KAIZEN NAME:
PMO/IT Resource planning

Date: 08/22/2016

Kaizen Facilitator: Boris Panaiotov

Functional Area: IT

Project Charter
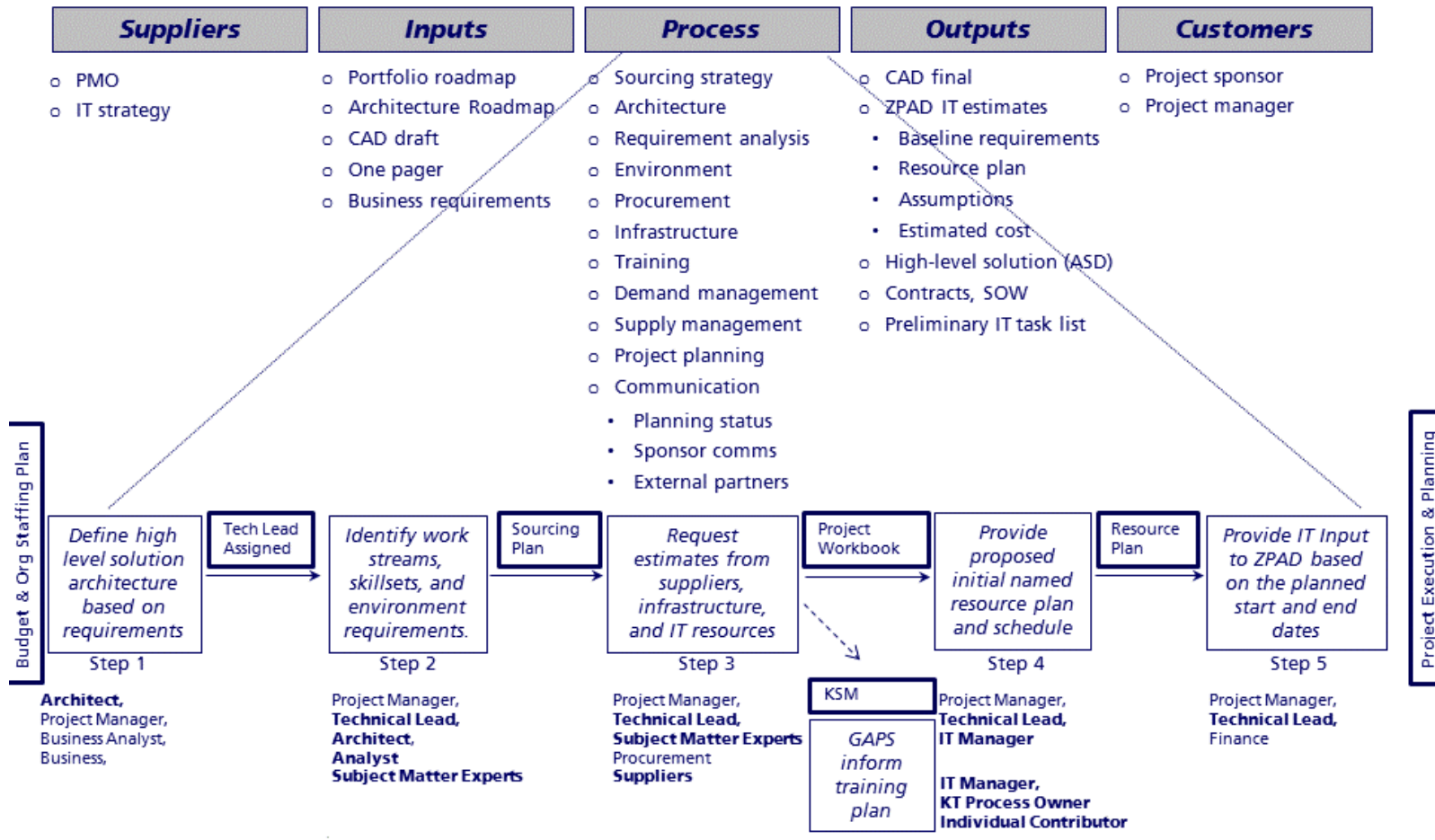## Resource Planning Management
Dano Lewis / Jake Henak

Project Schedule			
Activity	**Start Date**	**End Date**	**Comment**
Scope	2/1/2016	2/29/2016	Produce SIPOC, Draft and Approve Charter, Prepare Charter, Kaizen Event Checklist, Define and collect Metrics, Collect voice of customer
Diagnose	3/15/2016	3/16/2016	
Design	3/16/2016	3/17/2016	
Implement	3/21/2016	6/24/2016	

Business Case (purpose)

Very little planning is currently done regarding the type of resources needed to complete future projects. The lack of visibility into the type and number of resources required for for a project causes additional time in CAD and ZPAD process for project initiation. A process to create a resource resource plan for pipeline projects will allow for quicker and and more accurate project estimates and a more prepared and efficient work force.

Problem Statement (pain)

- There are 32 projects in the portfolio plan and only 4 have resource plans resulting in in unprepared resources.
- The time it takes to start a new project is on average 3 months and gets approved with 50% IT resource gaps.
- Planning assumes that 34 hours per person week is spent on project work; January actuals show that IT ECP Utilization is at 24 hours per person week.
- IT Resource Managers do not have a shared view into current, changed, and forecasted resource requirements that remains in sync with the portfolio roadmap.

Scope

In	Out
• IT ECP Resource Resource Planning • IT Process from from CAD to ZPAD	• Annual planning process • Organization structure • Supplier Requests (Beyond SLA) • Business case development • Production Support

Goal Statement (targeted gain)

- Provide transparency into forecasted needs and allocated resources by way of resource resource plans for all 32 projects in the portfolio plan and reduce the CAD process to less less than 24 hours.
- Reduce average time to start a new project from 3 months to 6 weeks.
- Increase IT ECP Utilization to 28 hours per person week by August 2016.
- Provide a way to see resource forecasts and allocations that spans across the portfolio portfolio and enable impact assessments when plans change.
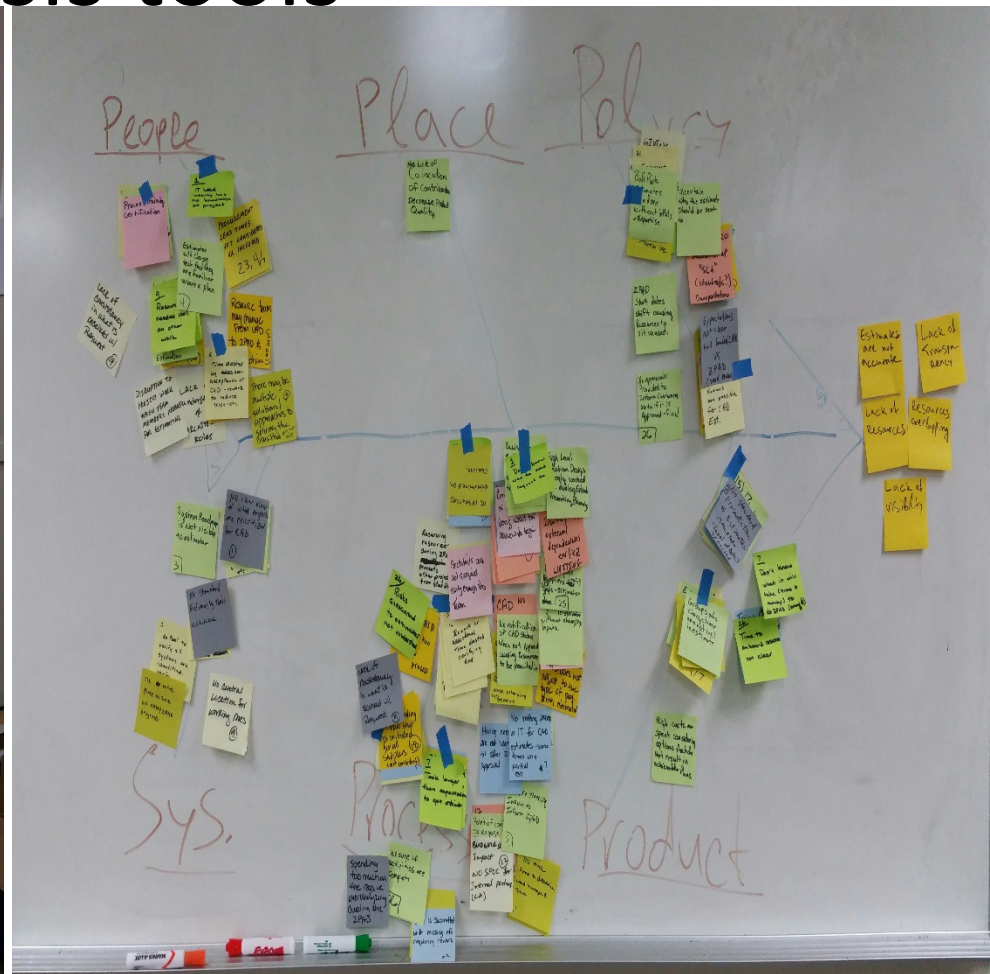
Lean project delivery – scoping phase

IT Resource Planning

FARMERS INSURANCE

Suppliers	Inputs	Process	Outputs	Customers
o PMO o IT strategy	o Portfolio roadmap o Architecture Roadmap o CAD draft o One pager o Business requirements	o Sourcing strategy o Architecture o Requirement analysis o Environment o Procurement o Infrastructure o Training o Demand management o Supply management o Project planning o Communication • Planning status • Sponsor comms • External partners	o CAD final o ZPAD IT estimates • Baseline requirements • Resource plan • Assumptions • Estimated cost o High-level solution (ASD) o Contracts, SOW o Preliminary IT task list	o Project sponsor o Project manager

Budget & Org Staffing Plan

Project Execution & Planning

Define high level solution architecture based on requirements	Tech Lead Assigned →	Identify work streams, skillsets, and environment requirements.	Sourcing Plan →	Request estimates from suppliers, infrastructure, and IT resources	Project Workbook	Provide proposed initial named resource plan and schedule	Resource Plan →	Provide IT Input to ZPAD based on the planned start and end dates
Step 1		Step 2		Step 3		Step 4		Step 5

KSM

GAPS inform training plan

Architect,
Project Manager,
Business Analyst,
Business,

Project Manager,
**Technical Lead,
Architect,
Analyst
Subject Matter Experts**

Project Manager,
**Technical Lead,
Subject Matter Experts**
Procurement
Suppliers

Project Manager,
**Technical Lead,
IT Manager**

**IT Manager,
KT Process Owner
Individual Contributor**

Project Manager,
Technical Lead,
Finance

Farmers Lean
Enterprise Office - Process Design and Analysis

Roles in **Bold are provided by IT
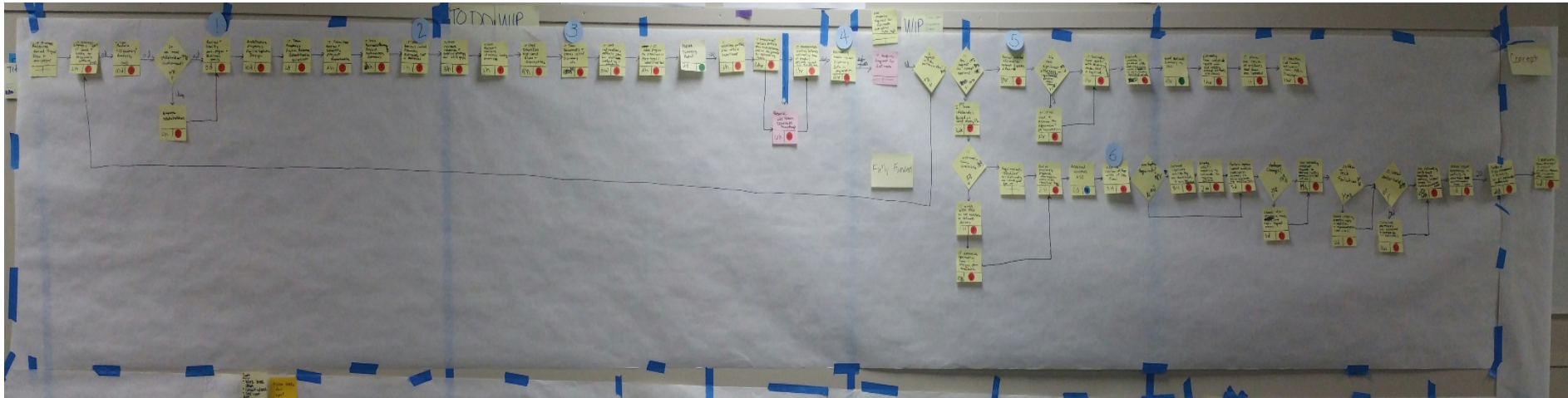
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Analysis tools

Team identified process pain points. They were gathered and de-duped. Fishbone diagram was used to categorize the issues.

Future state Process Map

- Number of process steps = **50**

- **Benefits of the proposed process:**
  - Link estimating to annual planning
  - Improved collaboration with PMO
  - Clarity of objective

Final metrics   manage

		Baseline		Target	
		Cycle	Rework	Cycle	Rework
CVA Time	CVA	5.23		2.97	
	NVA	95.34	2.44	143.70	8.65
	RNVA	0.00		2.00	
	Subtotal	100.57	2.44	148.67	8.65
	TOTAL	103.01		157.31	

		Baseline		Target	
		Cycle	Rework	Cycle	Rework
CVA Steps	CVA	2		3	
	NVA	24	8	46	20
	RNVA	0		1	
	Subtotal	26	8	50	20
	TOTAL	34		70	

		Baseline		Target	
		Cycle	Lag	Cycle	Lag
Cycle, Lag, Rework	Total Cycle Time	100.57		148.67	
	Total Lag Time		21.62		35.30
	Total Rework Time	2.44	0.00	8.85	0.43
	Lead Time	124.63		193.24	

Lessons learned

- What went well in your Green Belt journey?
  - Both Kaizen events are successful
  - Learned how to apply Lean principles, which means I'm not taking too many risks or depending on external references.
  - High level of personal involvement and aligning lean activities with achieving operational results

- What was the biggest challenge and what did you learn?
  - Control large group
  - Keep the group on task
  - Link new steps to benefits and value

- What will you continue to work on?
  - Summarize and report on SME VOCs
  - Stick to the steps on the agenda to get through all of the exercises
  - Continue coaching and being coached. Get involved in new projects and refresh lean tools and methods.