APPLIED LEAN QUALITY MANAGEMENT IN A SAFE ENTERPRISE SOLUTION DELIVERY ERP ENVIRONMENT

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Hello!

We are glad you are here. Let’s discover together!

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From Traditional to Modern ERP Delivery

We can't solve problems by using the same kind of thinking we used when we created them.
- Albert Einstein

**Traditional Approach**
- Waterfall delivery
- Manual testing
- System-centricity
- Formal classroom-led training
- Requirements-driven
- Siloed customization

**Modern ERP Delivery**
- Scaled agile delivery
- Automated testing/DevOps
- People-/Human-centricity
- Modern user adoption techniques
- Leading practice & asset-driven
- Innovation through partner collaboration

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https://www.scaledagileframework.com/sap-delivery-agility/
PRODUCT QUALITY VS. PROCESS QUALITY

Product Quality

Process Quality
PRODUCT & PROCESS QUALITY
TWO SIDES TO THE SAME COIN
Eliminating waste is primarily about speed. How can we optimize the value stream to reduce lead time sustainably?
A Quality Management System (QMS) needs to be LEAN as well, it must take different aspects into consideration:

- Serves as the unique information hub for a common understanding
- Establish a common understanding of what agile means for each practitioner
- Ensures consistency for all team and higher endeavors
- Allows built-in flexibility in order to reflect specific needs
- Enables knowledge sharing and organizational learning
- Is a source for individual micro learnings
- Foster transparency and enable people to excel
LEAN QMS – AN ACCELERATOR FOR AGILE PRINCIPLES

An Organization built for Change needs processes as a competitive advantage

- Agile processes promote sustainable development. The sponsors, developers, and users should be able to maintain a constant pace indefinitely (8th Agile Manifesto Principle)

- Continuous attention to technical excellence and good design enhances agility (9th Agile Manifesto Principle)

- The best architectures, requirements, and designs emerge from self-organizing teams (11th Agile Manifesto Principle)

- Easy accessible practice libraries as part of organizational learning are an enabler for fast innovation and high efficiency

- The tearing pace of Industry 4.0 requires guidelines to manage technical debt, increased complexity and dependencies of cyber-physical systems

- Well maintained processes allow for fast speed-up of new staff members

- Customizable processes and tools ensure compliance to relevant regulations, guidelines and standards to ensure fast market penetration
## The Value Stream Minimum Integrated Business Process (MIBP)

<table>
<thead>
<tr>
<th>TERM</th>
<th>LEAN-AGILE REQUIREMENTS MODEL</th>
<th>PROCESS LEVEL</th>
</tr>
</thead>
<tbody>
<tr>
<td>THEME</td>
<td>Full end-to-end business processes realized in a value stream. Example – <strong>US Go-Live (part of larger Global Transformation)</strong></td>
<td>Project or high level processes</td>
</tr>
<tr>
<td>EPIC</td>
<td>Enterprise initiatives that requires a lean business case. Aligned to Themes and broken down in Capabilities and Features Example – <strong>Stock Transfer Order</strong></td>
<td>3 Processes Level</td>
</tr>
<tr>
<td>CAPABILITY</td>
<td>Capabilities are Process-Centric and can be broken down into Functionality-Centric Features. Delivered during PI. Example – <strong>Intra Company</strong></td>
<td>4 Processes Level</td>
</tr>
<tr>
<td>FEATURE</td>
<td>Description of customer centric function that provides independent business value. Link between Epics and User Stories. Delivered during PI. Example – <strong>Create Goods Receipt</strong></td>
<td>4 Processes Level</td>
</tr>
<tr>
<td>STORY</td>
<td>Individual customer centric items that are decomposed out of Features. Delivered during iterations. Example – <strong>Monitoring Good Receipt Productivity</strong></td>
<td>5 Processes Level</td>
</tr>
</tbody>
</table>
ORGANIZATIONAL LEARNING ANCHORED WITHIN THE MINIMUM INTEGRATED BUSINESS PROCESS (MIBP)

On all SAFe levels, various roles are requested to gather available information to relentlessly improve the current understanding. E.g.

- Phase Learn (all levels)
- Innovation & Planning (Team)
- Daily standup (Team)
- Inspect & adapt (Program & Value Stream)
- Collect Metrics (Portfolio)
- Compile Process Improvement Plan (Enterprise)
- Learnings compiled (MS: Enterprise)

Once knowledge has been gathered:

- Practices and processes must be trained for each assigned role.
- Knowledge must be deployed in a controlled manner.
LEARNING FROM THE LEAN MASTERS
ACHIEVED OUTCOMES WITH A UNIFIED KNOWLEDGE PLATFORM

**Master Complexity**
- > 460 configuration & tailoring options*2
- Establish compliance to ASPICE, CMMI, IEC 62304, and more!

**Improve Clarity**
- Reduce waste by 50%
- 2/3 reduced ramp up time for new hires

**Adapt to Your Needs and Improve Continuously**
- Build a knowledge library – Learn as an organization, not as individuals
- 33% faster process improvement

*Based on Case-studies with Applied SAFe/ Accenture.

*2 Based on Applied SAFe 5.0
SAFe SAP HANA Customer Story

Business Results

- 3 times decrease in the lead time for business value delivery, from 8-6 month months to 3-2 month on average
- Deployment frequency substantially improved – from 4 major releases per year, with 2-3 hot-fixes per month, now we are successfully releasing to production 16 times per month, and still improving.
- Coverage of test automation improved from ~10% to 70%
- Greater collaboration among teams and better results have raised employees’ satisfaction levels

Accenture’s Own SAP S/4 HANA

Business Results

- Implementation defects found in functional testing: 326; introduced into production: 0
- 92 potential security defects found and fixed
- 80% automated product and regression tests saving 12,000 manual hours
- 50% reduction in following FY testing budget

https://www.scaledagileframework.com/sap-delivery-agility/
Define

Measure

Analyze

Improve

Control

Reinforce

PROCESS QUALITY: THE HIDDEN CHAMPION TO ACCELERATE BUSINESS AGILITY

Applied Lean Quality Management to elevate ERP Delivery

Build the solution and compliance increments
Organize for value and compliance
Build quality and compliance in
Continuously verify and validate
Release validated solutions on demand

Flow

Architecture & Design Quality

Code Quality

System Quality

Release Quality

Source: https://www.scaledagileframework.com/
THANK YOU

For questions visit us at our booth or contact us directly

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