Nationwide's Journey to Agile\Lean Delivery

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Agilelowa Meeting

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Who We Are



WE ARE A STRONG MUTUAL COMPANY **BUILT TO SERVE OUR MEMBERS**

16+
MILLION
POLICIES

\$195.2 BILLION IN ASSETS



\$25.3 BILLION IN REVENUE FOR 2014

33,000 Nationwide associates serve customers in every state



FOUNDED IN 1926

BY MEMBERS OF THE OHIO FARM BUREAU

\$ 345

CONTRIBUTED TO NONPROFITS AND COMMUNITIES SINCE 2000

PET INSURER & SMALL BUSINESS INSURER

th

LARGEST

COMMERCIAL

INSURER

#85

ON THE FORTUNE 500 LIST

FORTUNE 100 BEST COMPANIES TO WORK FOR

7th 8

LARGEST LARGEST AUTO INSURER

IN THE U.S.

ADC Services

The Application Development Center (ADC) partners with Business Solution Areas (BSA) to deliver high quality software solutions, and provides consulting services for various technology domains.

Software Development

 Leads and executes the design, development and implementation phases for programs and projects across various technology domains

Technical Domains

 Provides expertise in a broad range of technology domains which can be leveraged across all of our engagement models

Flexible Engagement Models

- Programs and Projects typically build work greater than \$500k
- Bundled Demand bundled work for a single BSA
- Fractional Ownership same asset or technology impacting multiple BSA's
- Technical Consulting delivery and software engineering consulting

450+ PRIMARY IT Professionals **LOCATIONS** Des Moines Columbus IΑ Scottsdale



- Transactional Systems: Java, Cobol, .Net
- Mobile & Web: Java, Grails, Cold Fusion, Worklight, .Net
- Data: Data Provisioning, MDM, Big Data
- Package: Guidewire, Salesforce

Test Automation: Ruby, QTP

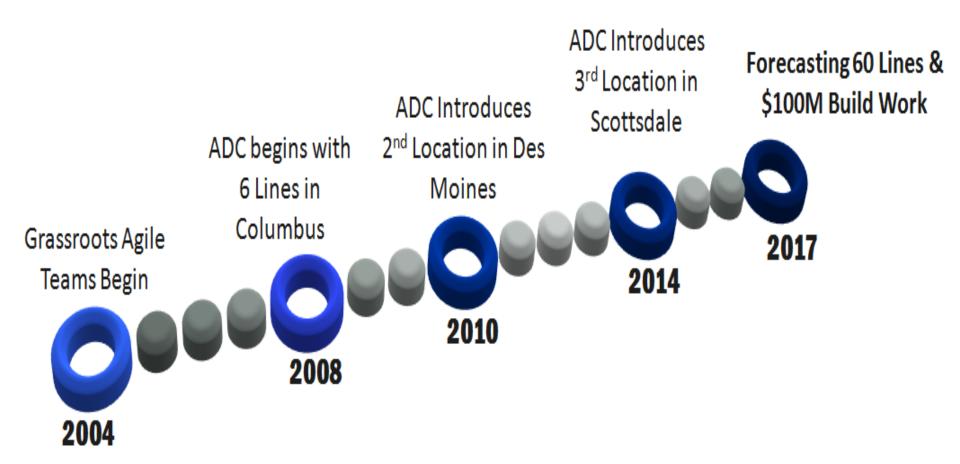
Rules / Workflow: ODM, BPM

SOA: EJB, Java, Grails

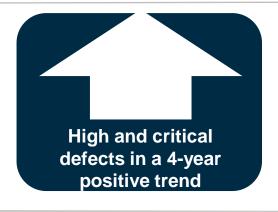
Reporting: Business Objects, MicroStrategy

CMMIDEV/3°

ADC Milestones



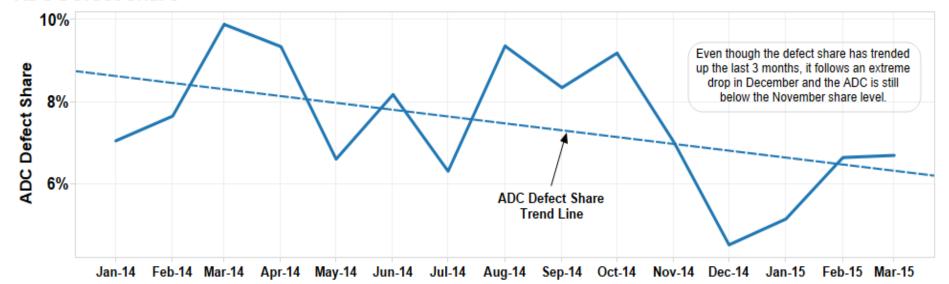
Real Results







ADC Defect Share



What We Learned on our Journey



Key Focus Areas

1) Establish and Teach Lean\Agile Mindset

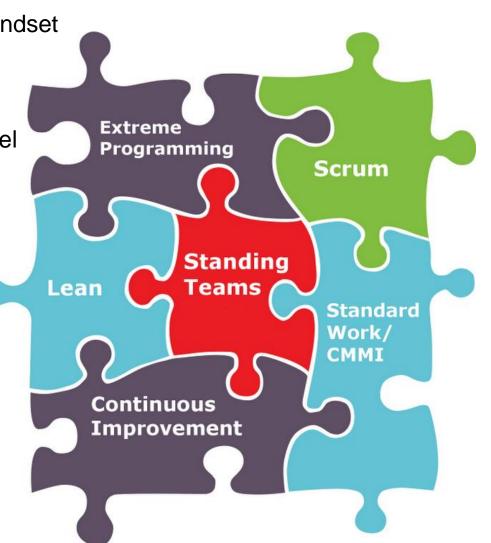
2) Create a Visual Environment

3) Build a Foundational Delivery Model

4) Define Core Standards

5) Maintaining the Mindset in Run

6) Continuously Improve



What is Lean?

Lean is a holistic system derived originally from manufacturing philosophies. It was first implemented in the Toyota Production System. Lean thinking and tools have been applied to various industries, including knowledge work, to efficiently deliver increased value to customers.



Lean is:

- An idea to maximize customer value, while minimizing waste
- Creating more value for customers with fewer resources
- Empowering our associates to rapidly solve problems and continuously improve

Lean at Nationwide IT

Nationwide IT is a leader in the deployment of Lean IT. Our use of Lean to scale agile development teams through the Application Development Center is industry leading. We are the primary benchmark for large non-technology companies looking to create world-class Agile capabilities. We have hosted more than 100 companies from across the world, who are looking to duplicate our success. This collaboration allows us to showcase Nationwide and continue our own improvement journey.

2 - Create a Foundational Delivery Model

EATING A

DAVID MANN 配路

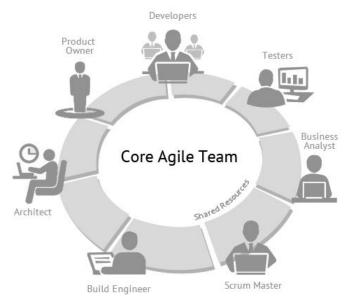
SECOND EDITION

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

2 - Create a Foundational Delivery Model



Standing Teams



Extreme Programming Planning/Feedback Loops



3 – Establish a Visual Workflow



3 - Visual Controls and Metrics

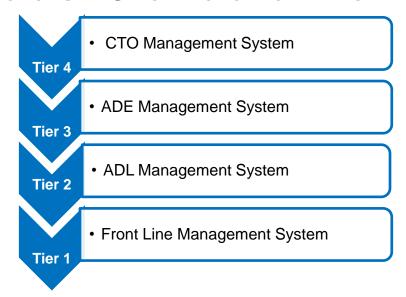


4 – Define Core Standards

Daily Accountability

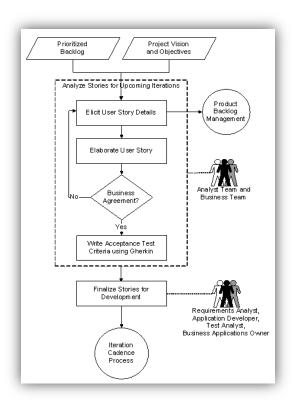


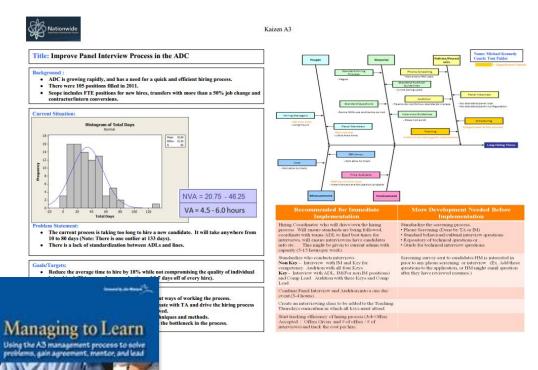
Leader Standard Work



4 – Define Core Standards

Standard Work





Continuous Improvement



5 – Maintaining the Mindset in Run

PURPOSE

- Vision / Values
 - True North
- (Employee) Line of Sight
- Strategy Formulation & Deployment

Capability to ID & Solve Problems

PEOPLE

- Putting people before products
- Engaging, Involving
- Challenging & Coaching
 - Teamwork

PDCA Thinking

PROCESS

- Horizontal flow of value at the pull of the customer
- Workplace Management through standardization & visualization
- Relentless elimination of waste, overburden & unevenness Lean Tools

LEAN ORGANIZATION

5 – Maintaining the Mindset in Run

Process Confirmations Process

Companies Comp	LEGENO		Manager					Process Confirmation Names - Executed Weekly, day randomly selected - Stand on constanted by Manageri Ministration
The state of the	® Observe	itien	Observer					- Observer may be Director or Change Age
The content of the	Cloten		Date					Observations (Include date in comments)
*** Performance of the part of the description of the part of the description of the desc			What	to check behavior to observe				Positives
enter aprileta red application in the standard in the standard red in the standard in the standard red i		•	- There are and posted	problems identified on the board with post-lis	Yes	No	NA	
board and spoked to the counts, PER formula is no			- Disebboar and update	d is posted on the stand-up board d	Yes	No	NA	1
conecity used in 60% of the situations Tes No NA For Level 3, disks tepets are defined for the	Bellum Section	•	- Manager of board and o	calendar is posted on the stand-up posted	Yes	No	NA	1
- For Level 2, daily targets are defined for the		•	- For board correctly us	with counts, IPSR formula is ed in 95% of the situations	Yes	No	NA	1
	Pron ocers		- For Level team, and a	2, daily targets are defined for the are reviewed in the next stand-up	Yes	No	NA	1

Lean Activity Conducted by

Manager/ delegate Frequency

Weekly

Completed byDirector

LEA	N	Problem Solving Process Confirm	Team Name			
LEGENO		Mesager	Process Confirmation Nature: - Executed Monthly; date randonly executed - Meeting conducted by Manager or delegate			
Charrie	orion	Observer				Observe may be Deader or Change Agent
(9) Listen		Date				Characters
		What to check behavior to obse	(include date in comments)			
		The PS board has post-it notes in the prioritization section.	Yes	Ne	NA.	
Problem Sching Board		- An A3 is posted in the core section	Yes	No	NA.	
	*	The oldest problem that is being work- less than 3 months old	ed on is Yes	No	NA.	
	*	Manager for delegation point; started. Inished on time	Yes	No	NA.	1
Format of Meeting		• The team used the PS board in the re-	peting Yes	No	NA.	

Problem Solving

Team Stand-up

Manager/ delegate Monthly

Director

LEA	N &		Feedback Proc	Trom Name			
LEGEND		Manager					Process Confirmation Motiva: - Descript Monthly - 1.1 conducted by Manager with Associate
Cto	Cheenedan Director						- Observed by Director
🦻 Lise		Duso					Observations
		What to	check behavior to observe				
December	*	- Manager I nort 2 wool	Yes	No	NA		
Physical	*	- Manager I Shed	Yes	No	NA		
Format of Meeting	*	- Manager r	Manager started / Snished on time			NA	
	_	• Manager i	s fact diven (e.g., uses				

One-on-one Feedback Manager,

for each Associate Monthly

Director

LEA	N &	Di Co	Town Name				
LEGEND Manager							Process Confirmation Roles: - Executed Minthly - Executed by IESA Leader for each Director
Chservation Director							
Usen		Dute		Observations			
What to check behavior to observe							(holade date in convinenta)
	_		MEEKTA DVI	HBOJ	AD R	MEM	
Progration	*	- The disc of all the ri	tor brings the printed dashboards sanagers	Yes	No	NA	
		- The nee morths	fing is scheduled for the next 2	Yes	No	NA	
		- Director (finished or	or delegation point) started / stree	Yes	No	NA	
Format of Meeting		- For the di attends ov	ev. meeting, the SGA director ony 4 wooks	Yes	No	NA.	
9		- All the ra	anagers talk in the meeting	Yes	No	NA.	

Director
 Stand-up, Weekly
 Dashboard
 Reviews

Director

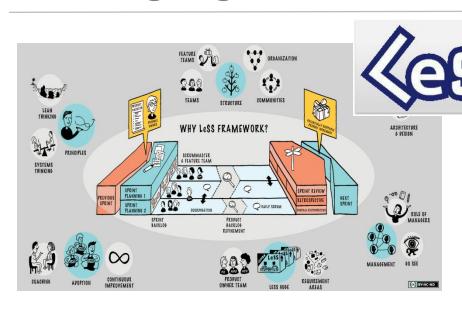
Monthly

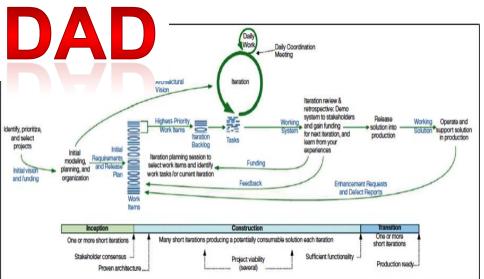
BSA leader

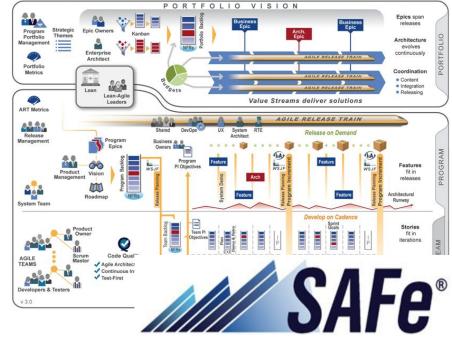
Where is our Journey Headed Next



Scaling Agile







Q/A

