Lean and Digitize Project Management

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Many Factors Trigger Organizations To Launch Projects to Improve Process

Which of the following have been major drivers for your initiative?

- Optimization of processes: 77%
- Increased productivity for process workers: 60%
- The ability to model business processes: 54%
- Support for compliance efforts: 51%
- Standardize processes across divisions and regions: 51%
- The ability to provide real-time visibility into key processes: 49%
- The ability to change processes quickly and easily: 48%

Survey of 227 Enterprise and SMB IT Decision Makers
Enterprise And SMB Software Survey, North America And Europe, Q4 2009
Organizations attack Project Management from different angles.

Methodologies:
- ITIL
- eTOM
- SCOR

Process skills:
- Change Agent
- Business Analyst

Tools & Techniques:
- Business Rules
- Workflow
- Service Oriented Architecture

Source: Adapted from Management by Process
Lean & Digitize (L&D)*

- L&D focuses on and integrated and continuous innovation and improvement of cross-functional end-to-end business processes
- First make the processes lean and then automate them
- BPM, Six Sigma and Lean and their tools can greatly accelerate and institutionalize L&D

L&D bridges the gap between business objectives and IT applications

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Approvazione della direzione
allocazione risorse
Architettura Applicativa
Requisiti Funzionali dei Processi
Piano dei Cambiamenti Organizzativi
Architettura Tecnologica
Piano di Sviluppo e di Avviamento dei Sistemi
Piano di Cambiamento dei Processi
Analisi degli Impatti sul business
Analis del cambiamento dei processi
Analisi degli Impatti sul business
Analisi degli Impatti sul business

Lean & Digitize Methodology
Lean & Digitize: An Integrated and Coherent Methodology

• Manages and optimizes organizational, physical and automation flows simultaneously;
• Uses information system and telecommunication networks as a lever for processes improvement and for project management; and
• Helps solve non-alignment problems between organization initiatives and ICT.
A Solution for the Following Problems

• Build effective, efficient and economical solutions in projects
• Measuring redundancy;
• Excessive time lost in the analysis and development phases;
• Impossibility of measuring and controlling improvements.
The Success Factors of a L&D Project Management

End-to-end Process Management

- Acquirement
- Implementation
- Procurement
- Construction
- Handover
- Avail & Maintain
- Reporting & Progress

Interfaces

Agility

Security

Risk Management

Knowledge Management and Analytics

Finance & Economics Management
L&D has Many Facets

October 2008 “Drive BPM Initiatives To Higher Business Value”
When Is L&D Most Appropriate?

<table>
<thead>
<tr>
<th>Build to Last</th>
<th>Build for Change</th>
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</thead>
<tbody>
<tr>
<td>Infrequent Process Change</td>
<td>Frequent or Continuous Process Change</td>
</tr>
<tr>
<td>Business Roles Dominate Change Control</td>
<td>ICT Roles Dominate Change Control</td>
</tr>
<tr>
<td>Consider L&amp;D</td>
<td>L&amp;D Sweet Spot</td>
</tr>
<tr>
<td>Question Value of L&amp;D</td>
<td>Consider L&amp;D</td>
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Conclusions

• Proposition 1: Unlike the manufacturing context, where Lean Six Sigma might require a reduction of automation, in managing a project for business process improvement a lean and digitize approach is essential;

• Proposition 2: In managing a project context, digitize a process not streamlined is counterproductive: it will lead to make errors faster.

• Corollary to proposition 2: In the project management context, it is important to take the sequence of implementation that provides firstly an accurate streamlining and quality improvement of the process by the elimination of any source of waste and then digitize.
L&D Helps Improve Profitability

- Cost reduction between 20% and 40%;
- Speedier responses to the need of the Business;
- A wider range and pool of talents;
- More flexibility;
- Reduction of risks with the Vendors;

*Nicoletti, Servizi di logistica industriale attraverso il “lean and digitize", L’Impiantistica, 2009*