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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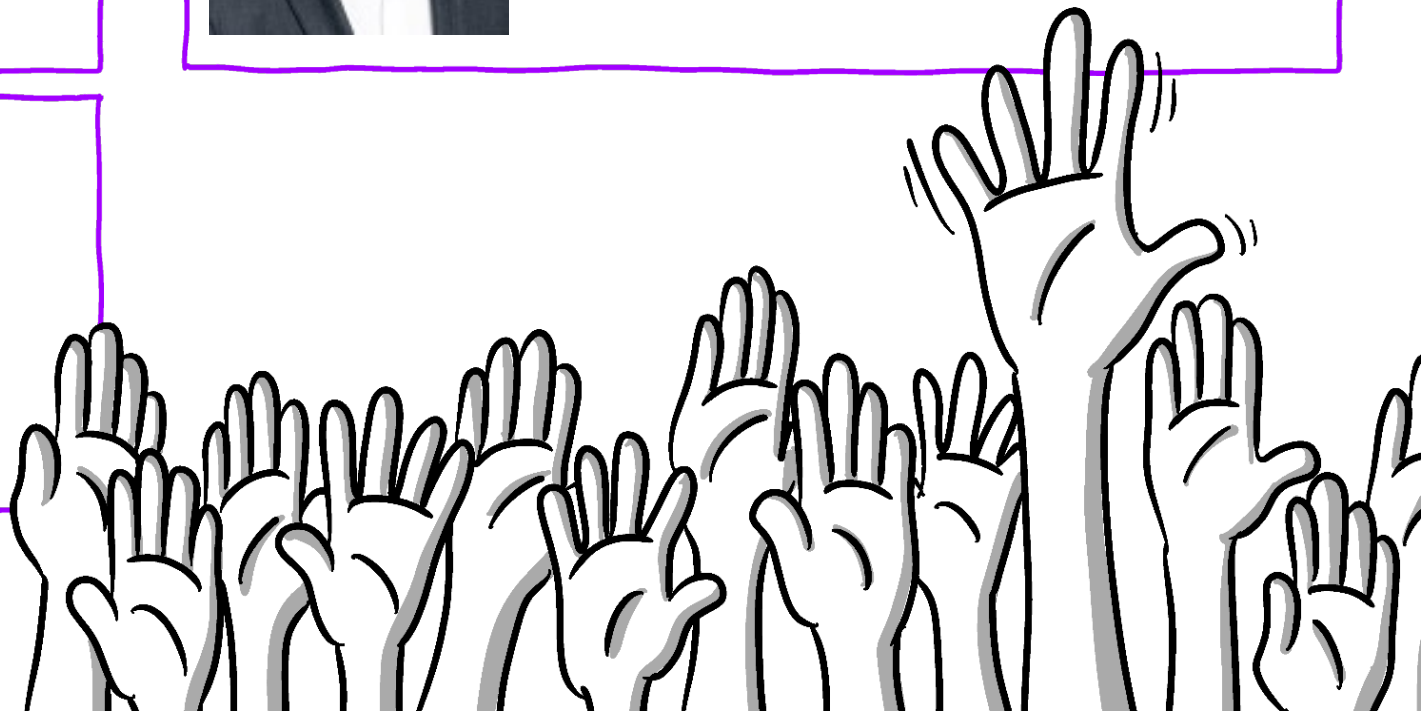

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FROM TRADITIONAL TO MODERN ERP DELIVERY

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

Business Disruption

- Everything at speed
- Demand for better and accessible information
- Relentless focus on cost and value
- Evolving relationships
- Rapidly changing operating models
- Compliance and security

Technology Disruption

- Hybrid computing platform
- User experience
- Virtualized Enterprise (Big) Data
- IP
- Internet of Things & connected devices
- Middleware and APIs
- In-memory
- Analytics

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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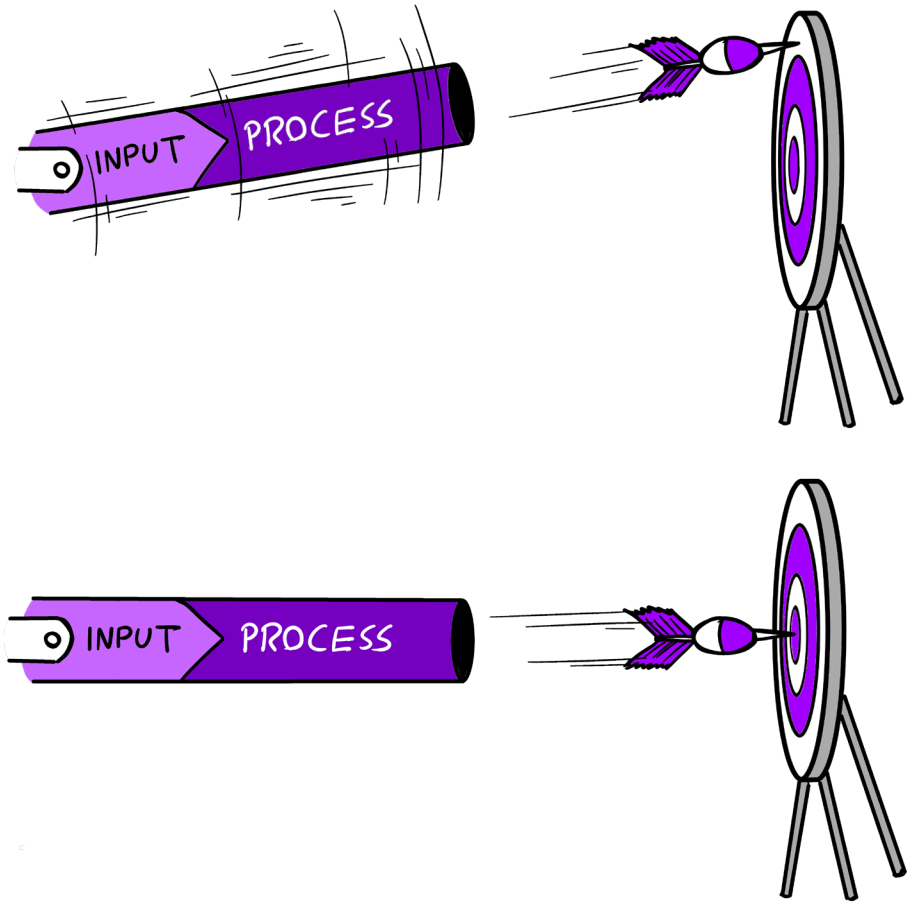
PRODUCT QUALITY VS. PROCESS QUALITY

Product Quality

Process Quality



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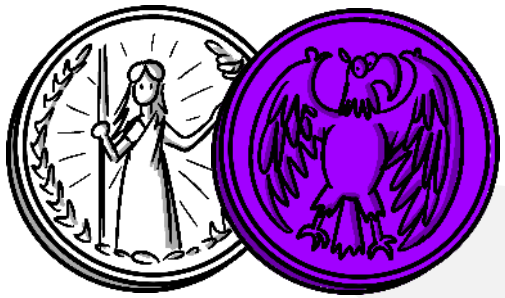
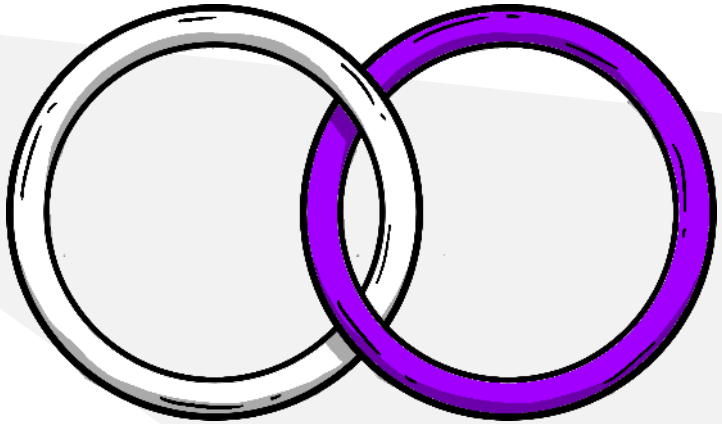
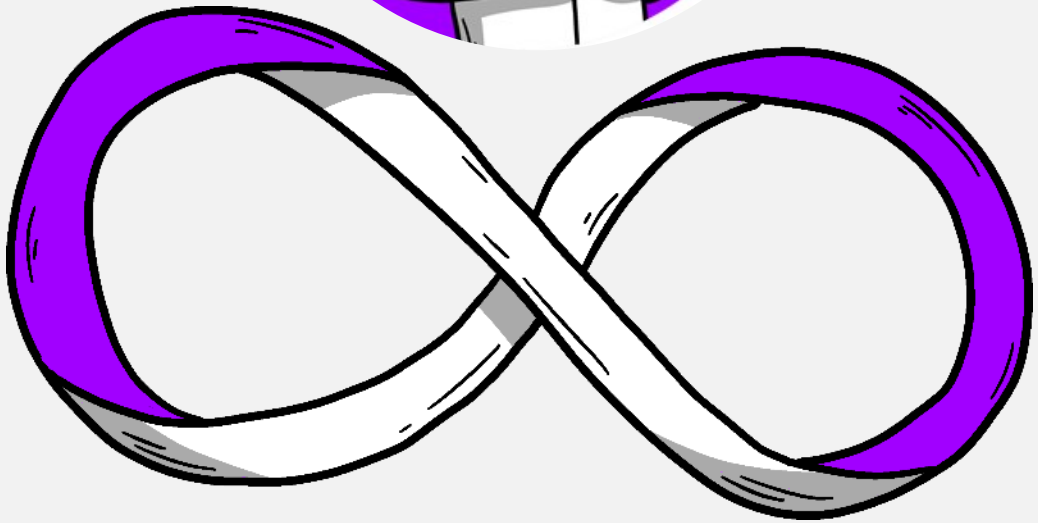
PRODUCT & PROCESS QUALITY
TWO SIDES TO THE SAME COIN







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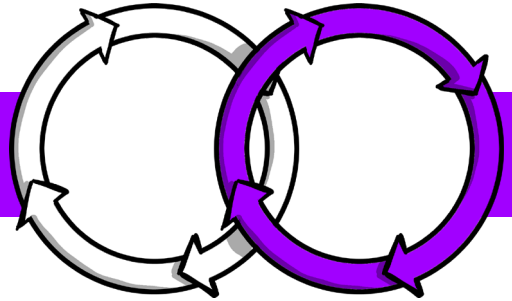
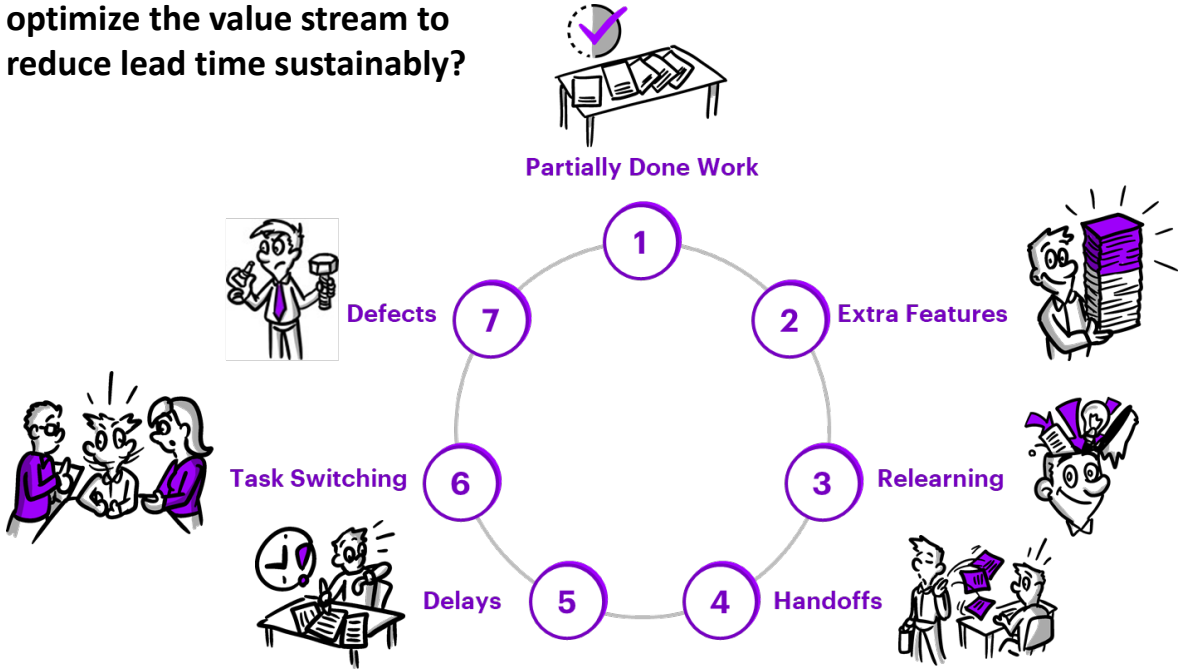
BUSINESS AGILITY THROUGH SUPERIOR LEAN AGILE QUALITY MANAGEMENT

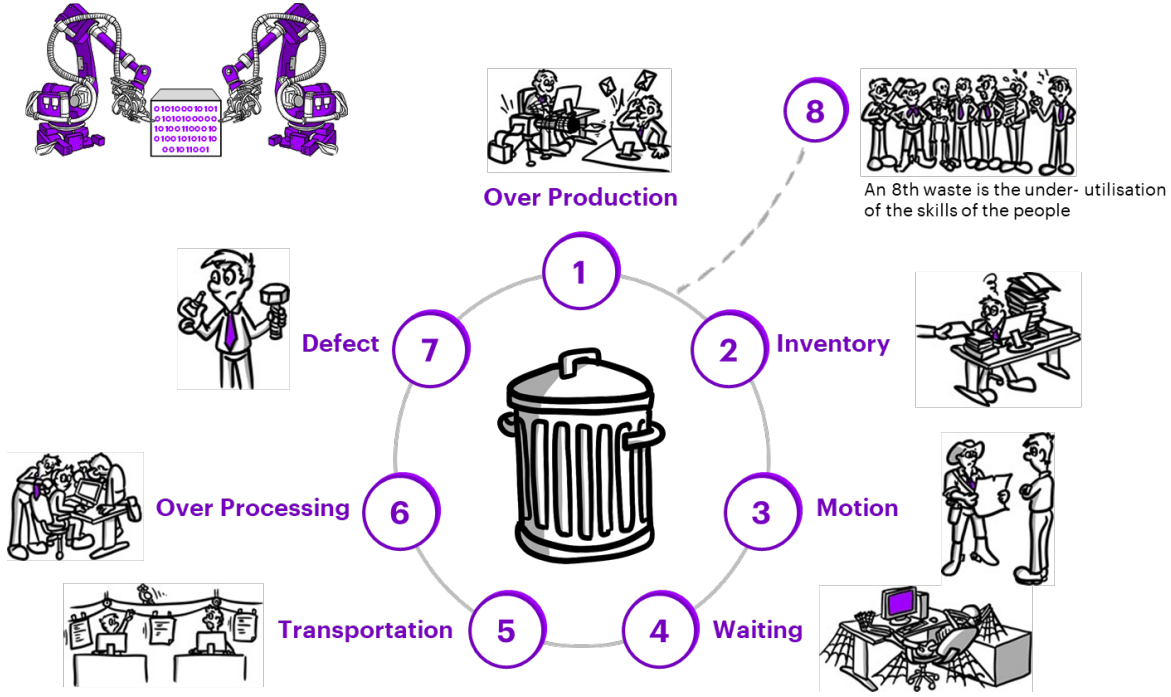


System 1
IT-System-Development

System 2
Organisational-System-Development

Eliminating waste is primarily about speed. How can we optimize the value stream to reduce lead time sustainably?





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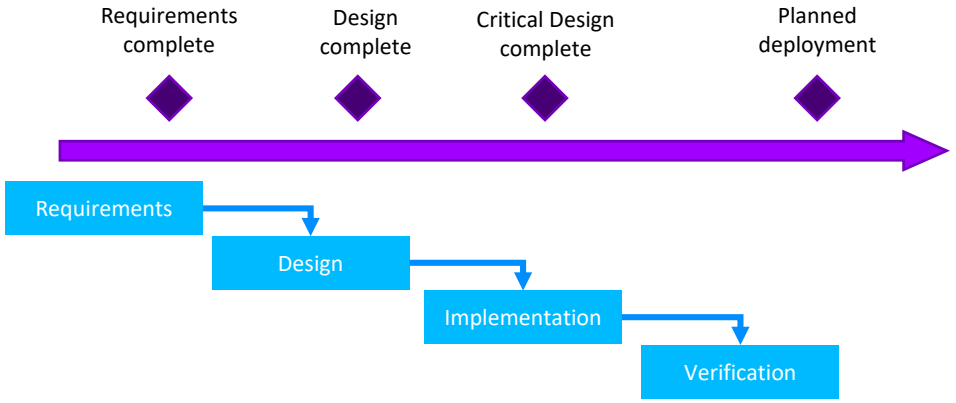
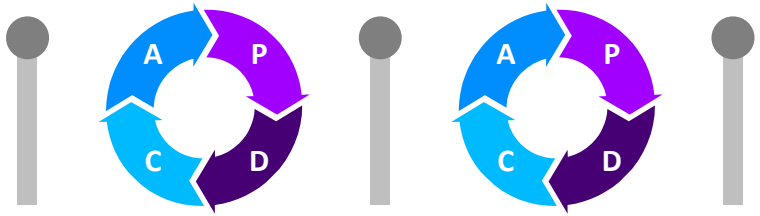
APPLY LEAN QMS TO ERP PROCESS AND PRODUCT QUALITY



QMS QUALITY MANAGEMENT SYSTEM

LEAN QMS QUALITY MANAGEMENT SYSTEM

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



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

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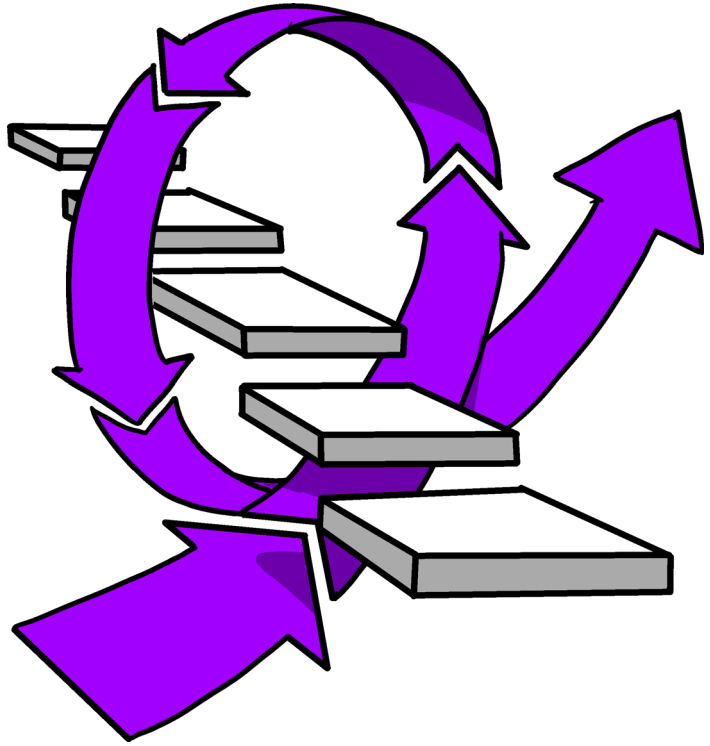
LEAN QMS – AN ACCELERATOR FOR AGILE PRINCIPLES

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



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HOW TO MAKE PROCESS LEAN-AGILE IN ERP IMPLEMENTATIONS

The Value Stream Minimum Integrated Business Process (MIBP)

INCREASING DETAIL & PRIORITY

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

NOT JUST A PROCESS OR METHO-DOLOGY, IT'S **A MINDSET.**

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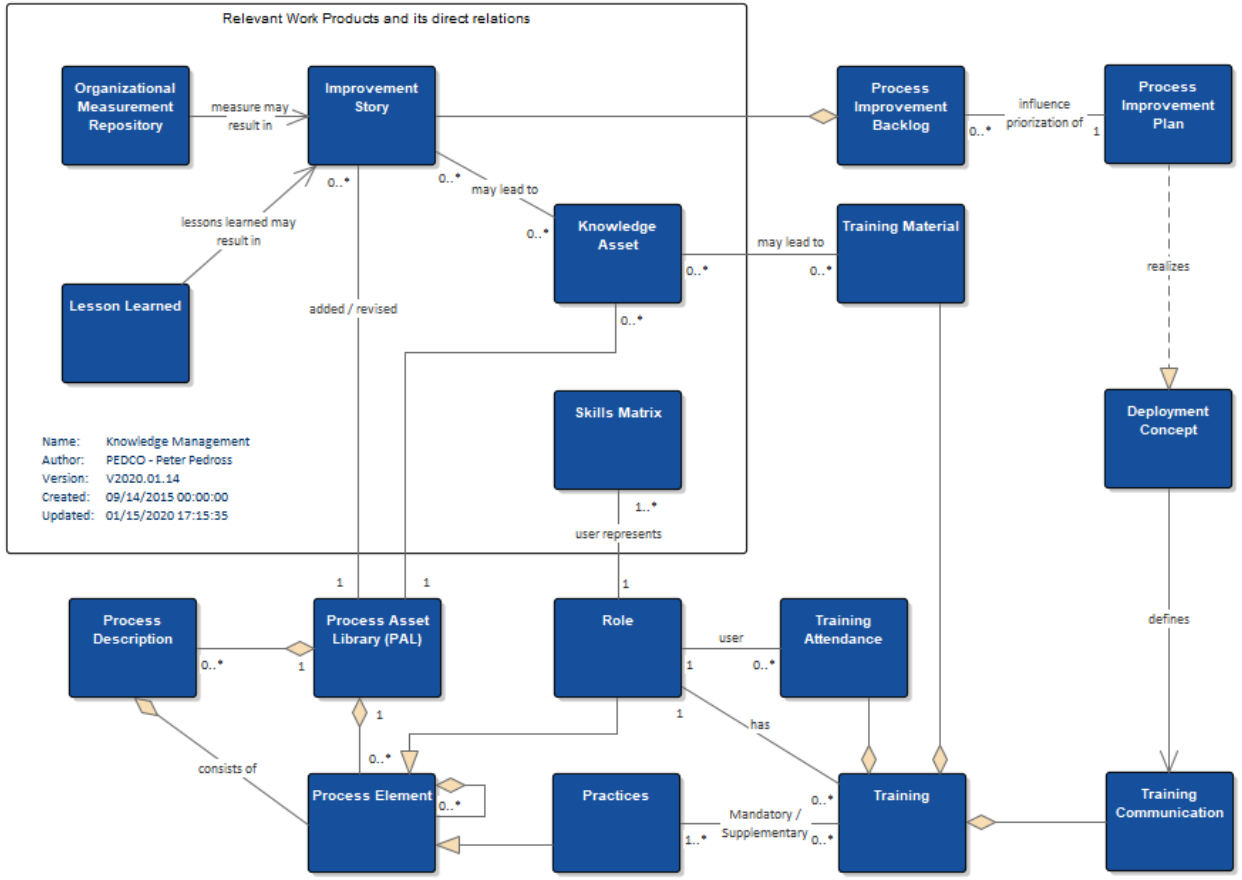
ORGANIZATIONAL LEARNING ANCHORED WITHIN THE MINIMUM INTEGRATED BUSINESS PROCESS (MIBP)



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.

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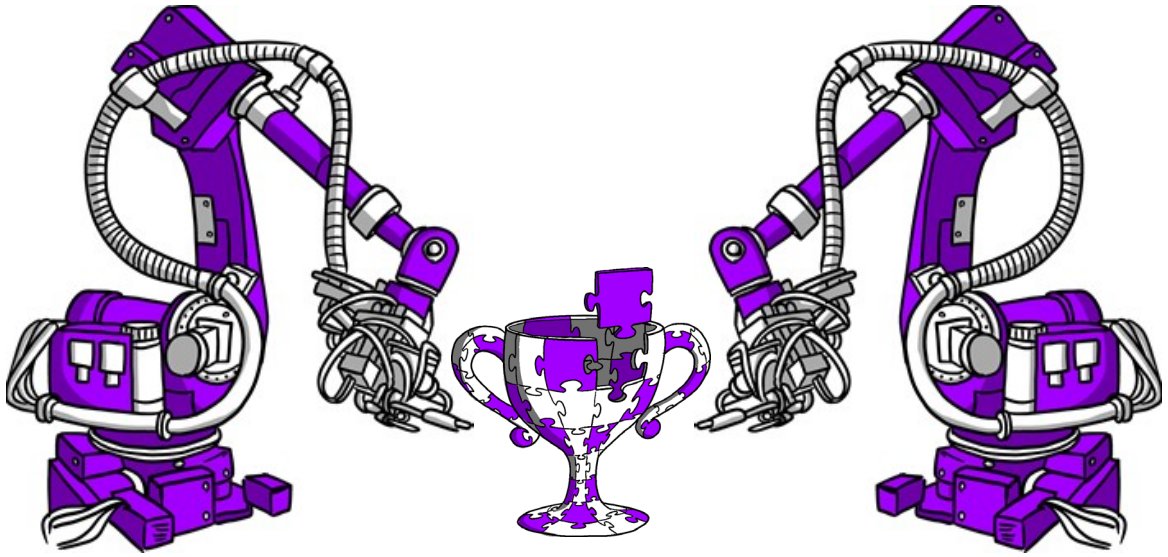
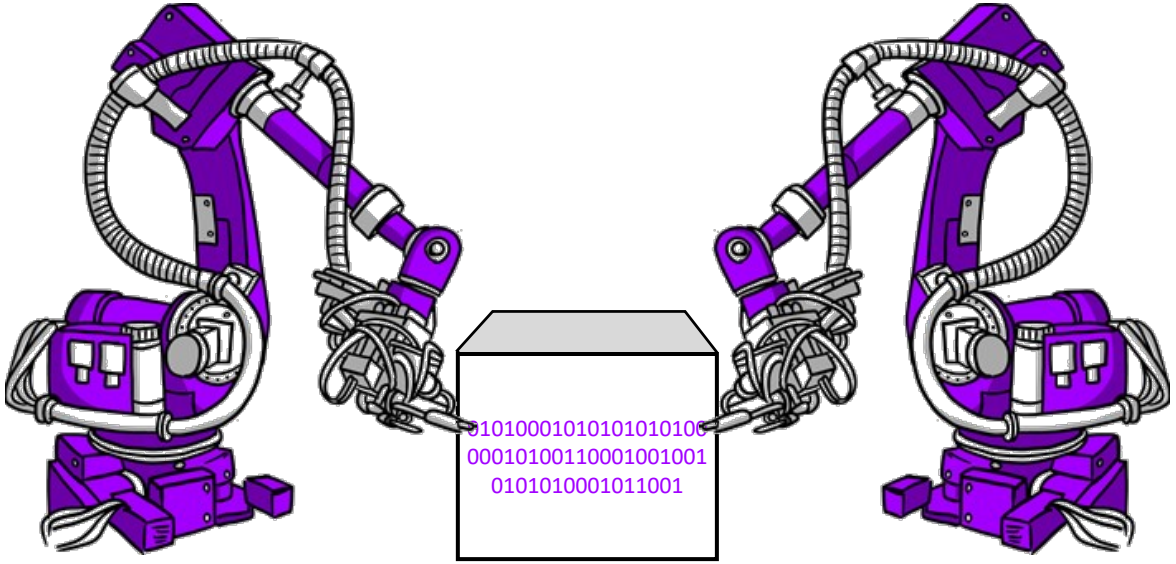
LEARNING FROM THE LEAN MASTERS





Transferring
Good Practices

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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

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LEAN QMS YIELDS BETTER BUSINESS RESULTS

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

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PROCESS QUALITY: THE HIDDEN CHAMPION TO ACCEERATE BUSINESS AGILITY

Applied Lean Quality Management to elevate ERP Delivery

LEAN QMS
QUALITY MANAGEMENT SYSTEM

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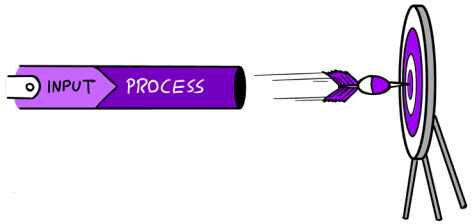

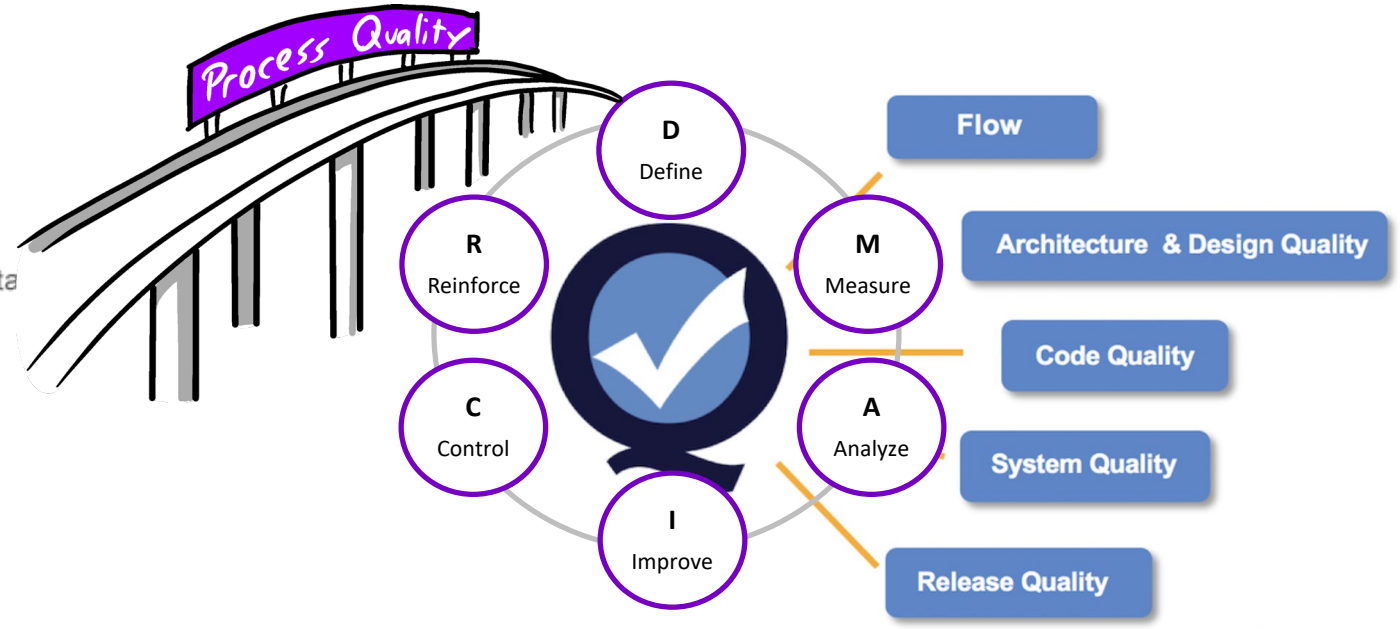

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THANK YOU

For questions visit us at our booth or contact us directly

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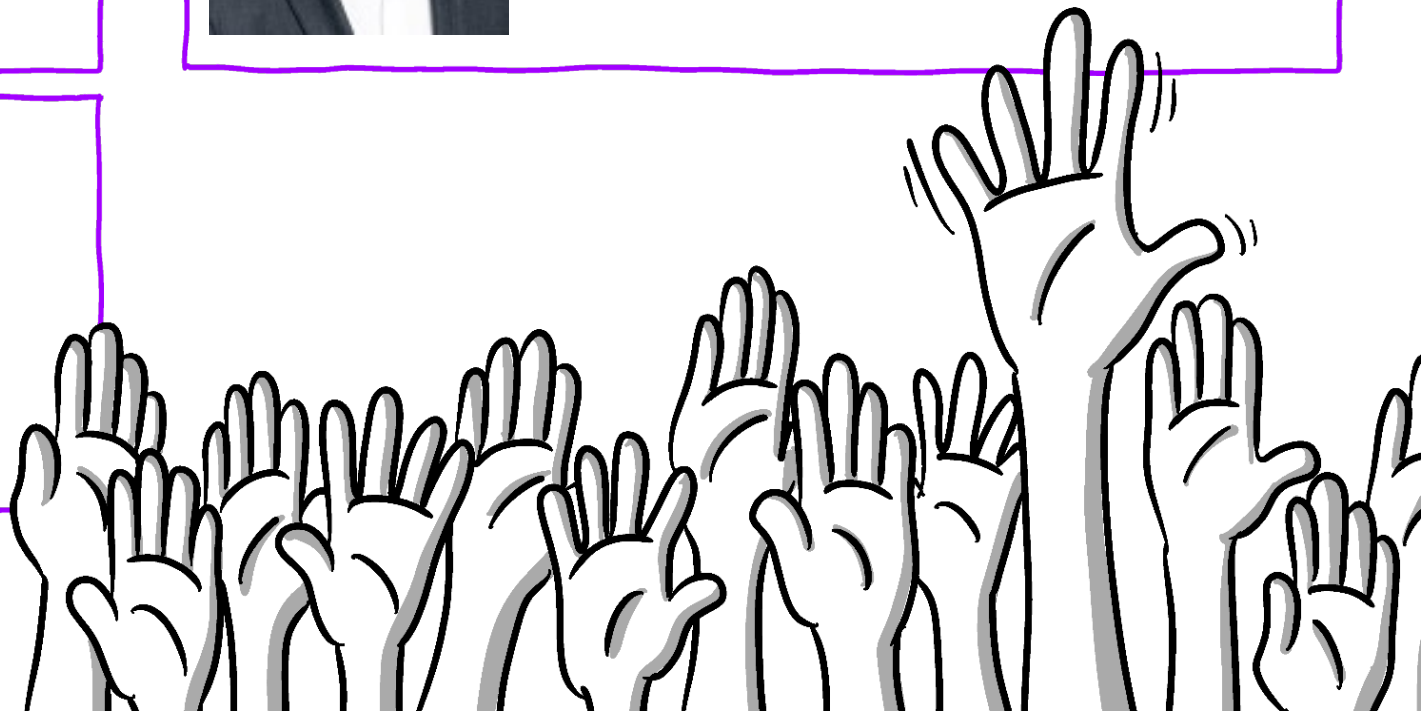

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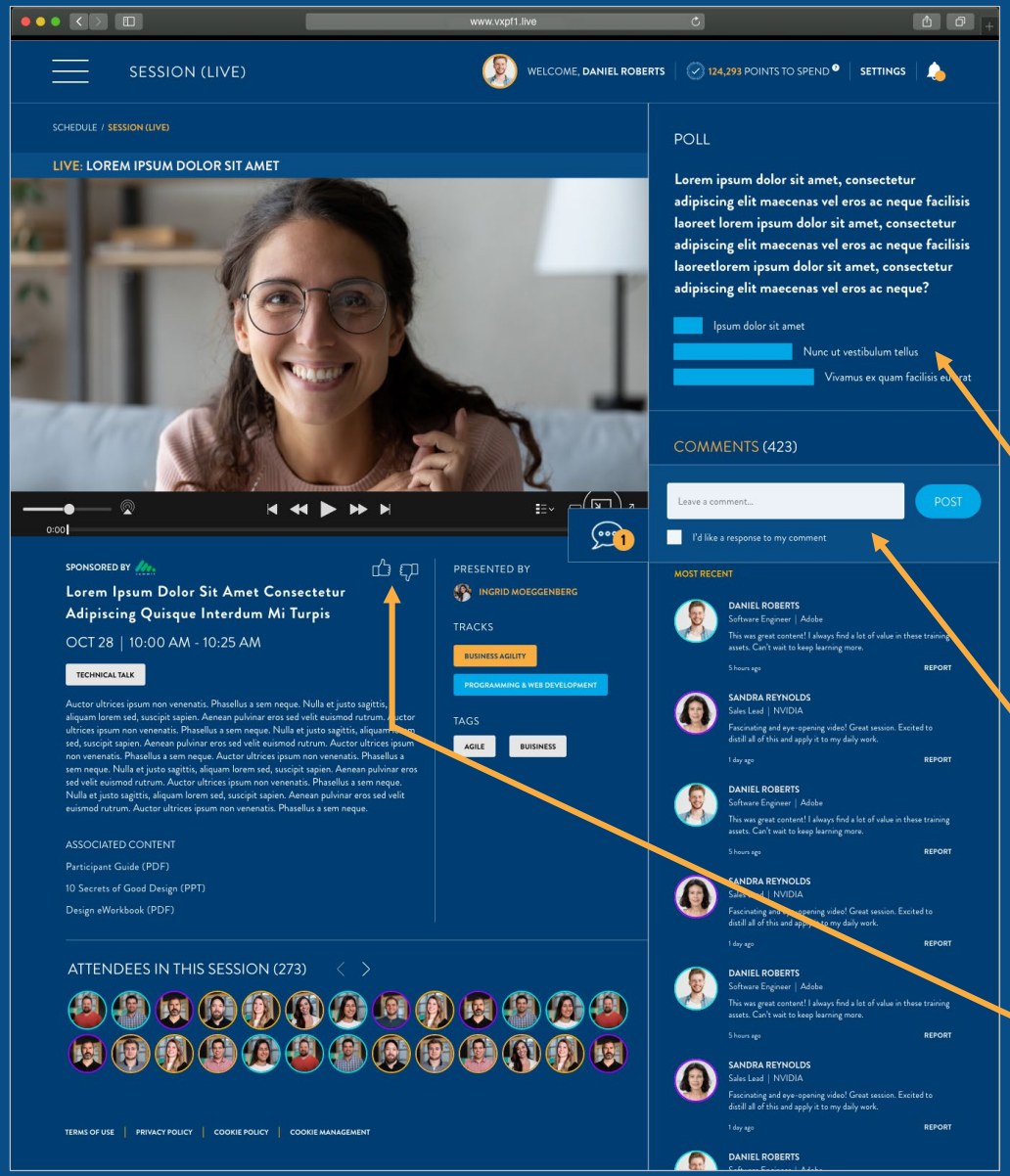
Join me at the Meet the Speaker Session!

Please refer to the agenda for scheduled times



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1. Polling
2. Comment
3. Thumbs up or down

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