

Purpose Driven Lean

Lean Transformation Summit 2016
March 17-18, 2016

GURU VASUDEVA | SVP and CIO, Application and Data Services

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Nationwide[®]
is on your side

WE ARE A STRONG MUTUAL COMPANY BUILT TO SERVE OUR MEMBERS



FORTUNE
100 BEST
COMPANIES
TO WORK FOR
2015

#1
CORPORATE LIFE
WRITER

#1
WRITER OF
FARMOWNERS

FOUNDED IN 1926
BY MEMBERS OF
THE OHIO
FARM BUREAU

\$345
MILLION
CONTRIBUTED
TO NONPROFITS
AND COMMUNITIES
SINCE 2000

GALLUP®
GREAT
WORKPLACE
AWARD

\$25.3 BILLION IN REVENUE FOR 2014

\$195
BILLION
IN ASSETS

#85
ON THE
FORTUNE
500 LIST

#1 PET & SMALL
BUSINESS
INSURER

8th
LARGEST
COMMERCIAL
INSURER

7th LARGEST HOME INSURER
8th LARGEST AUTO INSURER
IN THE U.S.



33,000 Nationwide associates serve customers in every state

A+
STANDARD &
POOR'S

A1
MOODY'S

A+
A.M. BEST

NATIONWIDE SITS IN A POSITION OF STRENGTH WITH LEADERSHIP IN PRODUCTS ACROSS OUR DIVERSE PORTFOLIO



Nationwide®
is on your side

TOP 10 IN MULTIPLE PRODUCT LINES ACROSS OUR PORTFOLIO

Financial Services

VARIABLE & IMMEDIATE ANNUITIES
RETIREMENT PLANS
INDIVIDUAL LIFE
CORPORATE LIFE

Commercial Lines

FARM / AGRIBUSINESS
EXCESS & SURPLUS
STANDARD COMMERCIAL

Personal Lines

STANDARD AUTO AND HOME
PET INSURANCE

Nationwide Lean IT Journey (Video)



Nationwide[®]

LEAN IT JOURNEY

INFORMATION TECHNOLOGY AT NATIONWIDE

\$1+

BILLION
ANNUAL IT
SPEND



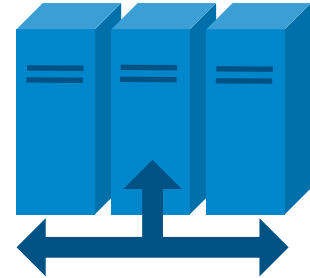
35,000+
PERSONAL
COMPUTERS



9,000+
IT WORKFORCE

PREDOMINANTLY
IN-HOUSE

10,000+
PHYSICAL & VIRTUAL
SERVERS



~8 PB
IN STORAGE

LEAN BENEFITS & VALUES

SOFTWARE ENGINEERING

720+ 

\$28 MILLION
ANNUAL SAVINGS

83%

with zero
defects

200

Releases

57%

With top
quartile
productivity

APPLICATION MAINTENANCE

1500+ 

\$31 MILLION
ANNUAL SAVINGS

**Increasing
employee
engagement
scores**

HELP DESK

190+ 

\$1.7 MILLION
ANNUAL SAVINGS

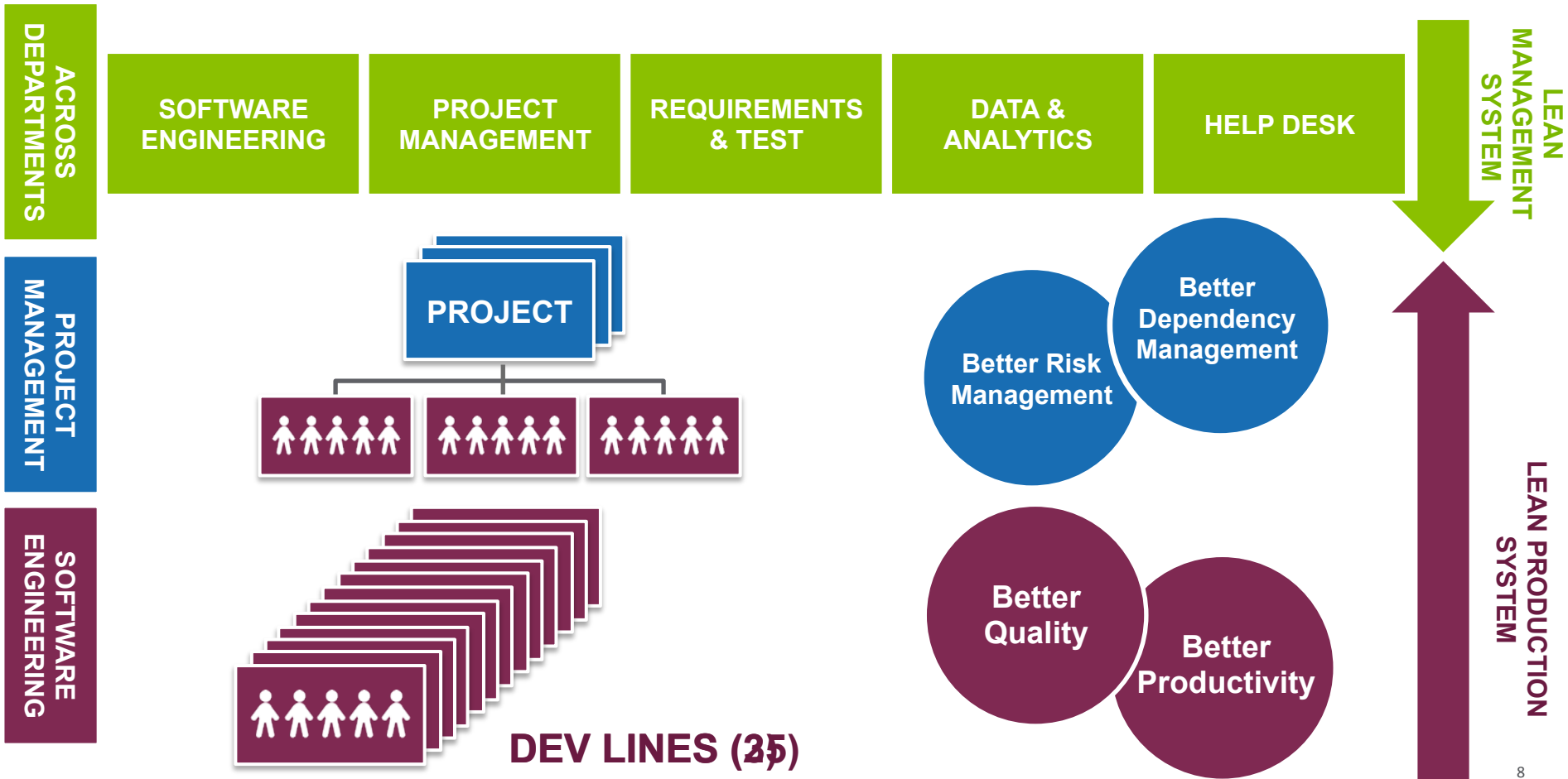
95.1%

Service
Quality Score

95.9

User
Satisfaction
Rate

LEAN IT JOURNEY



LEAN MANAGEMENT SYSTEM

FOUR TIERS FOCUSED ON BUILDING LEAN LEADERS



LEAN MANAGEMENT SYSTEM



Source: *Creating a Lean Culture*, David Mann

C-SUITE VISUAL MANAGEMENT ROOM



CIO STANDARD WORK REVIEW & TRACKING



Q1-2016											
Jan-2016				Feb-2016				Mar-2016			

WEEKLY	week 1	week 2	week 3	week 4	week 1	week 2	week 3	week 4	week 1	week 2	week 3	week 4
Programs & Project Delivery	Green	Green	Green	Green	Green	Green	Red	Green	White	White	White	White
Lead & Manage Change	Green	Green	Green	Green	Green	Green	Green	Green	White	White	White	White
Associate Connections	Red	Red	Green	Green	Green	Green	Green	Green	White	White	White	White
Business Management	Red	Green	Green	Green	Green	Green	Green	Green	White	White	White	White

MONTHLY	Jan-2016	Feb-2016	Mar-2016
Help Desk Operations	Green	Green	White
Coach Direct Reports	Green	Green	White
Review Delivery Practices	Green	Red	White
Relationship Management	Green	Green	White
Contribute to Nationwide IT Strategy	Green	Green	White

CLOSING THOUGHTS...



“START BY CHANGING HOW PEOPLE BEHAVE – WHAT THEY DO” – John Shook

- Old Model: Change Thinking to Change Behavior
- New Model: Change Behavior to Change Thinking

FOCUS ON ECONOMIC VALUE AND BENEFIT REALIZATION

- Measure the baseline Productivity, Quality, and Labor Costs
- Make key metrics visible and embed them into the day-to-day operations

LEAN SUSTAINABILITY REQUIRES A LEAN MANAGEMENT SYSTEM

- Difference between Lean Production and Lean Management
- Accountability and Visuality