Lean Digital Transformation
Participation & Interaction

Ask questions via the Q&A Button

Chat with other attendees via Chat button
Lean Digital Transformation
Let's meet today's Presenter

Bruno Guicardi, CI&T's co-founder and President

- Began lean journey in 2007
- Pioneered applying lean to digital transformations
- Popular speaker at technology events

@brunogn

www.linkedin.com/in/bguicardi
A Digital Native

- 2,500 Strategists, Designers and Engineers
- 15+ Fortune 500 Brands
- 96% Client Retention Rate
- Great Place to Work: 12 consecutive years via GPTW Institute; < 6% attrition rate
- Global: Offices in NYC, SFO, CHI, ATL, Europe, LATAM & Asia
- Advanced Tech: Machine Learning, API-driven architectures, Advanced Analytics and IoT
- Pioneer in Lean Digital: Started Lean Journey in 2006
- 15+ Fortune 500 Brands: ABInBev, Google, Coca-Cola, Johnson & Johnson, Itau
Learning by doing
The pace of change is the main change
Access to “easy-to-use connected supercomputers”, aka mobile devices, changed people’s behaviors and their expectations.
Expectations are going up with the tech change => VUCA world
How organizations typically respond

Typical organization response

Change in customer behavior

Time
Why so slow?

Long Cycles!

Idea

Market

Average Lead Time: 24 months*

(*) Average results based on 25 of our customers' value stream mappings
Why so slow?

Idea selection based on Business Cases =>
- Big promises based on big (untested) assumptions
- “Big batch” ideas (feature-rich product design)
Lean Digital?

3 Months

3 Months

3 Months
### Lean Digital - What's different?

Uncertainty is King ⇒ Need for **Continuous Value Discovery!**

<table>
<thead>
<tr>
<th>Difference</th>
<th>Tools / Techniques</th>
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<tbody>
<tr>
<td><strong>Main Gemba</strong> becomes the one where the <strong>customer is experiencing the product / service</strong></td>
<td>Customer Journey Mapping, Qualitative Research, Prototype Testing</td>
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<tr>
<td>Objective data about customer needs is rare so the team's <strong>Collective Intelligence</strong> and <strong>Collaboration</strong> are critical</td>
<td>A3 + Design Thinking</td>
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The Magic of Speed
Understand customer needs and deliver on them quickly and efficiently - at scale
How the 13th largest bank in the world is transforming with Lean Digital
About Itau Bank

#1 Private Company in Latin America

60+ Million customers

90,000+ employees

#1 Top in return of assets
The client relationship with the bank is becoming more digital

Volume of transactions of Itaú Unibanco clients

Sources: Institutional Presentation | 4Q 2016  * Standard channels: Branches, ATM, Telephone; **Electronic Remote Channels: Mobile and Internet.
Building our digital bank

a truly digital bank
integrating digital resources in an innovative way to reinvent the whole business together (Traditional + Digital)

lead time

customer experience

cultural transformation
"We have to run[...] Our biggest challenge is culture"

Roberto Setubal, CEO - jun/16
How to change a culture

Start here!

Old model
Change thinking to change behaviour

New model
Change behaviour to change thinking

*Shook/Schein Change model

w what we do
values & Attitudes
Culture
How to change a culture...the way you envision your journey matters

Deliver **value** continuously
Make **safety** a prerequisite
Experiment & **learn** rapidly
Make **people** awesome

Joshua Kerievsky, www.modernagile.com
1st step
Collaboratively agreeing on issues and alternatives
An A3 authored collaboratively by 35 people
Major findings

Slow by Design
- 24 months to launch a new digital service
- Multiple handoffs and silos

Risk Averse
- Can't fail mindset
- Problems are "not welcome"
- Plans and estimates got a lot of "cushion" / safety nets

Internally Focused
- Almost no customer involvement in the product creation process.
- No singular view of the customer and customer trends.
Value Stream based organization

Customer Needs

Autonomous cross functional team

One team, one (high level business) goal!
Reduced lead times ⇒ Customer love

In one year...

0.7 to 4.5 releases/month

2.9 to 4.2 Star Rating

Awarded Best Banking App '17
Multidisciplinary team with a higher purpose goal ⇒ Autonomy and risk-taking

**Insight:** analytics shows very low adoption among a certain demographic (older people w/ old phones)

**Research:** demographic is found to be non tech-savvy, users "scared" of the app complexity/comprehensiveness

**Prototype:** a "light app" (simpler and clearer) is tested

**Build:** MVP is built and pushed live on Google Play

**Results:** 5+ million downloads. 4.5 star rating.

From Idea to Live Product in 4 months!
From Command & Control to Collaborative Problem Solving

“"I know the solution. I just need my team to deliver faster."

“"We’re openly facing problems and working together to solve them."
CI&T Lean Digital Cornerstones

Leadership Development

Thoughtfully FAST way

Management System

Lean Design & Delivery

Visual Management
Predictive Metrics
PDCA
Camp by Camp/OKRs

Problem solving A3 / Hoshin Kanri
Learn by Doing - Shuhari
Stable Teams
Scaled Agile with control
Short Cycles
Pulled production and continuous flow
DevOps
Value Engineering
Experience Design
MVP, build, measure and learn

gemba/go-see
Be the best at getting *better*

Thank you!

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Next Gen Learning and the Challenge of Sustainability

March 25-28, 2019 | Houston, TX
Q&A