

# Bringing the “Toyota-way” Back to Toyota North America!

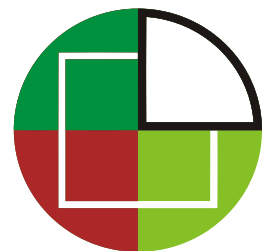
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Executive and Agile Coach

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**FREESTANDING**  
**AGILITY**

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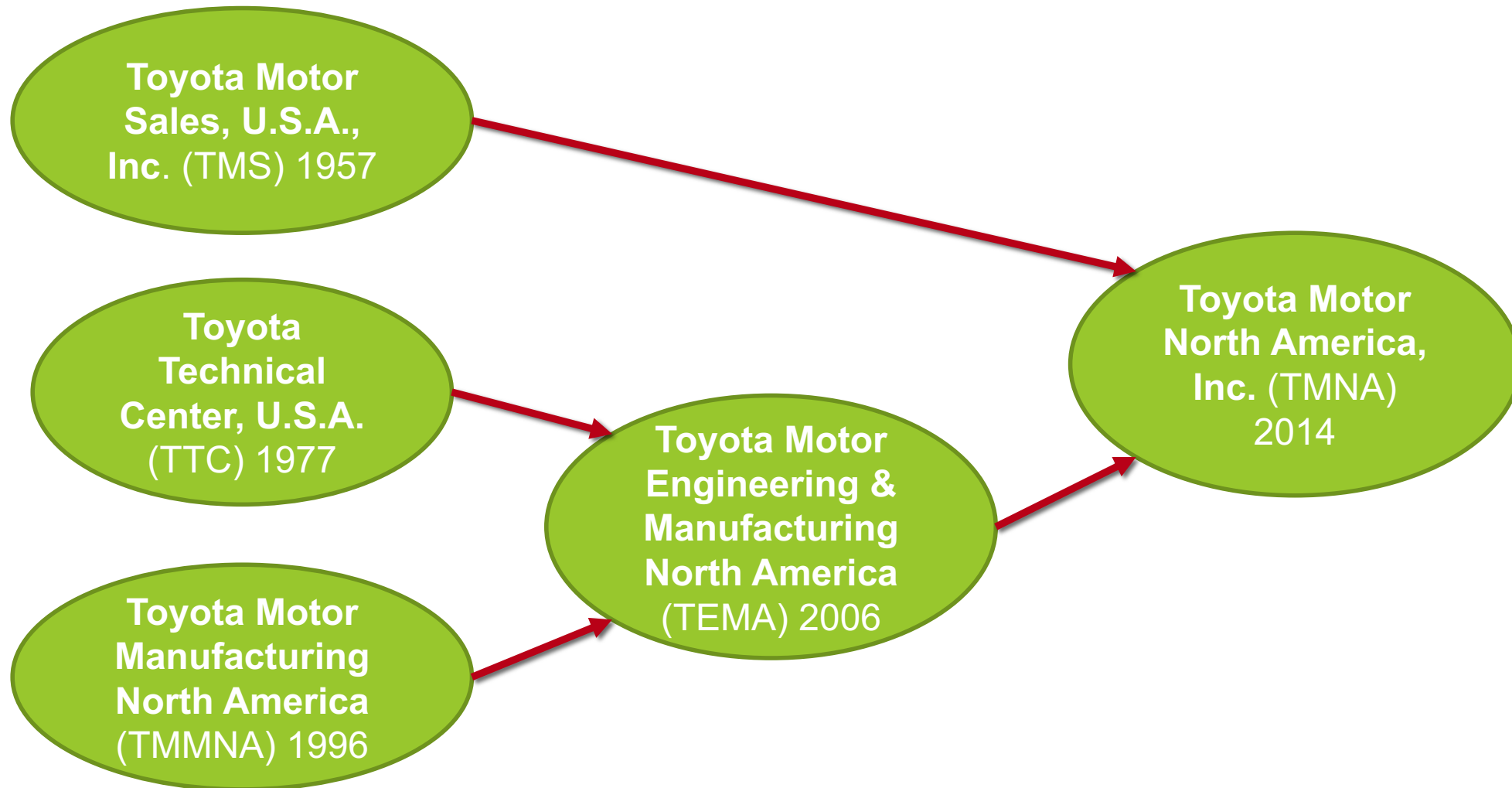
- Certified Scrum Master (CSM),  
Certified Scrum Professional (CSP)  
Certified Enterprise Coach (CEC)
- Extensive experience in software product development as a developer, manager, director, and coach
- Using agile practices since 2003
- Agile Coach since 2006



# Purpose

- Share my experiences over the past year working with Toyota helping the IT department of over 4500 people in Toyota Motor of North America (TMNA)
- Topics:
  - Getting leadership engaged
  - Dealing with conflict between hierarchy and agile teams
  - Dealing with fear in the organization
  - Getting infrastructure turned around quickly
  - Approaching annual planning

# A Little History



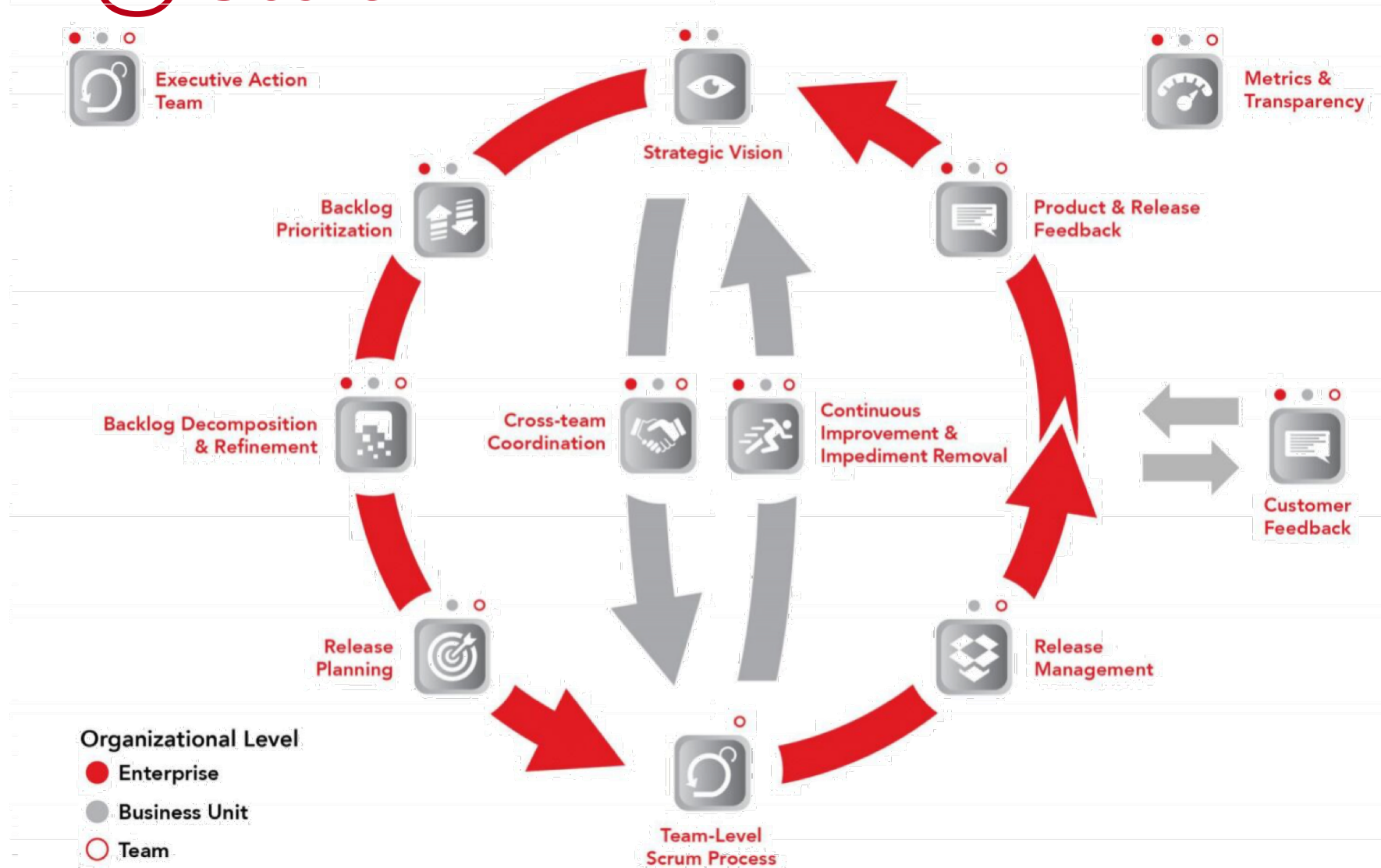
# Traditional Large American IT Shop

- 4,500 people (mostly outsourced)
- Defined stage-gate process
- Small pockets of agile development
- Examples:
  - Large dealer incentive program
    - 200 people, over 5 years, nothing of note delivered, missed launch date 6 times
  - Infrastructure Delivery
    - Virtual Windows environments delivered in 6 to 12 weeks

# Approach

- Scrum @ Scale
- Leadership Workshops
- Assessments
- Value Stream Mapping
- Launch Teams in multiple locations
- Inspect and Adapt to reality
- Tie agile values to the Toyota Way

# Scrum @ Scale



# Executive Action Team

- Identify and remove impediments that block organizational Performance
- Align the entire organization along a shared and transparent transformation strategy
- Delegate the high level transformation process on a prioritized org backlog with a primary focus on removing waste



# EAT Meets Regularly

- The IS Leadership Team of 7 people
  - 15 minutes 3 days a week quickly removing impediments
- About 20 senior leaders in IS
  - Full day each quarter and ½ day weekly to actively work the transformation backlog

# Toyota Agile Practice (TAP)

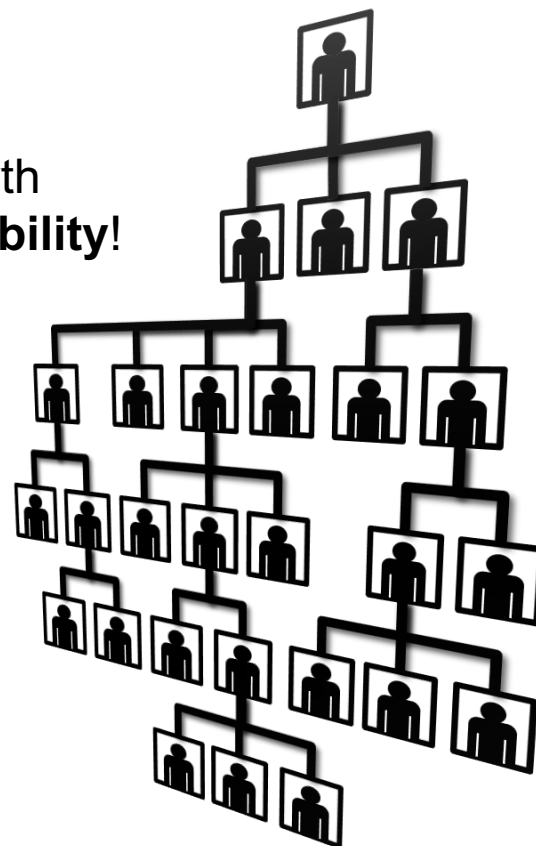
- A group of internal coaches with previous agile experience
- Worked with external coaches to learn how to train, coach, and launch teams
- Hired Scrum Masters and Coaches to meet the demand

# ORGANIZATIONAL DESIGN

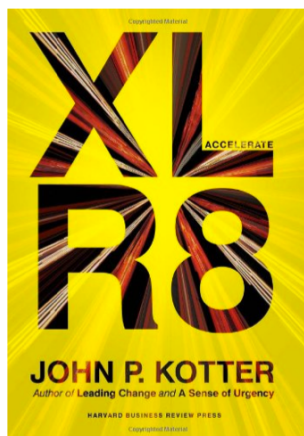
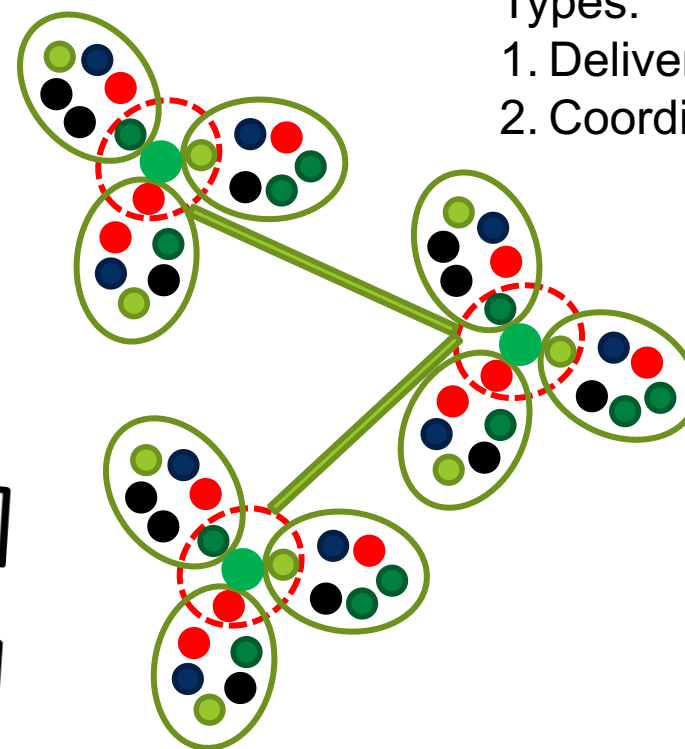
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# Dual Operating Model

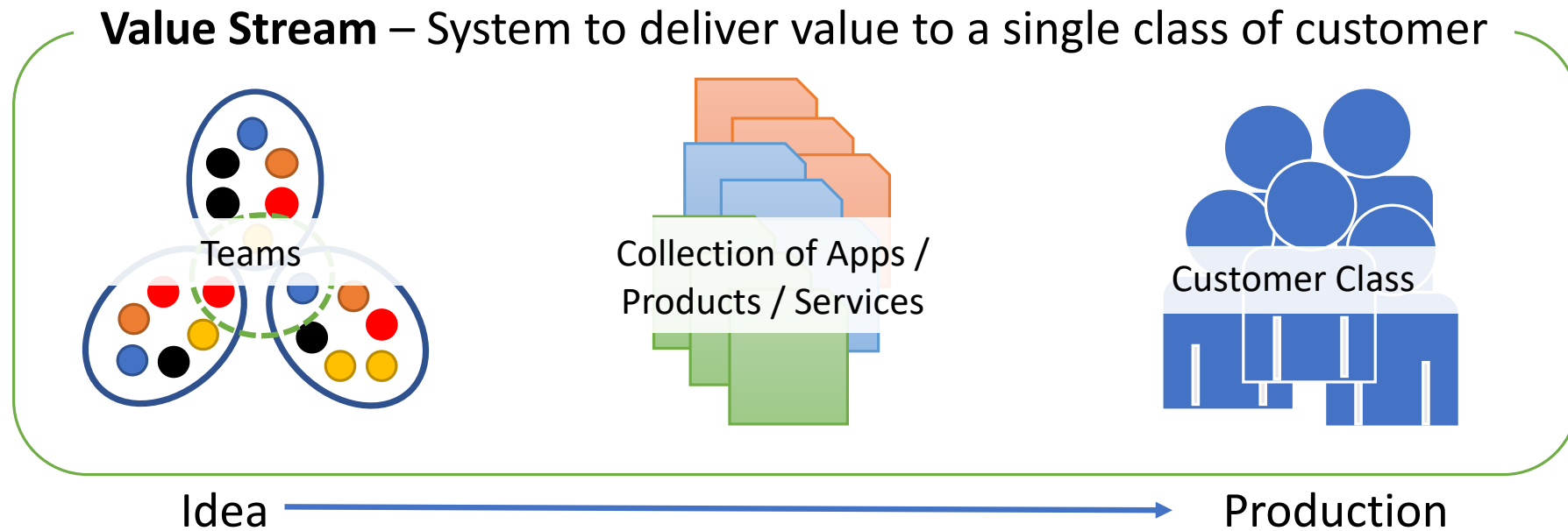
Static  
 Common Skills  
 Owns Standards  
 Provides Mentorship  
 - Technology/Skill  
 - Team Member Growth  
**No delivery responsibility!**



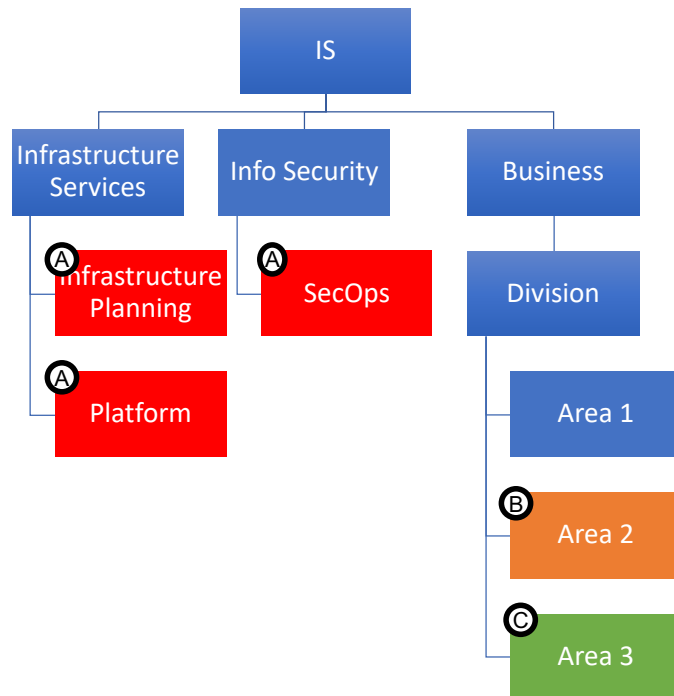
Dynamic Network of Stable Teams  
 Cross Functional  
 Delivers value quickly  
 Types:  
 1. Delivery  
 2. Coordinating



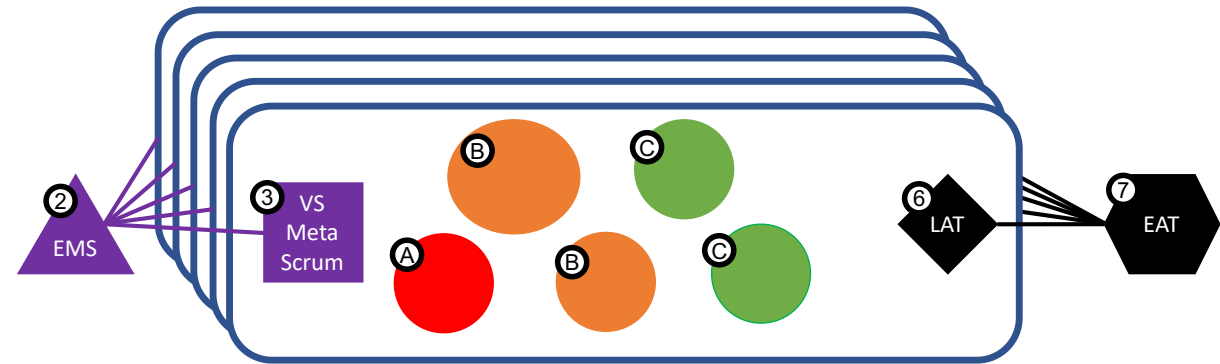
# Value Streams



# Launch Value Streams



- All people live in the hierarchy
- Some work is performed in the hierarchy
  - Where stability over agility is needed
- Hierarchy crafts strategic vision and objectives



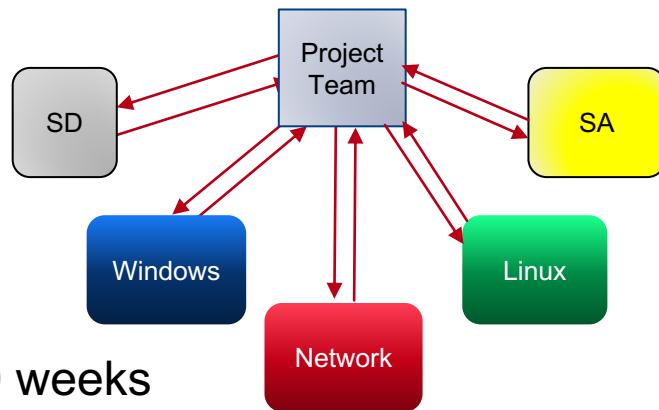
- Network implements objectives that require agility, speed, and feedback loops
- ② EMS owns priority, roadmap and execution of objectives
- ③ Value Stream Meta Scrum is team of PO led by a CPO
- Teams within a value stream collaborate to maximize value delivered to the users
- ⑥ LAT works to remove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

# DEALING WITH HORIZONTAL SERVICES

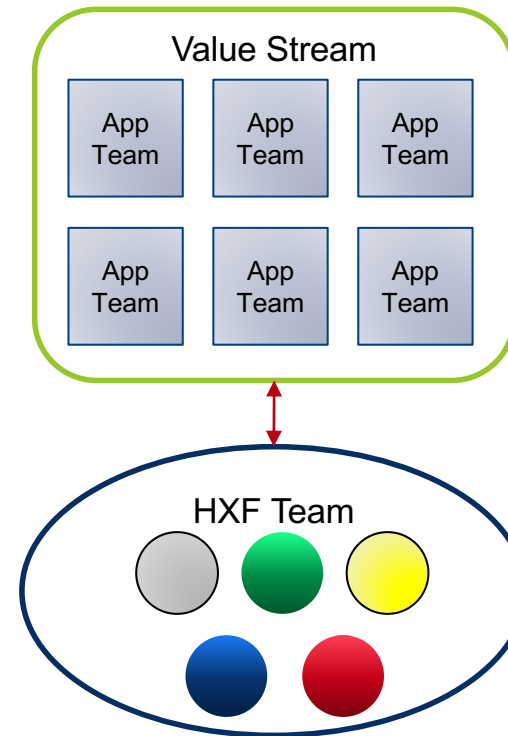
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# Horizontal Cross-Functional Team (HXF)

**Before**



**After**



- Few Handoffs
- 6 Environment in 4 weeks
- Catalog-based model
- “Work is fun again”

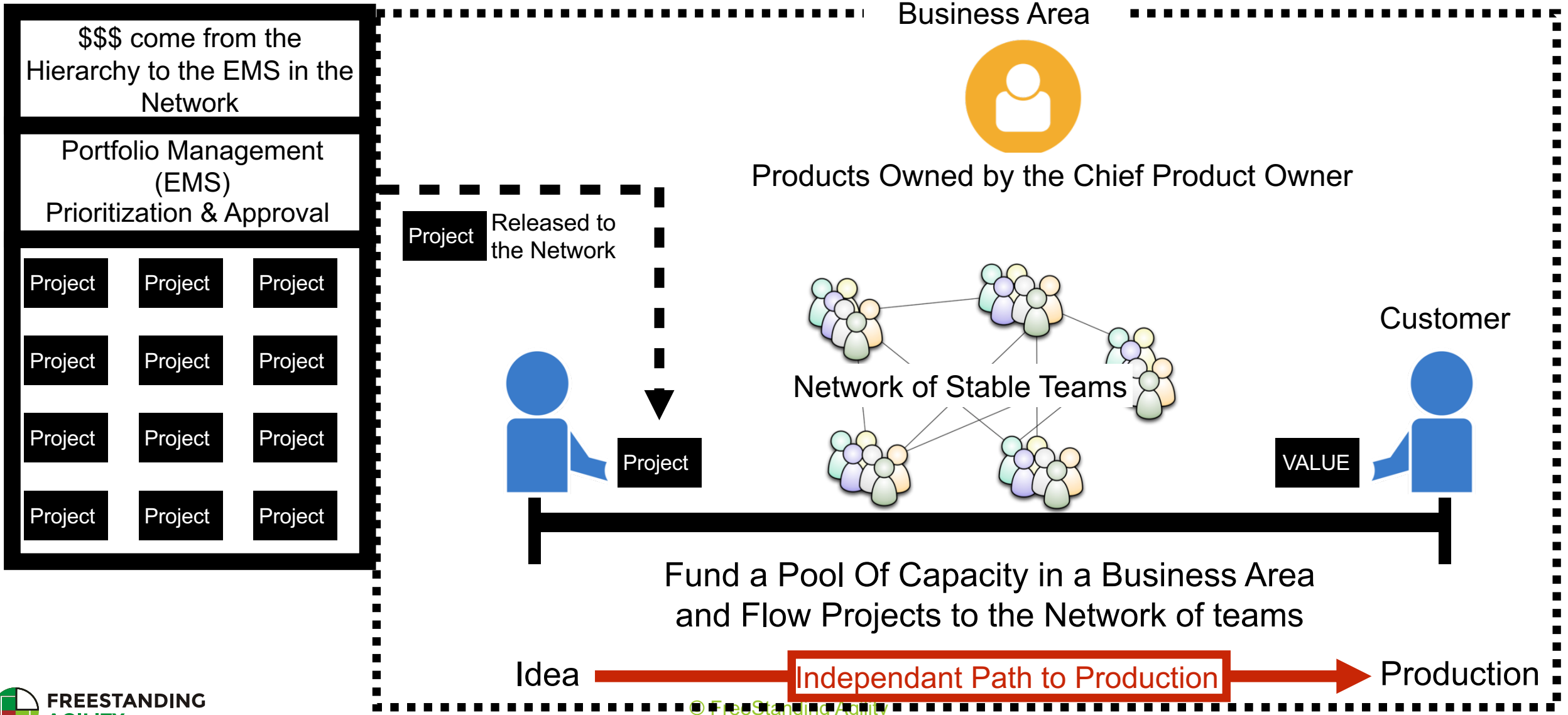
- Handoffs
- Delays
- Average Delivery-10 weeks



# ANNUAL PLANNING

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# Fund People not Projects



# Large Incentive Program Revisited

- 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

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Helping our clients attain a state of self-sustained agility

Our Services:

Team, Program, and Executive Coaching

Team and Organizational Assessments

Team, Program, and Leadership Training

We coach teams with Scrum and Kanban

We coach programs with Scrum @ Scale, SAFe, and LeSS