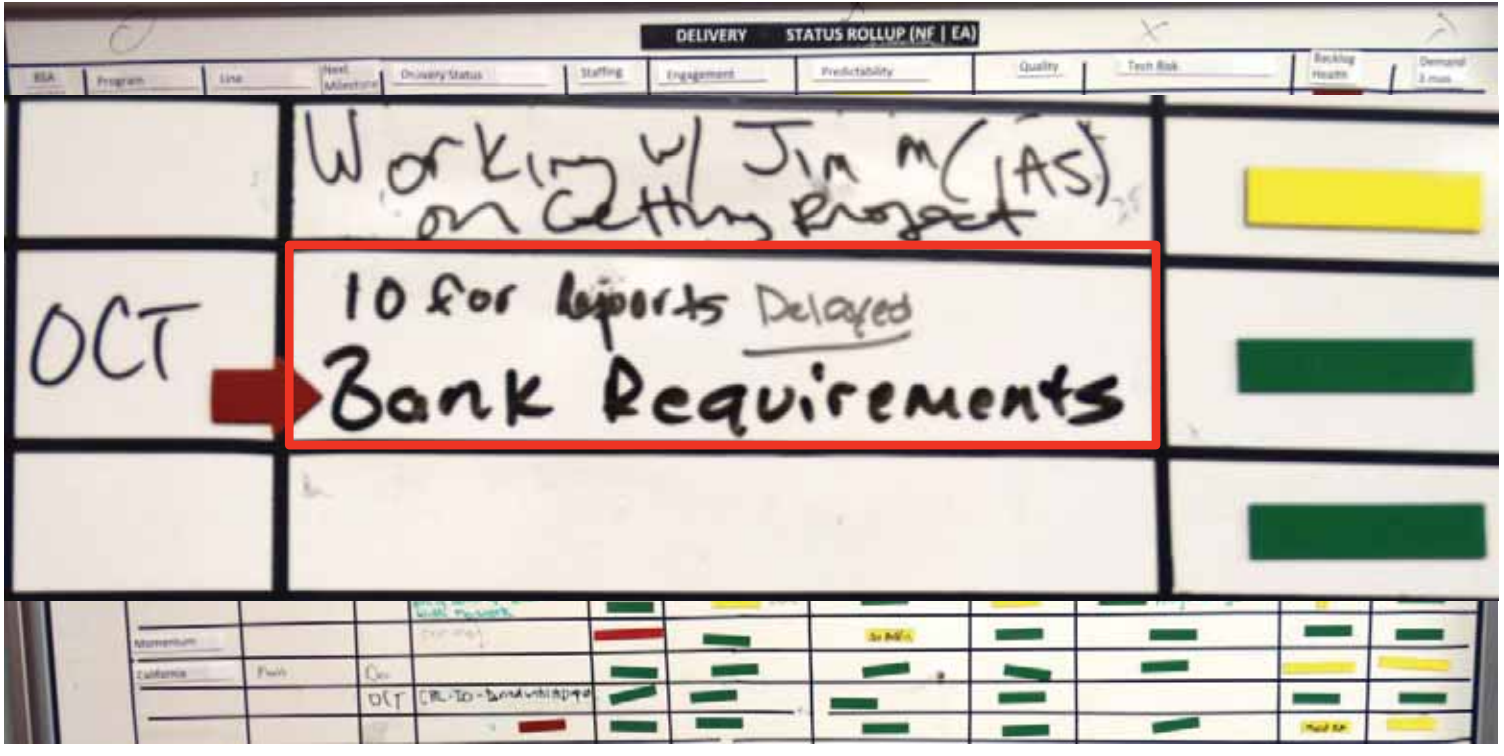
Bi-Weekly	Intent	How (Optional)
1. Operations Stand Up	FORWARD looking view of operations	At operations visual mgmt. system
2. 1:1 Meetings w/ direct staff	Development and Coaching	Checksheet: Review Std Work

Monthly	Intent	How (Optional)
1. Lean Leadership Team	Enterprise Lean Alignment	Executed by BTO
2. Build Capability Strategy Check	Align priorities with strategy	Review of strategic plan to current

Leader Standard Work applies across Nationwide IT

Formats can vary but the intention remains the same – a focus on value-added work, people development, and process improvement

PROBLEM!


DELIVERY STATUS ROLLUP (NF | EA)
OCT
10 for Reports Delayed
Bank Requirements

Tier IV Lean Management System – C-Suite (Video)

CIO STANDARD WORK REVIEW & TRACKING

WEEKLY	Q1-2016											
	Jan-2016				Feb-2016				Mar-2016			
	week 1	week 2	week 3	week 4	week 1	week 2	week 3	week 4	week 1	week 2	week 3	week 4
Programs & Project Delivery												
Lead & Manage Change												
Associate Connections												
Business Management												

MONTHLY	Jan-2016	Feb-2016	Mar-2016
Help Desk Operations			
Coach Direct Reports			
Review Delivery Practices			
Relationship Management			
Contribute to Nationwide IT Strategy			

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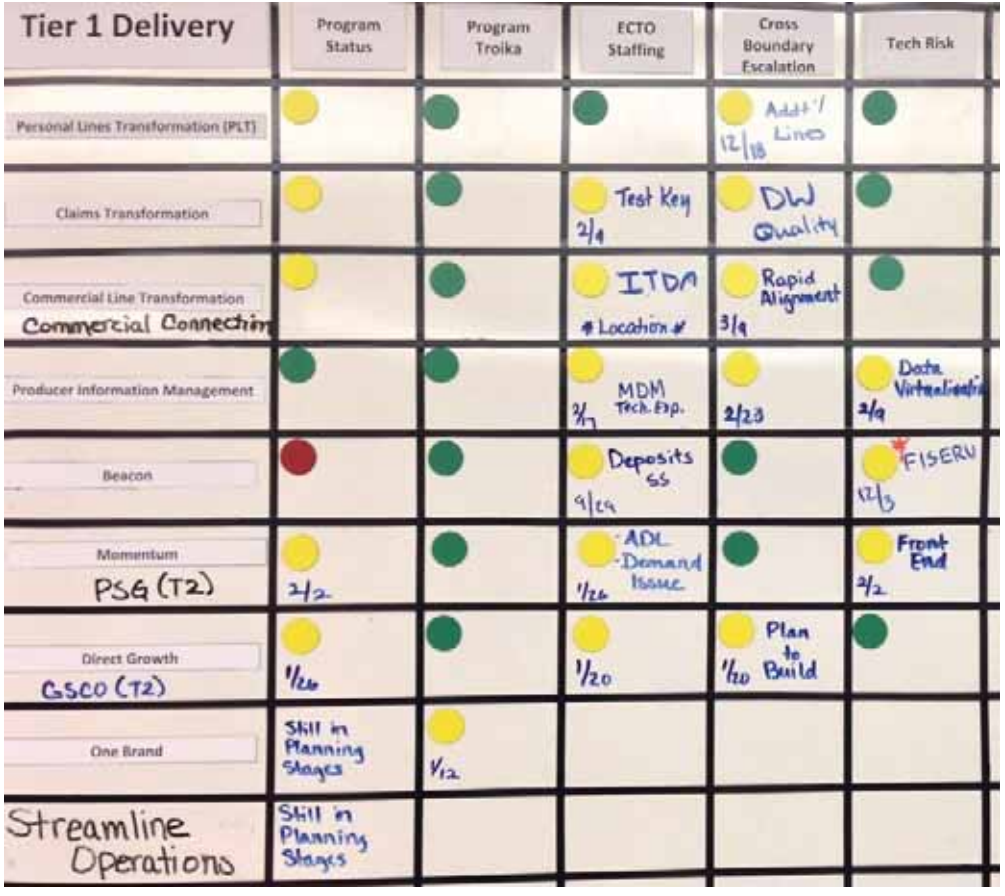
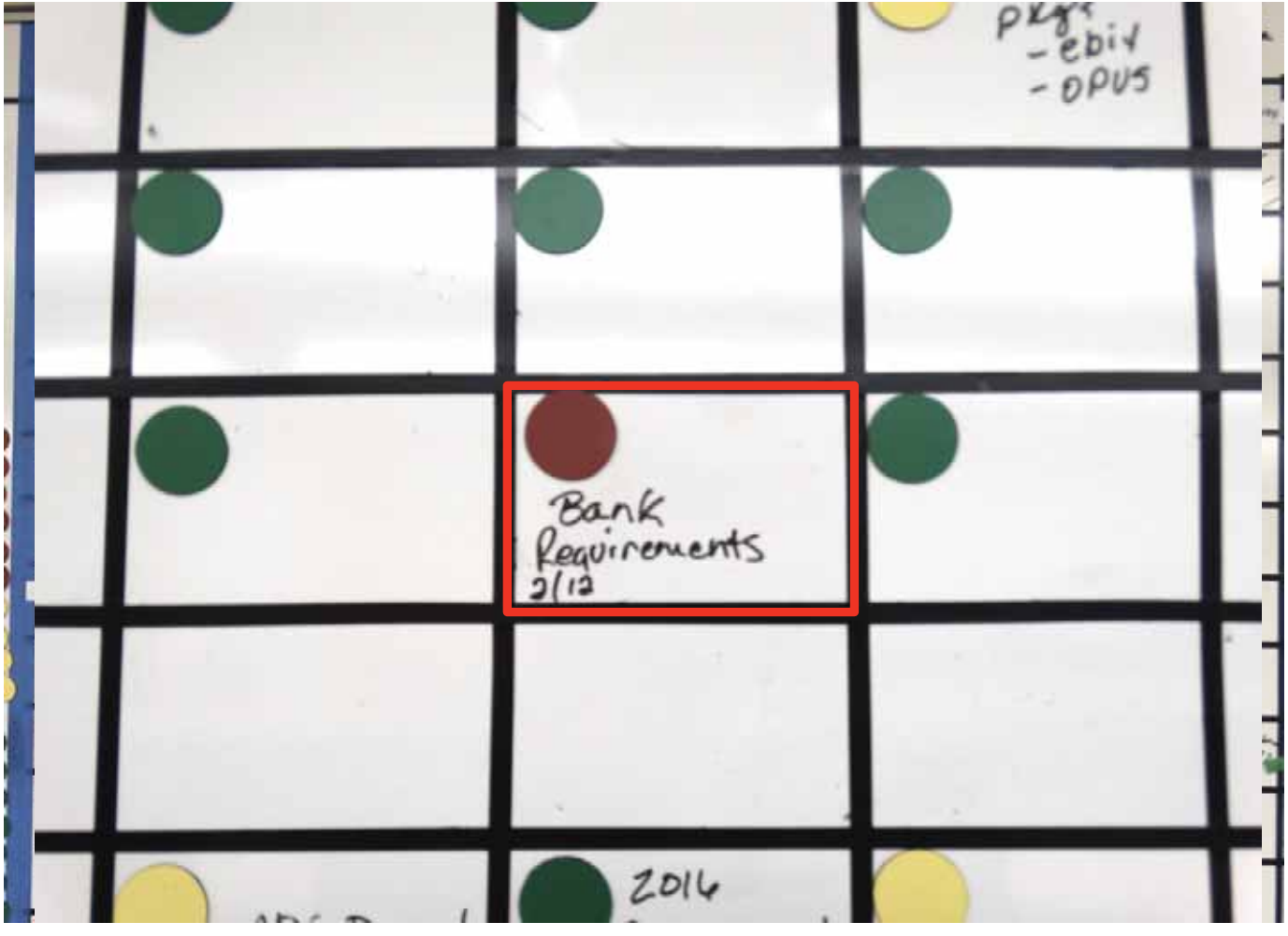
VISUAL MANAGEMENT ROOM

VISUAL MANAGEMENT SYSTEM:
PROGRAM & PROJECT DELIVERY



VISUAL MANAGEMENT SYSTEM:
ACCOUNTABILITY BOARD

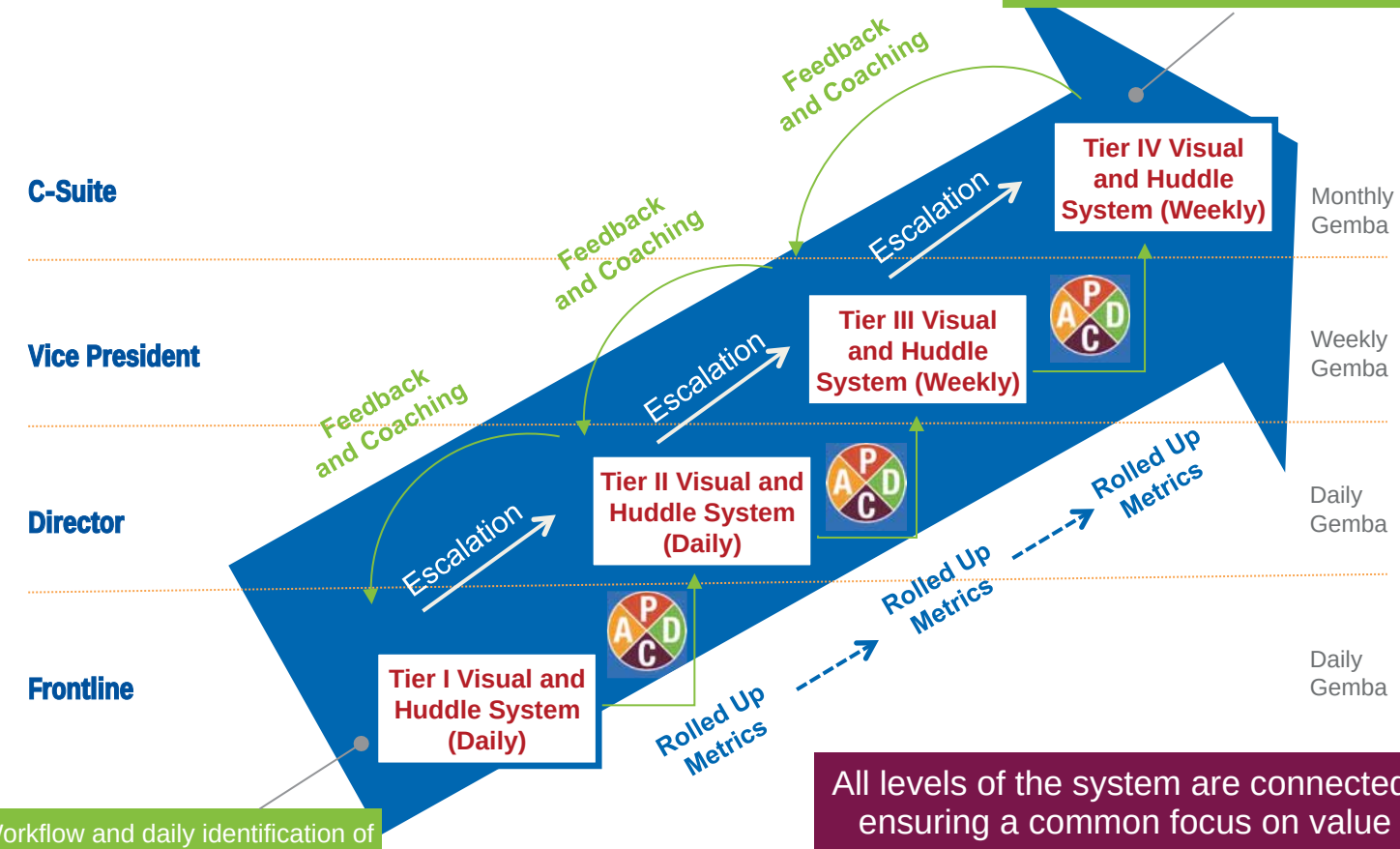
PROBLEM!



A FOUR-TIER MANAGEMENT SYSTEM

SUSTAINING THE LEAN TRANSFORMATION AND ENABLING REAL-TIME MANAGEMENT

Review of strategy, escalated items, longer term trends, and continuous improvement opportunities.



Workflow and daily identification of key actions needed to address previous days issues and prevent reoccurrence

All levels of the system are connected, ensuring a common focus on value delivery, employee engagement, and problem solving

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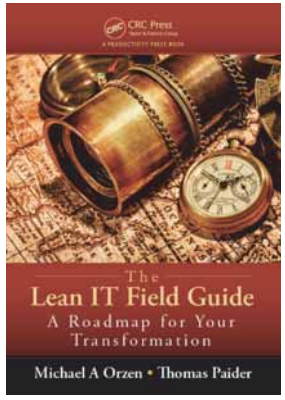
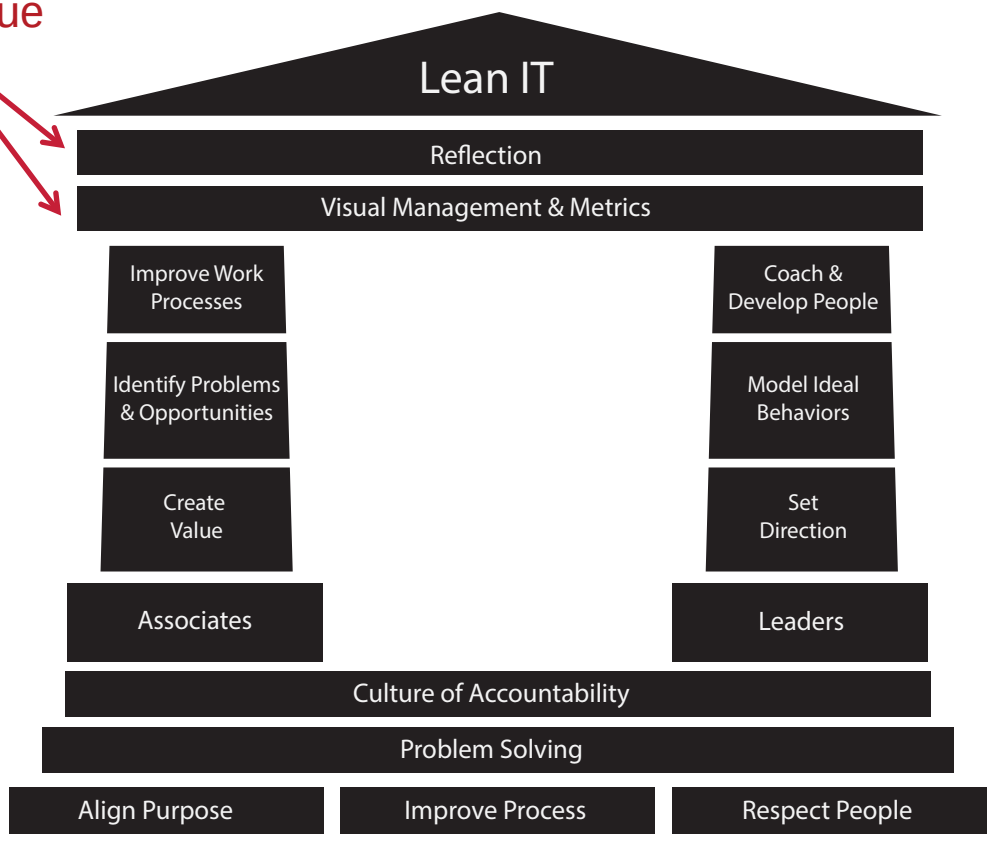


Super Glue



Lean "Production"

Lean Management

Foundational Elements

QUESTIONS?

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