Engagement Example- Global Technology Company (Technology Segment)

Company Info:

- Client Size- $104 Billion Revenue (#19 of the Fortune 100)
- 302,000 Employees/Global Footprint

Situation:

- Problem- Strategic decision to split the company into two companies. One to focus on Software/IT Outsourcing Services without negatively impacting customer/client service.
- Why NLP/Lean- Deployment timeframe very aggressive (<1 yr) requiring breakthrough changes while growing the customer base. Vendor had to be able to identify and drive changes through internal company resources with projects already in deployment as well as develop new.

Engagement:

- $2.3 Million invested with NLP
- 122 workshops / 11 month engagement
- Focus- Software Development Life Cycle, ITIL Change Management & Service Request, Client Engagement & Support, Vendor Mgmt (contract labor), Labor Demand/Supply Mgmt (LDSM).

Results:

- Improvements- $78 Million in labor, lead time reduction, fine reduction (consistent deadline attainment), cost overrun elimination, infrastructure reduction (leases), client retention.
- Trained over 400 employees in Rapid Cycle Improvement (Kaizen vs Project) including internal Six Sigma/ITIL Facilitators.

Engagement Example-Communications & Telecom Management (Technology Segment)

Company Info

- **Client Size-** $100 Million Revenue
- 250 Employees

Situation

- **Problem-** Merging 4 telecom companies together through acquisition. Need to reduce redundancy and cost
- **Why NLP/Lean-** lack of standard processes. Needed a structured approach to integrating four different business platforms together seamlessly while improving the customer experience

Engagement

- $148K invested with NLP
- 8 Workshops
- **Focus-** Site Consolidation, Client Engagement & Support, Product Lead Time, Synergy in Purchasing Equipment

Results

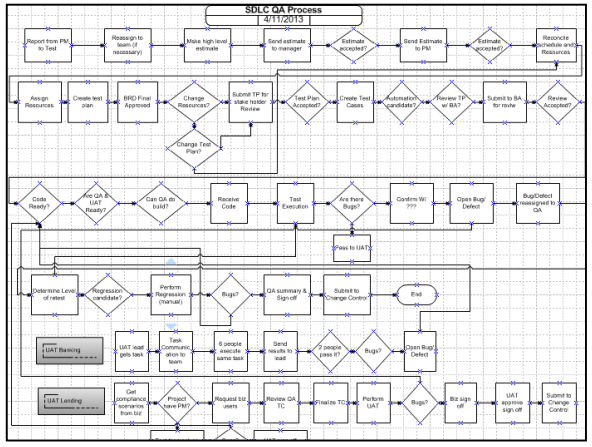
- **Financial Improvements-** $1.5 Million in elimination of re-work, productivity increases, product cost reductions, reduction in telecom inventory
- Trained 20 employees, Certified 2 Team Leaders & 1 Lean Facilitator

TPI- SDLC (Software Development Life Cycle)
Quality Assurance Department

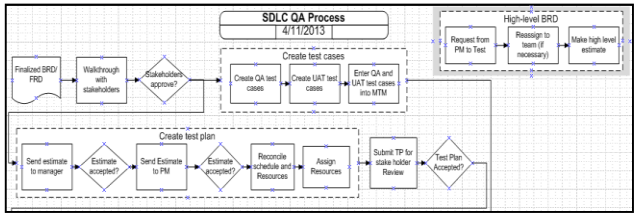
Before Kaizen

- Multiple verification steps within the process
- Redundant testing occurring in the process
- High reject rates (bugs) in the process
- Batch processing occurring at many of the process steps causing long wait times
- Bottleneck in QA department
- Insufficient measurements and performance tracking

Flow diagram with multiple rework loops



New flow with up front parallel collaboration process



After Kaizen

- Eliminated redundant verification steps and multiple check points
- Reduced reject rates by creating new checklist that have all required documents identified
- Eliminate bottleneck process in QA by implementing one piece flow and creating standard processes
- Improved downstream flow by strengthening front end processes.
- Created new metrics and a process for tracking them

Projected Annual Savings of $685,000 in labor efficiencies!

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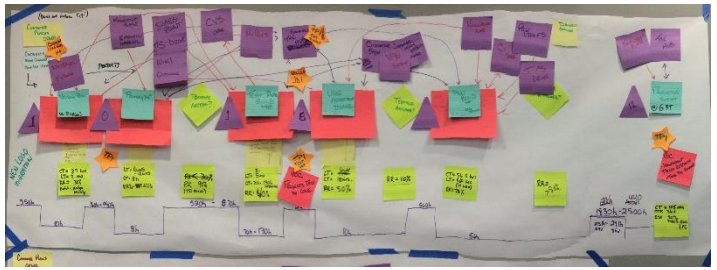
Technology Management Business

Value Stream Mapping

Before

- Customers unhappy with time to implement new solutions.
- Customer feedback on production support is that the issues are not resolved when the ticket is closed.
- Upgrade process can take longer than implementation.

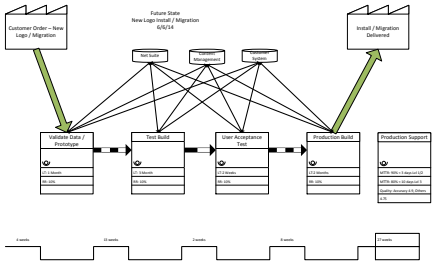


Value Stream Roadmap

				VS Title	Telecommunications Management
				VS Owner	P. Kurrasch
				Team Leader	J. Sansocie
				Date Prepared	6/5/2014
#	Action	When	Event Type	Potential Leader	Expected Results
Rapid Improvement Events (Kaizen Events)					
1	Production Support Process Improvement	7/21/14	TPI	Jeana	1) Reduce LT: 90% MTTR w/in 3 business days (Tier 1 & Tier 2) 80% w/in 10 business days (Tier 3) 2) Reduce CT by 10% 3) Increase Cust Satisfaction Scores: Accuracy > 4.9 All others > 4.75
2	Upgrade Process Improvement - Test Build Phase	8/25/14	TPI	Ray	For Dot Releases (V6.4.X to V6.4.3): 1) Reduce LT to 10 business days 2) First Pass Yield (FPY) > 95% For Major Releases (V6.4.3 to V6.5): 1) Reduce LT to 30 business days 2) First Pass Yield (FPY) > 95%
3	Upgrade Process Improvement - Production Build Phase	9/8/14	TPI	Ray	For Dot & Major Releases (V6.4.X to V6.4.3): 1) Reduce LT to 3 days
4	Upgrade Process Improvement - Validate/Plan Phase	10/13/14	TPI	Al	For Dot Releases (V6.4.X to V6.4.3): 1) Reduce LT to 3 days For Major Releases (V6.4.3 to V6.5): 1) Reduce LT to 20 business days
5	Implementation Process Improvement - Validate/Plan/Prototype Phase	11/10/14	TPI	Al/Cope	1) Reduce LT from 5 months to 1 month 2) Reduce RR from 90% to 10% at Prototype Gate
6	Implementation Process Improvement - Test Build Phase	12/15/14	TPI	Al/Cope	1) Reduce LT from 6.5 months to 3.5 months
7	Implementation Process Improvement - Production Build Phase	1/15/15	TPI	Al/Cope	1) Reduce LT from 3.5 months to 2 months 2) Reduce RR from >80% to 10%
8	Storage Systems Strategy	9/15/14	TPI	Matt	Consolidate/Simplify Storage Systems

After

- Developed two value stream maps, one for new implementation and one for upgrades.
- Roadmap developed focusing on improvement in time to implementation of new product and upgrades, as well as responding to concerns from voice of the customer.

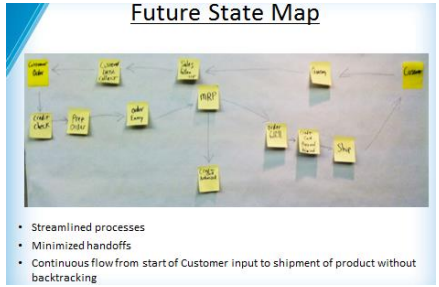


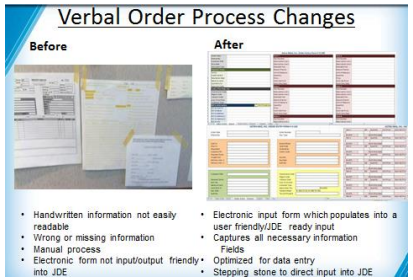
Roadmap with 7 kaizen events which will reduce time to implementation by 60% with an 80% improvement in productivity.

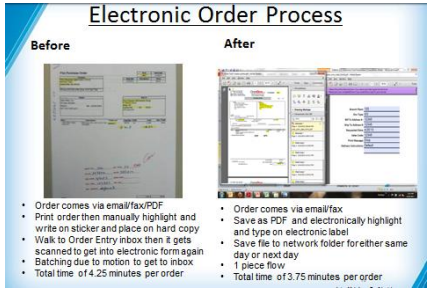
Case Example: TVSM Inside Sales Order Process

BEFORE Kaizen

- On average 100 orders per Day
  - ~90 orders are via email/fax
  - ~10 orders are verbal
- ~26 out of 100 orders are via Credit Card
  - 22 minutes to release shippable items off Credit Hold
- Order Entry into system done by Inside Sales/Tech Support







AFTER Kaizen

- Identified opportunity to eliminate several manual processes
- Increased efficiency
- Reduced delays in Credit Card holds by having removed prior to shipping and reduced time to 15 minutes
- Increased availability of Inside Sales/Tech Support to Customer
- Reduced delays to Customers

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Identified and implemented improvements to help drive $9MM Increased Sales through this 1 event in April 2013