

# Dual Operating Model

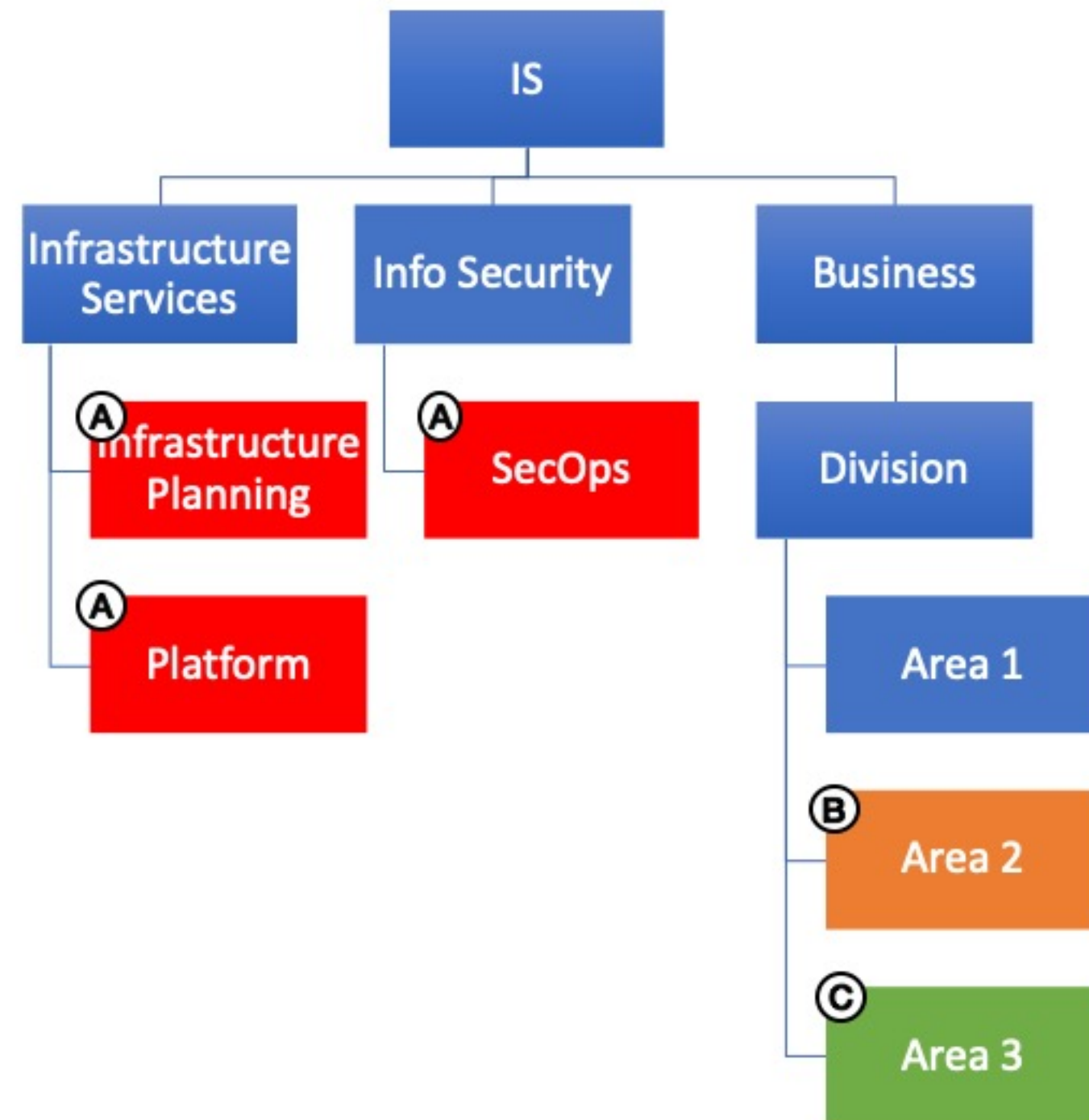
## Bringing Agility to a Deep Hierarchy

# Toyota Motor of North America (TMNA)

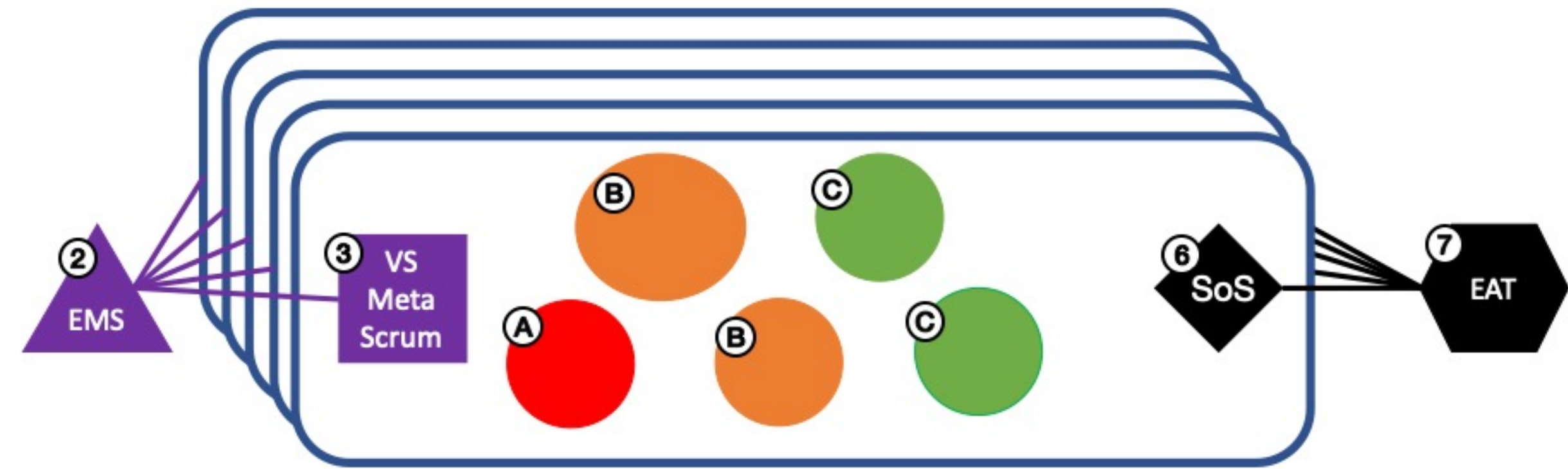
- Traditional Large American IT Shop
- 4,500 people (mostly outsourced)
- Defined stage-gate process
- Small pockets of agile development



# Launched Value Streams



- All people live in the hierarchy
- Some work is performed in the hierarchy
  - Where there is a standard, repeatable process
- Hierarchy crafts strategic vision and objectives



- Network implements objectives that require agility, speed, and feedback loops
- ② EMS owns priority, roadmap and execution of objectives
- ③ Value Stream Meta Scrum is team of PO led by a CPO
  - Teams within a value stream collaborate to maximize value delivered to the users
- ⑥ SoS works to remove Muda and create flow within the value stream
- ⑦ EAT removes organizational impediments to flow, culture, and value creation

# Large Incentive Program

- 200 people  $\Rightarrow$  25 people
- 1 large team  $\Rightarrow$  3 small teams
- No delivery in 5 years  $\Rightarrow$  1<sup>st</sup> delivery in 6 months