

What Happens *After* the Transformation?

Sustaining and Evolving our Agile Operating Model



JOHN DEERE





MORE THAN 100 LOCATIONS GLOBALLY

82,200 EMPLOYEES



Agile Operating Model Transformation (2019 – 2022)



What we work on



How we work



Our foundation



Successfully completed Wave 11 Immersion in December 2022.



68%
Reduced
Time to Market



166%
Increased Output



382%
Increased Deploy
Frequency



+63
Employee Net
Promote Score



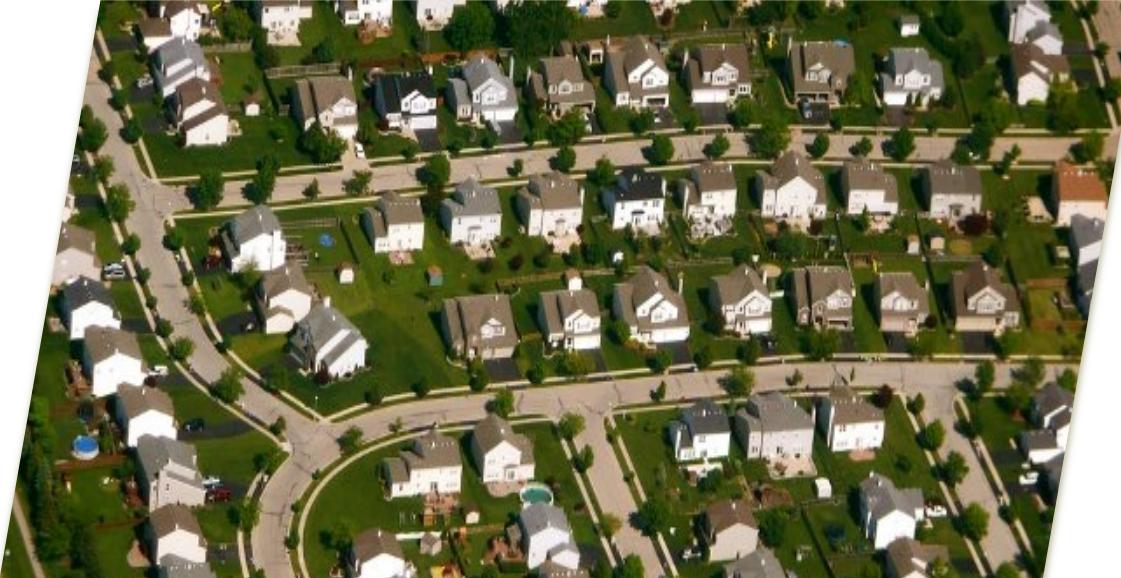
> 100%
Return on
Investment

A photograph of a young girl with blonde hair, wearing a pink dress, sitting at a table. She is looking upwards and to the right with a thoughtful or curious expression. Her hands are resting on the table, and there are some papers and a pencil nearby.

The Waves
are done!

... what's next?

Shifting Our Approach



Agile Operating Model 2019-2022

Establish basic foundations, align with building codes & begin construction



Agile Operating Model 2023-2025

Improve the infrastructure, enhance the neighborhood & customize homes

Well, that was great!... Are we done?

We are delivering
twice as much!

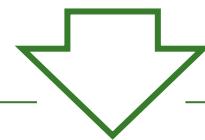
We are delivering
twice as fast!

We have increased
our digital skills!

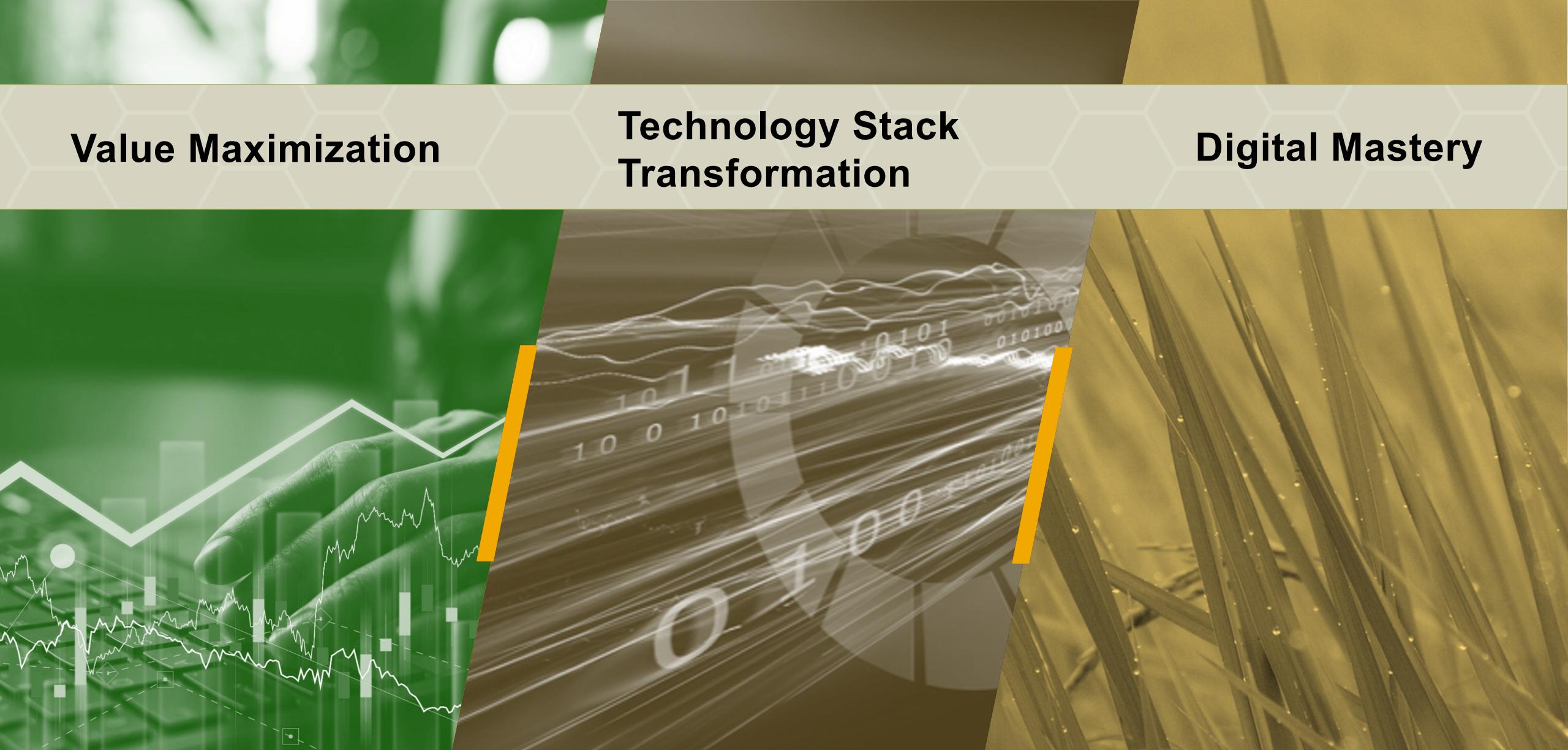
But is *what we are
doing* delivering the
most value?

But is that **fast
enough?** How fast
should we be
going?

But how do we **stay
ready** for the
future?



From the top of the first summit, we could see the next horizon.



Value Maximization

The first image on the left is a composite of several financial and analytical charts. It includes a line graph showing a general upward trend, a bar chart with green bars, a scatter plot with a regression line, and a line graph with a sharp peak. A hand is visible in the background, pointing towards the top right corner of the slide.

Technology Stack Transformation

The middle image shows a complex network of binary code (0s and 1s) flowing through a series of interconnected nodes. The code is represented by white lines on a dark background, forming a path that suggests data transmission or processing. The word "OUTDOOR" is faintly visible in the background.

Digital Mastery

The rightmost image features a dense, glowing network of optical fibers. The fibers are thin, light-colored strands that converge and diverge, emitting bright highlights that suggest signal transmission at high speed. The overall effect is one of complex digital infrastructure and connectivity.

Our Agile Operating Model

Value Maximization

1

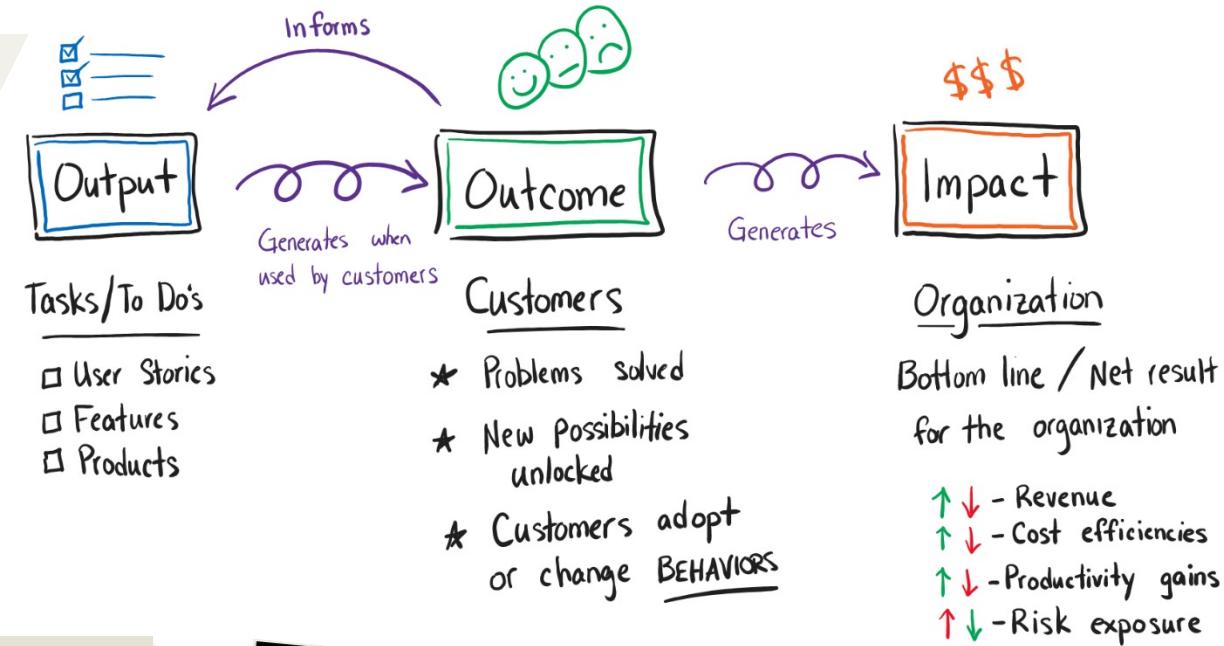
Build a common language for value

Across our products, value streams and lines of business

2

Focus investments on the highest value

Say no to the good to focus on the great



*Drawing adapted from Christophe Aschouiantz

Tech Stack Transformation

1

Precision-focused bets

Modernization, divestment and adoptions specific to areas and technologies vs. “peanut-buttering”

2

Make the important easy

Developer experience approach across developer, cloud and security platforms

Engineering Practices

Elite product teams...

Have modern operations principles	Assume hardware and integration failure, fail gracefully, self healing, live monitoring, scaling and alerting
Treat security as a first-class citizen	Security by Design and DevOps automation drive hyper fast incident response & block vulnerabilities from being released
Default to searching for existing APIs and data before creating new	Faster solution delivery through reuse of proven and valuable APIs and data assets
Run their applications in the public cloud	Fastest access to new technology and more responsive to customer demands
Re-use code and infrastructure in code	Everything is reproducible, testable and flexible
Focus on software engineering	Trunk-based development, continuous delivery & DevOps allows continuous, safe changes to production
Build multiple times	
Use cloud-like infrastructure and edge	

Software Engineering Platforms

Our engineering platforms manage risk by:

- Building compliance into the platform by design
- Driving the adoption of common platforms
- Measuring software engineering practices

Software Engineering Practices

We are driving elite engineering practices by:

- Promoting skills for the future
- Curating learning paths
- Recognizing and rewarding growth

Measures

Deployments



Engineering Lead Time



Virtual Machines Time to Live



Software Bill of Materials



Digital Mastery

1

Align upskilling to desired outcomes
Not just learning for novelty's sake

2

Specific “no regret” skills
Across product, UX, agility and engineering roles,
influenced by industry experts



Key Results Thus Far in 2023



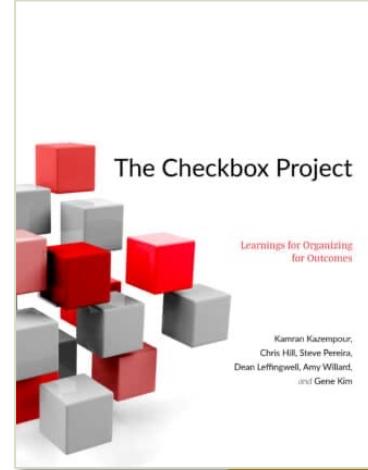
**Value
Maximization**



**Tech Stack
Transformation**



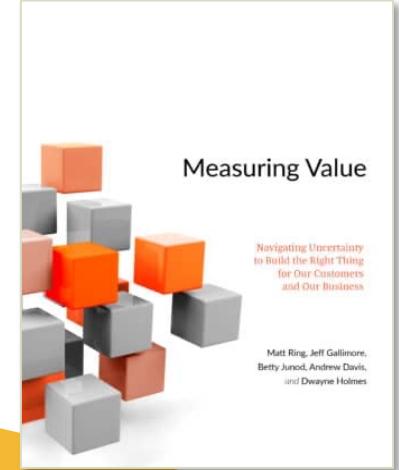
**Digital
Mastery**



The Checkbox Project

Learnings for Organizing
for Outcomes

Kamran Kazempour,
Chris Hill, Steve Pereira,
Dean Leffingwell, Amy Willard,
and Genie Kim



Measuring Value

Navigating Uncertainty
to Build the Right Thing
for Our Customers
and Our Business

Matt Ring, Jeff Gallimore,
Betty Junct, Andrew Davis,
and Dwayne Holmes

See our co-authored 2023
Forum papers for more



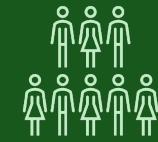
30% Reduction
in Customer
Lead Time



15% Reduction
in Engineering
Lead Time



Beginning of
Digital Skills
Inventory



Monthly
Taxonomy
Optimizations



Investment Shifts
to Higher Value

In their words

“ Supply Chain embraced the Agile Operating Model (AOM) 3 years ago and in looking back, the **organization is completely unrecognizable**. The AOM model was instrumental in our **ability to respond to our dramatically changing environment over the past several years**.

The biggest impact from the AOM transformation (outside of the standard value items) is the **transformational collaboration and trust between business stakeholders, digital product management and IT**. Our business sees us as a partner and trusts us to deliver the best solution to solve the pain points they are facing! ”

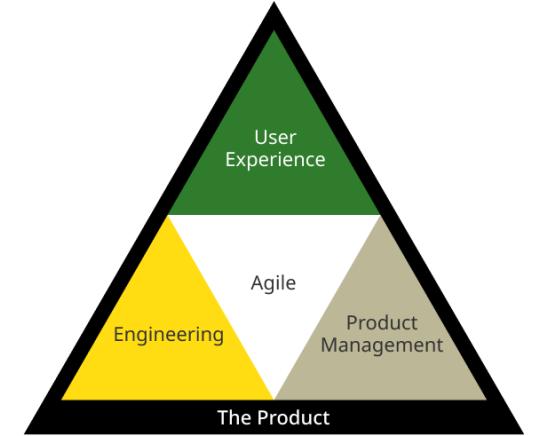
Karen Powers, Sr. Group Product Manager, Supply Management

“ Within Manufacturing, enabling our operating return on sales (OROS) equipment operations goal through **technology is critical**. The AOM waves provided a foundational base to improve our prioritization and delivery practices. Now we are focused on **dramatically improving speed to value through precise, advanced optimization!** ”

This comes in the form of **aggressive impediment resolution**, reorganizing our SAP security delivery, **doubling down on automation** to deliver 5x improvement in SAP platform changes, advancing our testing & scaling practices on large scale programs, and **embedding Digital Mastery capabilities into our product teams** (such as generative AI, ML, UX, 3D visualization, etc.). ”

Josh Edgin, Director, IT Manufacturing Operations

Key Lessons Learned on Year One of this Next Journey



Know your WHY (and clearly articulate it)

Avoid the risk of directionless transformation, motion for motion's sake.



Sense and Respond

Be willing to “stand in the storm” for a bit while figuring out the path forward.



Create your own industry mash-up based on your context

Focus on how the best in the industry solve your problems – with specificity not generalities.



Disrupt with precision

There is a cost to disruption – disrupt with purpose. Incentivize over inflict.

Help We're Looking For

Yielding Business Value

- Where have others found transformational activities that yield true business value. Not motion for the sake of motion.

Measuring for Outcomes

- What insights are helping you validate whether your transformational bets are driving the right outcomes, impacts?
- Measuring capability performance beyond engineering (e.g., DORA for Product, UX, Agility)

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Thank you!

#alwaysLearning #betterEveryDay



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