

ABInBev

Agile Transformation

Eduardo Villarreal – MAZ Management Systems, PPM & TSC Director

ABInBev



Eduardo Villarreal

Management Systems & Transformation Director

+8 años en la industria cervecera con experiencia en Tecnología, Recursos Humanos, Data & Analytics

Ingeniero Industrial-Msc. Operations Research (UNAM)

Apasionado por la Data, Tecnología y la Cerveza



“Nuestra plataforma Sueño - Gente - Cultura es la forma en la que nos conducimos y nos distingue como empresa, cumplimos nuestras responsabilidades con los consumidores, clientes, accionistas y empleados a través de la dirección, liderazgo e innovación”

ABInBev
Middle Americas

ABInBev

BY THE NUMBERS

~170,000 owners

2,000 years of heritage

400+ brands

52 countries

Our diverse portfolio, innovative strategies, and ambitious colleagues allow consumers to enjoy our products around the world!



WITH AN UNPARALLELED PORTFOLIO OF GLOBAL, PREMIUM, AND SPECIALTY BRANDS



WELCOME TO

MOST
AMAZING
ZONE



MIDDLE AMERICAS ZONE

14 COUNTRIES

6 BUSINESS UNITS

MEXICO
COLOMBIA
PERU
ECUADOR
HONDURAS & EL SAVADOR
CAC (DOMINICAN REPUBLIC, PANAMA, COSTA RICA, GUATEMALA, CARIBBEAN)



+50,000

People



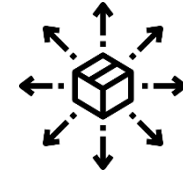
32

Breweries



14

Vertical Plants



394

DCs



130MIO FL



90 BRANDS

Our local Champions



EXTERNAL RELEVANCE

MOST ADMIRED CPG

#1

LA CONSTANCIA
LO MEJOR DE NOSOTROS

El Salvador

-1926-

CERVECERIA
HONDUREÑA

Honduras

-1915-

CERVECERIA
NACIONAL
DOMINICANA

Dominican

-1926-

#2

GRUPO MODELO
MEXICO

Mexico

-1925-

BAVARIA

Colombia

-1889-

Backus

Peru

-1879-

CN
CERVECERIA NACIONAL

Panama

-1909-

#4

CN
CERVECERÍA
NACIONAL

Ecuador

-1887-

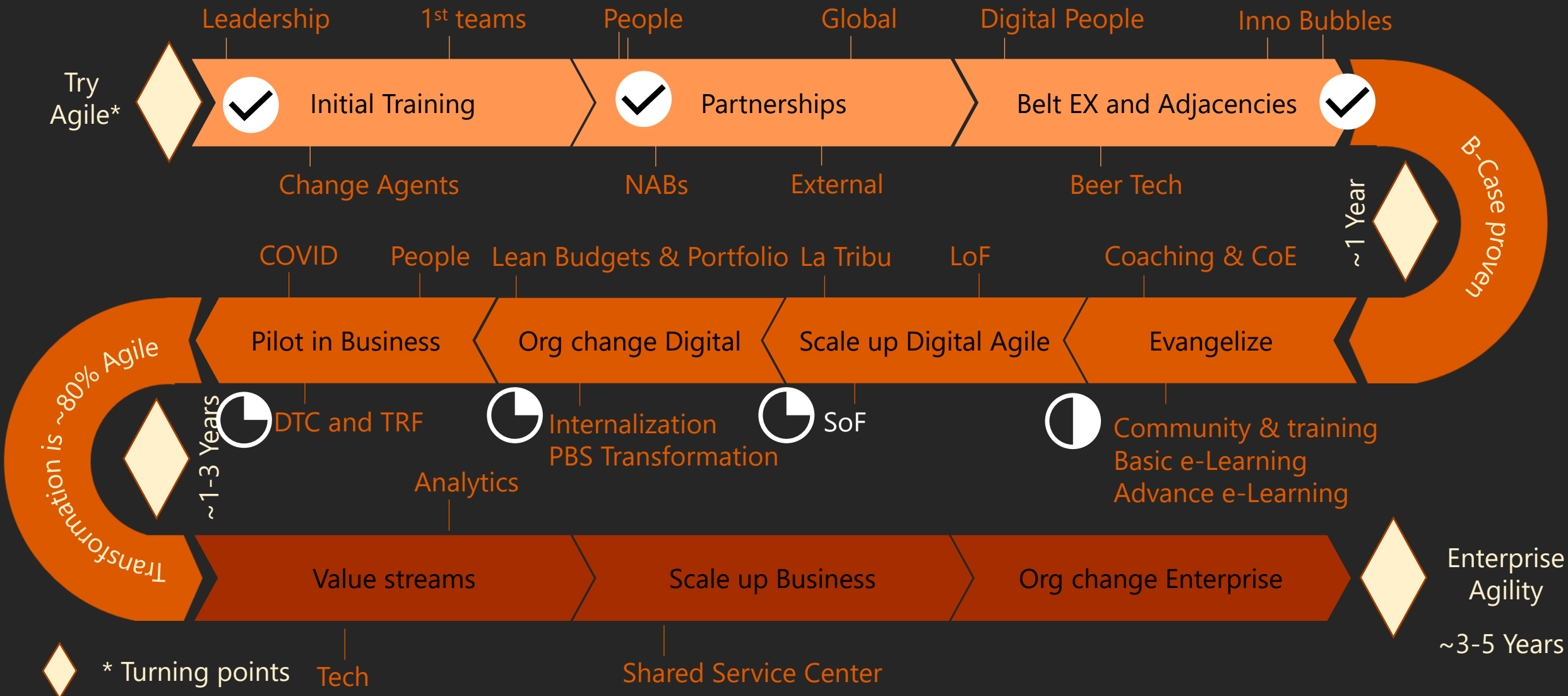
As every great story,
this one began with
a couple of Beers

Once upon a time in
Guadalajara...

2018

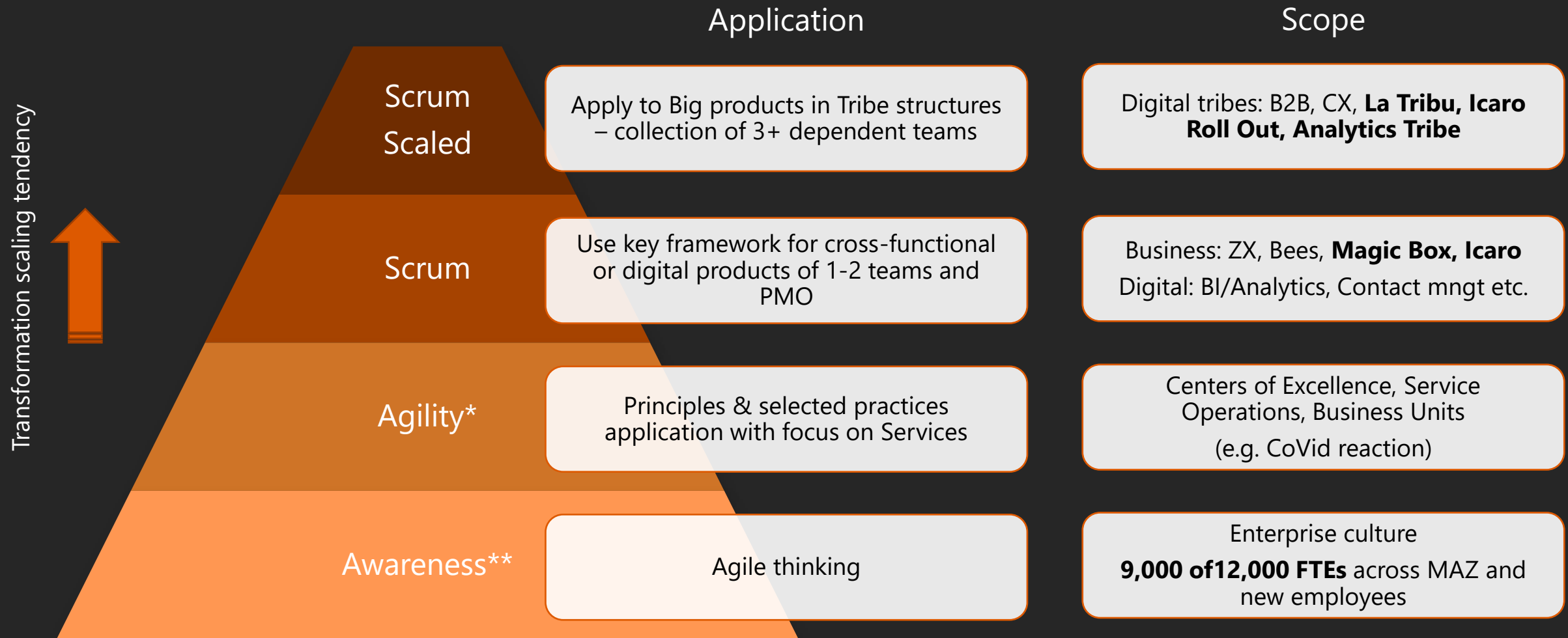


Roadmap towards Enterprise Agility on MAZ



◆ * Turning points

Strategy of Enterprise Agility – application

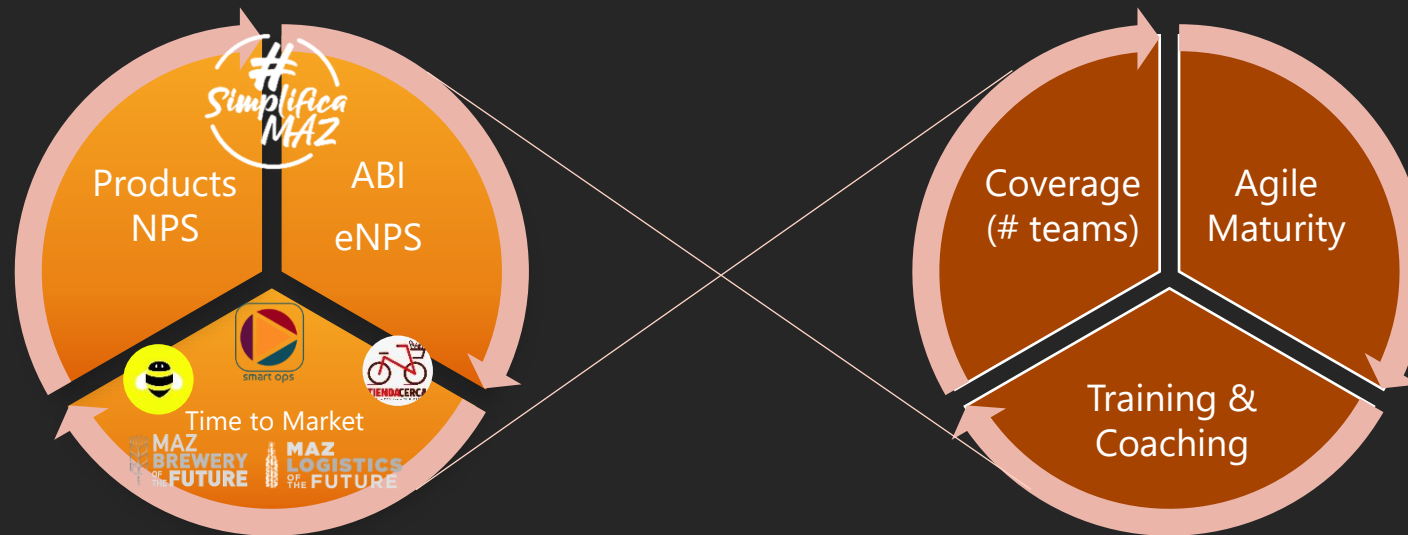


* measured by basic practices application (from Scrum maturity level 1)

** measured by # of meaningful interactions

Enterprise Agile KPIs

Business results KPIs - gain incremental value applying Agile in products* development



Foundation – Agile Transformation through Customer Centricity, organizational change, coaching/training & community

*all type of products – digital, innovations, operational services & etc.

Covid changed the way we think about Agile Mindset

Safety of our People

Covid Protocols

Protect our People is not negotiable no matter the cost

Sence of Urgency

Our Breweries were shutdown

NABs inno in less than 3 months

Being part of the solution

Support to local governments

CoVid Hospitals, Water and Gel

New Ways of Working

Work from Home Manifesto

Is not about Beer, it's about bringing People Together



Mindset every where...

During 2020 we had big challenges and worked hard on the MAZ Agile maturity



Awareness

Agile fundamentals on more than **9.000 employees**

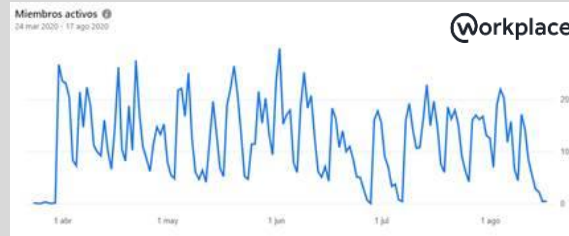


BU/Function	Percentage	2596	454	180	176	177
Sales	38%	2596	454	180	176	177
Supply	23%	1118	289	417	204	150
Solutions	20%	1556	169	75	65	11
Logistics	8.4%	102	252	284	28	118
People	3.1%	76	59	79	46	34
Procurement	2.3%	184	17	8	5	5
Marketing	2.2%	16	129	35	9	18
Finance	1%	5	14	20	39	19
Legal/CA	0.7%	16	23	16	4	11
SB+ZXV	0.5%	41	10	-	-	-

Awareness

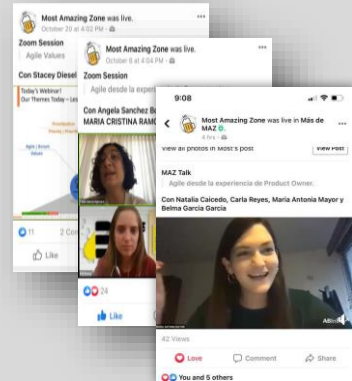


Comms and Change



More than **300** Active Members in Workplace

76% E-learning course completed



More than **120** people connected by Workplace Live talking about Agile experience – 4 sessions (Agile Talks - zoom sessions)

Chance Management



Our Results

E-Learning



Coaching services



Agile Talks



Benefits more than

~USD **32.5** Mio



~ USD 85k



~ USD 800k



~ USD 1.7Mio



~ USD 30Mio

Objective	Features	Velocity	Release Time	AMM Score
ABI Digital COL	Sales model Digital transformation (E-agile)	83.3 (stories)	Aug 3 months	4,98
ABI Digital MEX	Sales model Digital transformation (E-agile)	1600 (pts)	Aug 3.5 months	5,47
ABI Digital ECU	Sales model Digital transformation (E-agile)	26 (stories)	TBR	5,29
Magic Box	Digital Products for ABI Digital at MAZ	449 (points)	2.5 weeks (13 days)	6,34
La Tribu	Digital Products for Employee Experience	1850 (pts)	Aug 3 months	5,45
Icaro	Analytical Model as a Marketing Solution First Stage - Mexico	10 (stories)	2.5 weeks (13 days)	5,70
Brewery of the Future	Digital Products for Supply	1088 (pts)	Aug 2 months	5,3

+100 team members on 12 Squads

received training, coaching and their maturity and evolution of Agile mindset was evaluated

Performance

Our Agile WoW is more like a Dual Operating System

So, what we need is **Strong Principles**, a
Big Opportunity to pursue, a Bit of a
Process and a Lots of **Motivation**
and **Leadership**

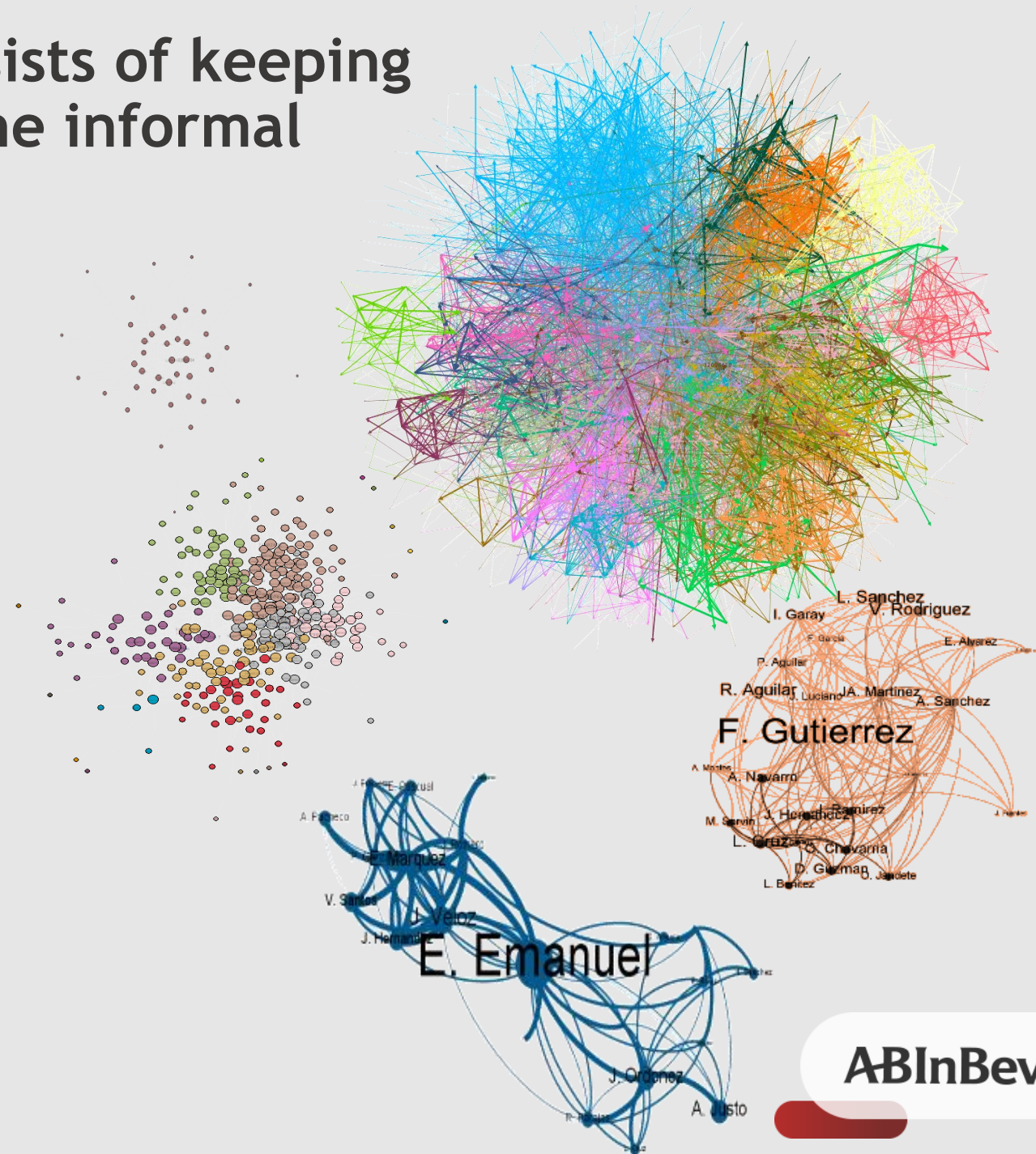


Our Dual Operating Systems consists of keeping the formal structure but make the informal network visible

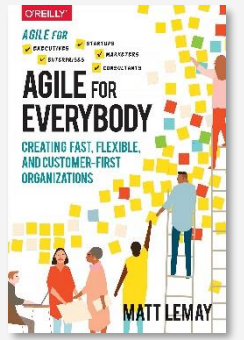
WHAT IF WE TRY TO DECOUPLE THE ORGANIZATIONS BY THINKING TO A **SECOND OPERATION SYSTEM** ARRANGED LIKE A NETWORK, NEXT TO THE EXISTING HIERARCHY...



...WHOSE MANDATE IS TO INNOVATE?



Our Agile framework is more like a Movement than just a method or midset



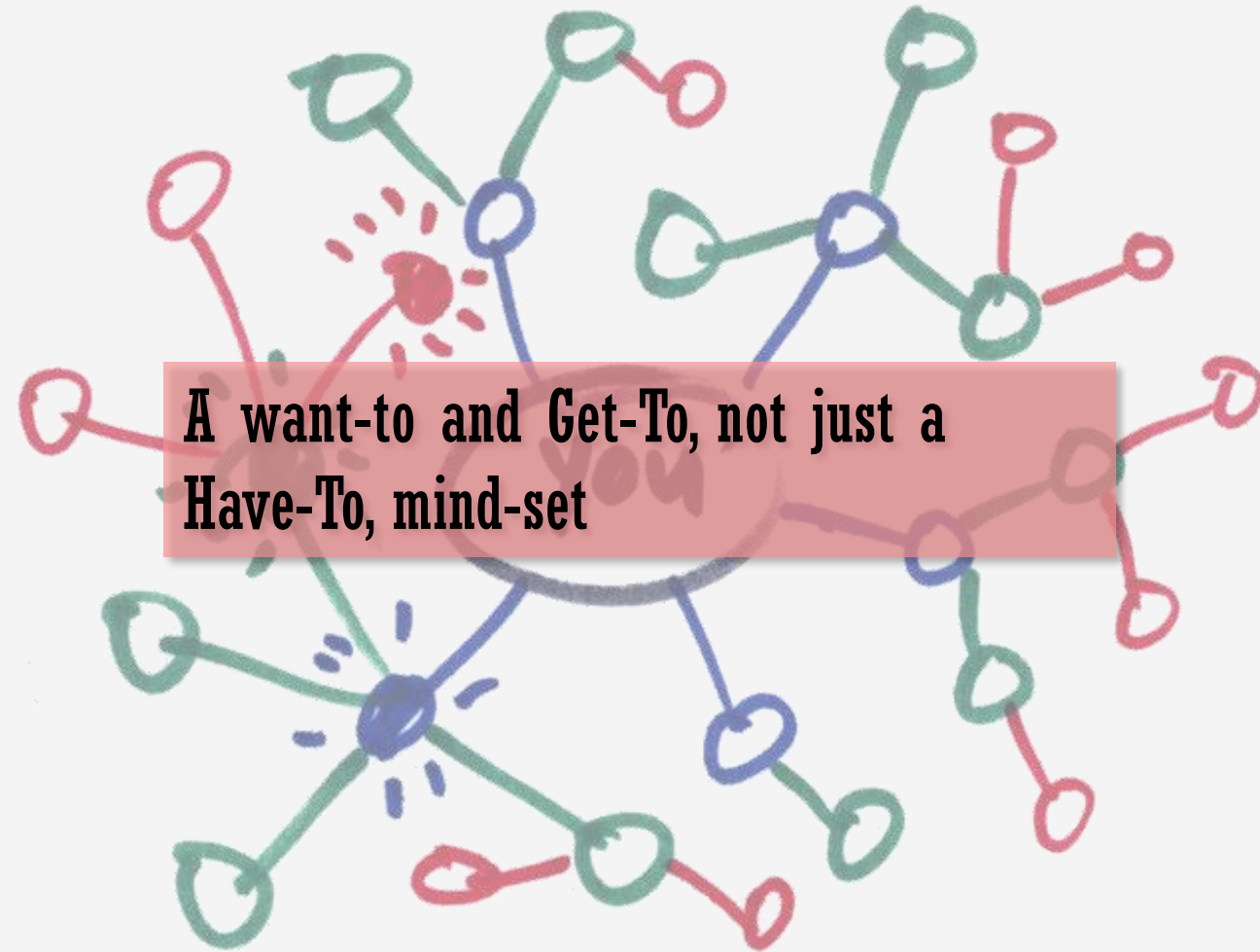
We adapted Agile practices and values to our Company Culture

Agile as a methodology	Agile as a mindset	Agile as a movement
<p>Practices matter more than mindset</p>	<p>Mindset matters more than practices</p>	<p>Mindset and practices are inexorably connected</p>
<p>The practices and methods of Agile were already determined by others</p>	<p>The principles and values of Agile were already determined by Others</p>	<p>I have an active role to play in determining how Agile principles and practices are articulated and applied in my team or organization.</p>
<p>Individuals within teams must collaborate and interact in prescribed and predefined ways</p>	<p>Individuals within teams must independently develop an Agile “mindset.”</p>	<p>Individuals within teams must work together toward a shared set of goals and values.</p>

Principle #1: The spirit of volunteerism energizes the network

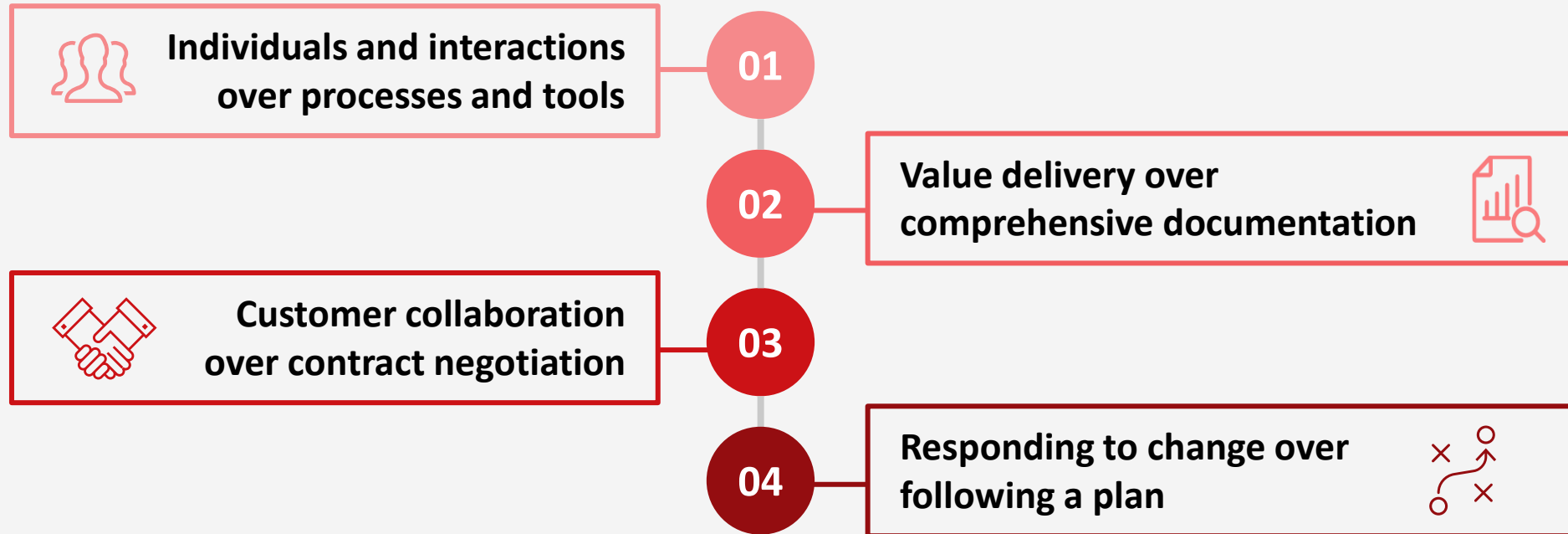
You cannot mobilize voluntary energy and brainpower unless **people want to be change agents** and feel they have permission to do so.

The spirit of volunteerism – the desire to work with others for a shared purpose – energizes the network



Principle #2: We are uncovering better ways of transforming the business by doing it and helping others do it. Through this work we have come to value:

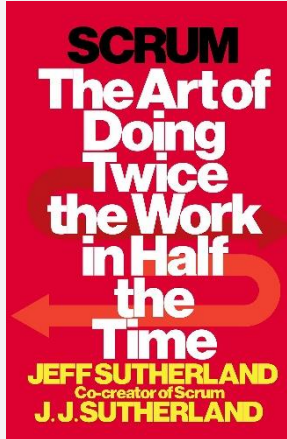
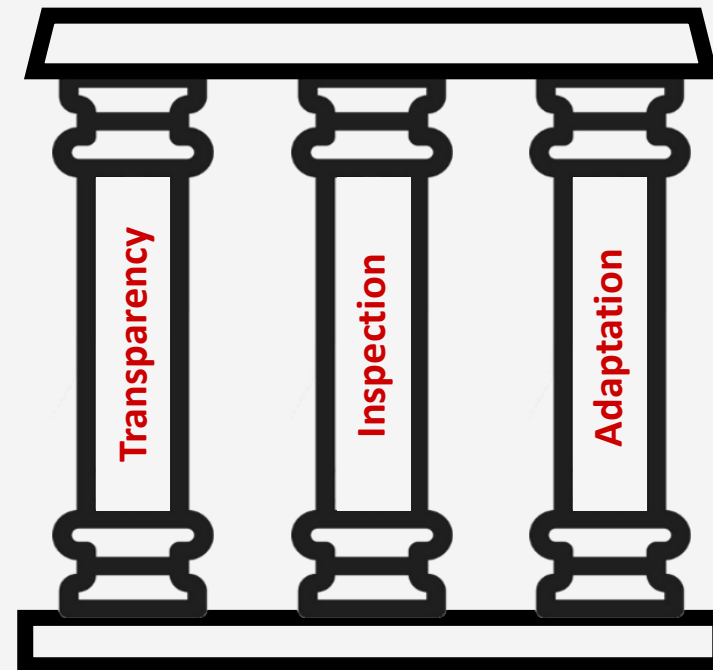
THE AGILE VALUES




Principle #3: Create a Value-Driven Culture

- ✓ ABI Values anchor our culture
- ✓ Empiricism is how we make changes & validate their worth

OPENNESS
RESPECT
COURAGE
FOCUS
COMMITMENT





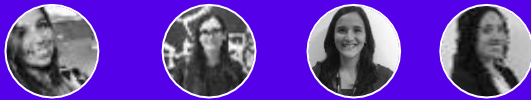
Our Agile Big Bang
The thing that Scaled Everything



EX TRIBE

ABInBev

The Product Owner



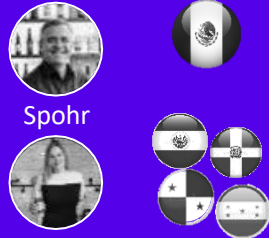
Natalia Ma. Antonia Carla Thalia

The Executive Action Team

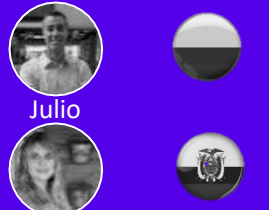


Thiago Eliana Adrian

The Customers



Spohr Asti



Julio Mariana



Carla



+4pts in employee Experience

+44pts in TSC NPS

Our Dream

Enable the ABI of the future by brewing a human-centric, data-driven, digital People Organization through Innovation and Agility

Recognition



Engagement



Induction & onboarding



TSC Goals



Exit Interview and Predictive TO



R&S



TEST AND LEARN

2020 AGILE LAB

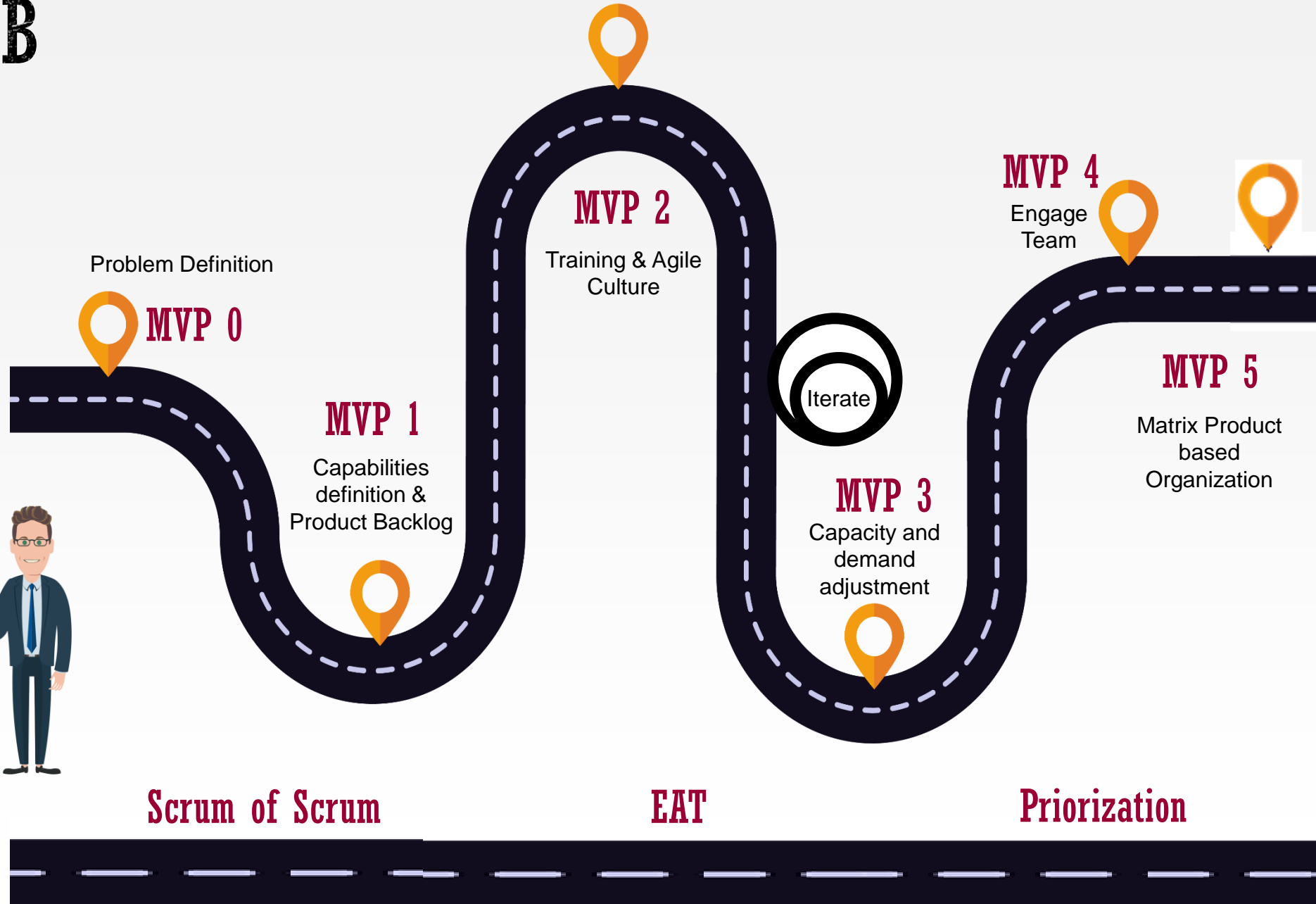
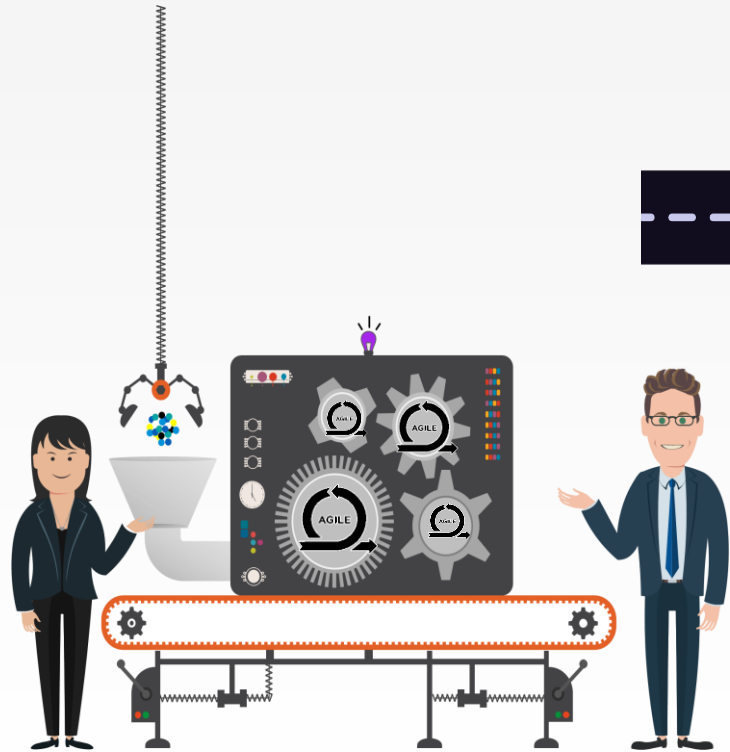
Real people, real teams, real problems

1. Design
2. Experiment
3. Learn/ Iterate
4. Deploy/ Scale



OUR AGILE LAB

"THE TRIBE"



MAZ AGILE PLAYBOOK

MVP 0 Problem align to strategy

- ✓ 1YP 2019 People MAZ
- ✓ Sharktank Project Impact & Complexity
- ✓ Priorization
- ✓ **Product Backlog**

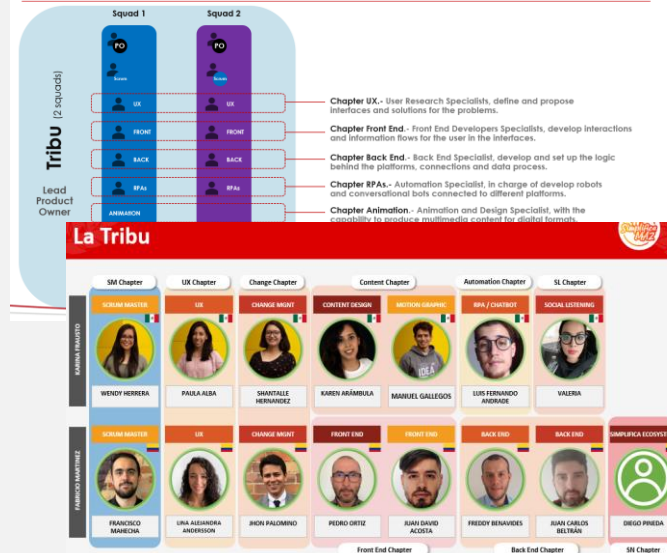
Perfiles de proyecto

Requerido	SCRUM	UX	Back	Front	RPA	Content	Animador	EVP Analytics	Social Listening	CHANGE
1. Beer Academy ATE	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2. Una charla con ABI	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3. Talent Attraction	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4. Onboarding Experience - MAZ	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5. New ways of working	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6. Show me the money	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7. Hacking our EVP	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8. Beer Academy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9. It's a Beer Match	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10. Payroll Improvements	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
11. Engagement Tracking	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
12. OM & PA Automation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
13. MAZ ingenio for knowledge Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
14. Exit Interview	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
15. Thankol 2020	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓



MVP 1 Autonomous team

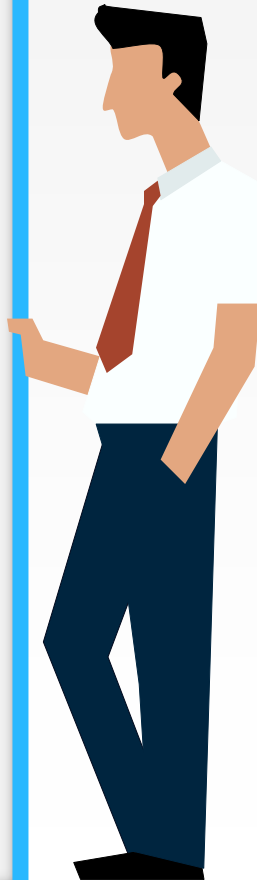
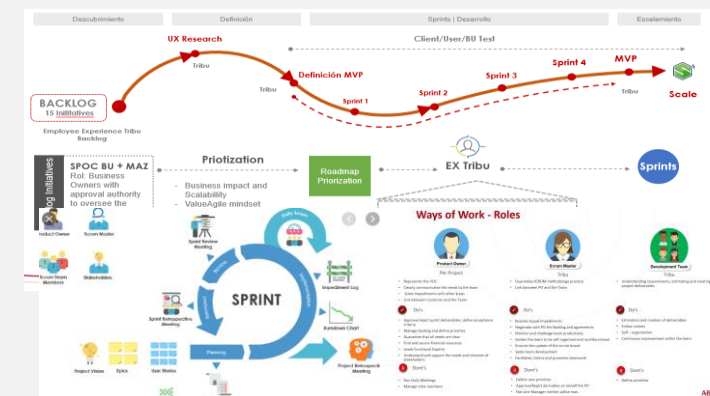
eX People Tribe capabilities



- ✓ **Tribe structure**
- ✓ **People Capabilities**
- ✓ **Capacity allocation**
- ✓ **Talent Attraction**

MVP 2 Training & Agile Culture

- 1 Agile WoW – Scrum
- 2 Self Organized & Autonomous
- 3 Flexible Structure
- 4 Connected to People PO
- 5 Dedicated Scrum Master
- 6 Flexible capacity allocation
- 7 Backlog managemnet



**DO IT!
DOESN'T HAVE TO BE PERFECT**

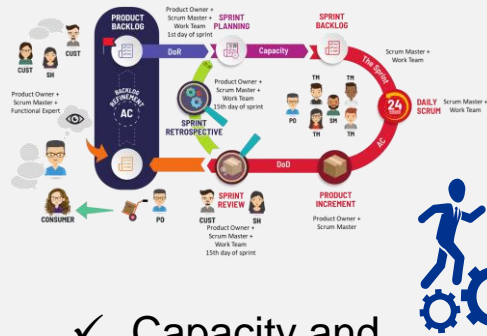


PLAYBOOK

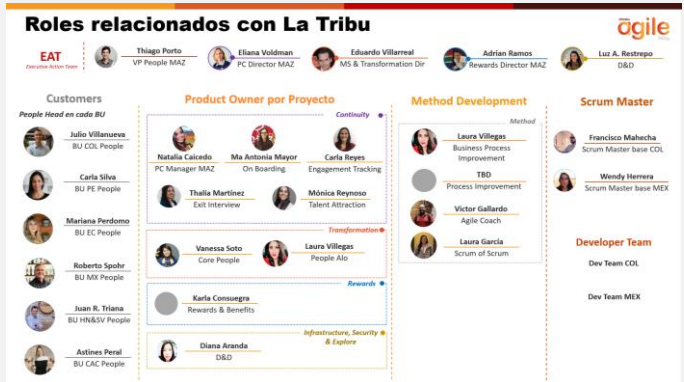
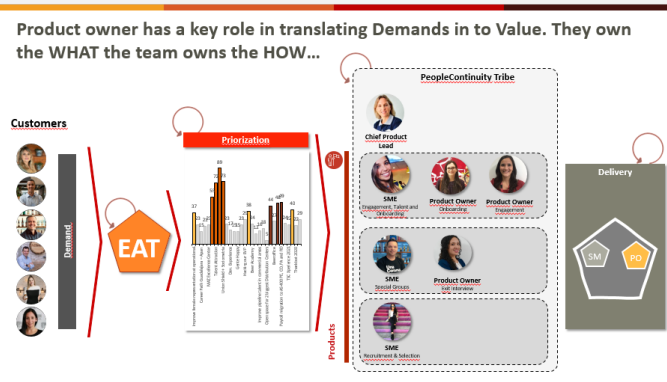
MVP 3 Capacity and demand adjustment

Iteration (Retrospective) Feedback

- Priorization
- Unbalanced work
- Changes in backlog
- Tribe skills
- Role confusion



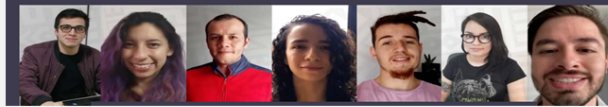
- ✓ Capacity and demand adjustment
- ✓ Backlog refinement
- ✓ Mindset agile for PO



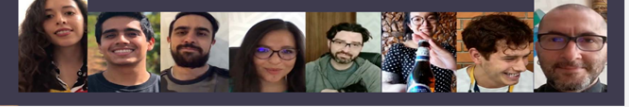
PLAYBOOK

MVP 4

Engage Team



CAPABILITIES



Capabilities development – Define Tribe development plan according to opportunities in soft and hard skills



Baseline evaluation:
UX, CM & DEV Experts



Bloom's Taxonomy Assessment

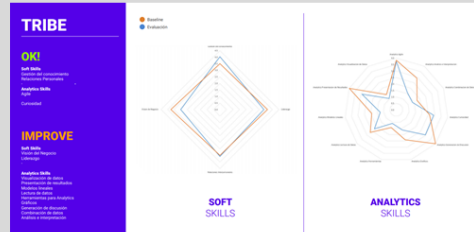


Evaluate and Self-Evaluate



Analysis of results

1. Soft & Analytics Skills (Tribe)



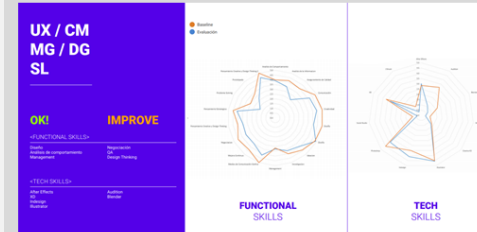
To be Improved:

- Business Vision
- Leadership

To be Improved:

- Data visualization
- Presentation of results
- Linear models
- Reading data
- Graphics Discussion
- Data combination
- Analysis and data interpretation

2. Functional & Tech Skills (Design)



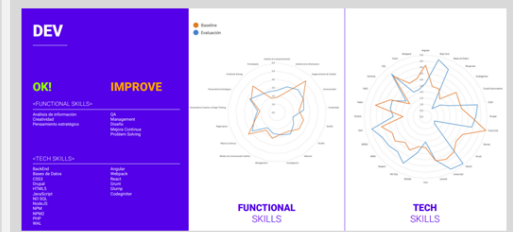
To be Improved:

- Negotiation
- QA
- Design Thinking

To be Improved:

- Audition
- Blender

3. Functional & Tech Skills (Developers)



To be Improved:

- QA
- Management
- Design
- Continuous Improvement
- Problem Solving

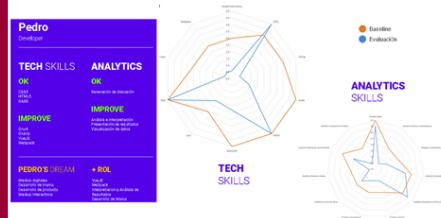
To be Improved:

- Angular
- Webpack
- React
- Grunt
- Glump
- Codeigniter

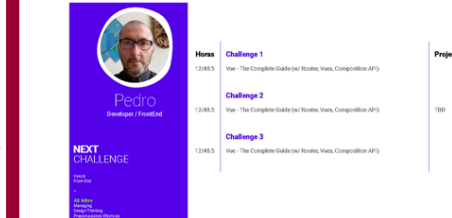
CAPABILITIES ASSESSMENT RESULTS - PEDRO



CAPABILITIES ASSESSMENT RESULTS - PEDRO



CAPABILITIES TRAINING PROGRAM - EXAMPLE



Assessment by team and employee



Identification of strengths and gaps to close by Tribe Member

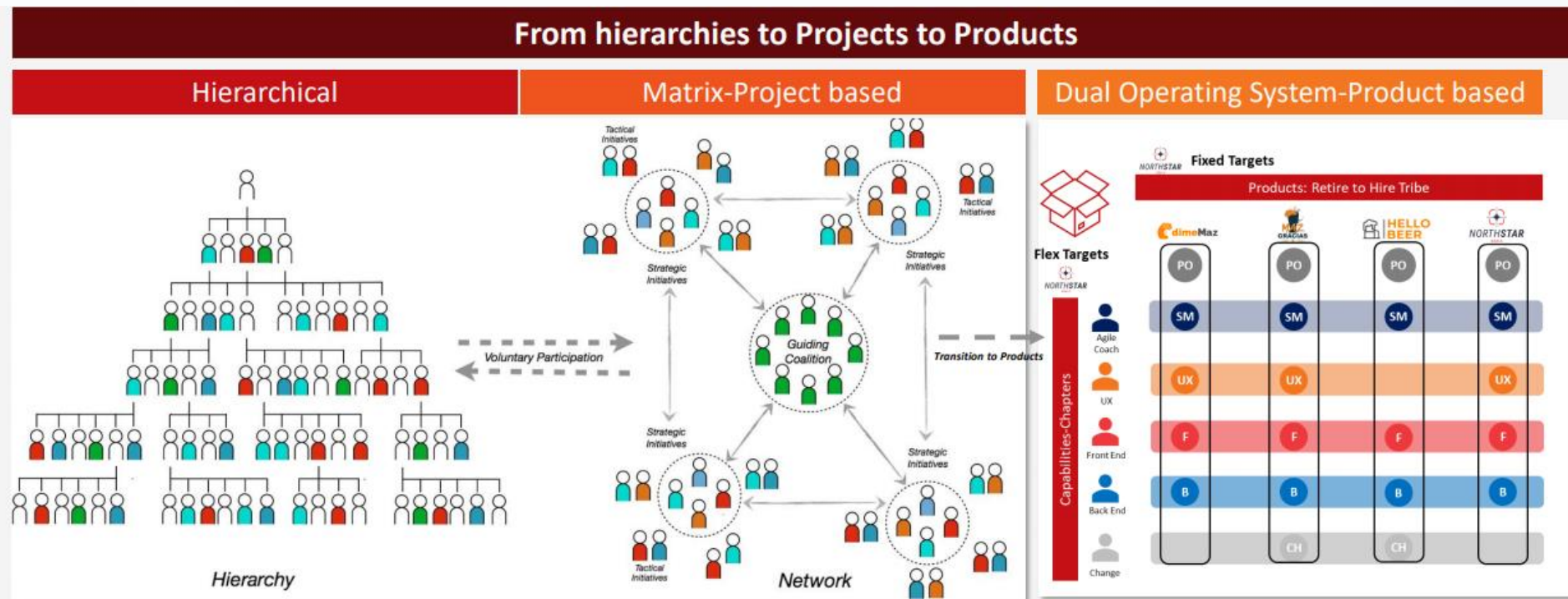


Training and development plan appropriate to learning need



PLAYBOOK

MVP 5 The Tribe changed from Org Chart to self-organized and autonomous organization

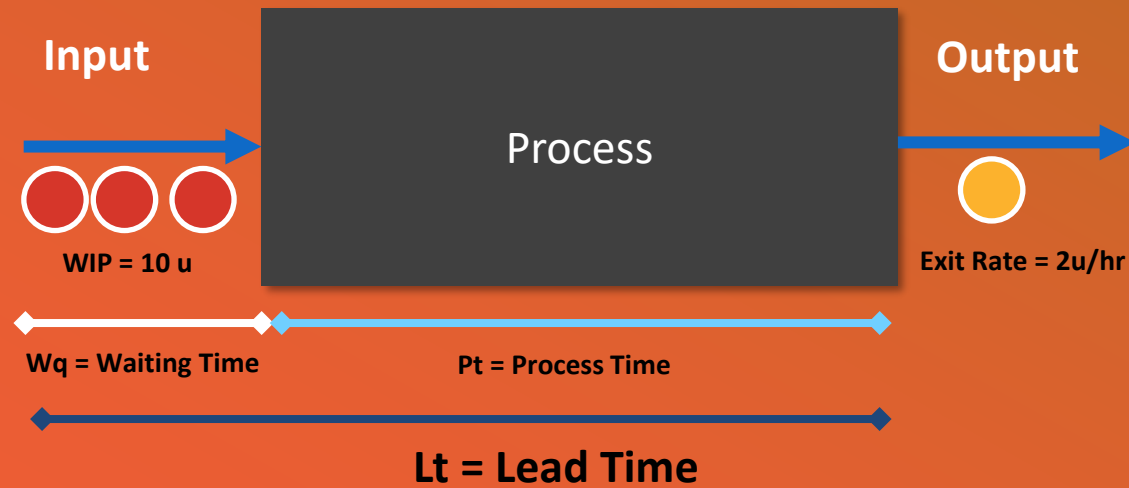


That was our Journey and we learned that...



A basic principle that drives agility

Little's Law



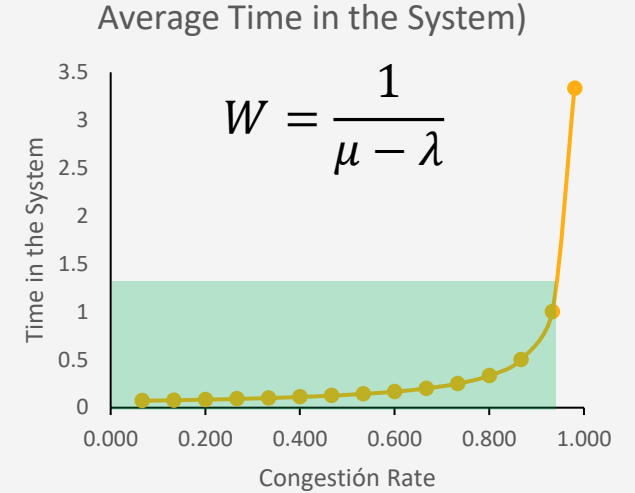
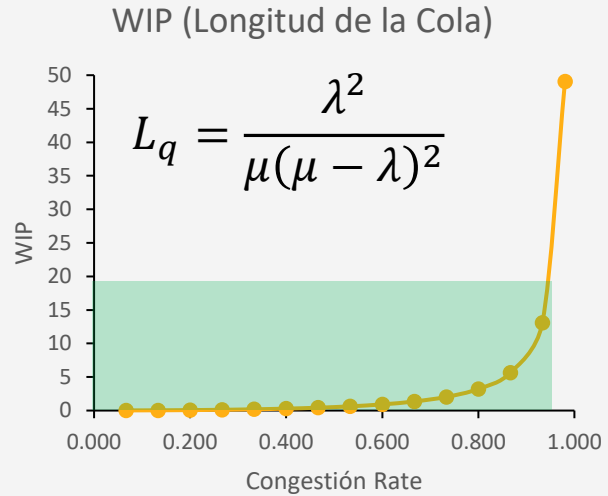
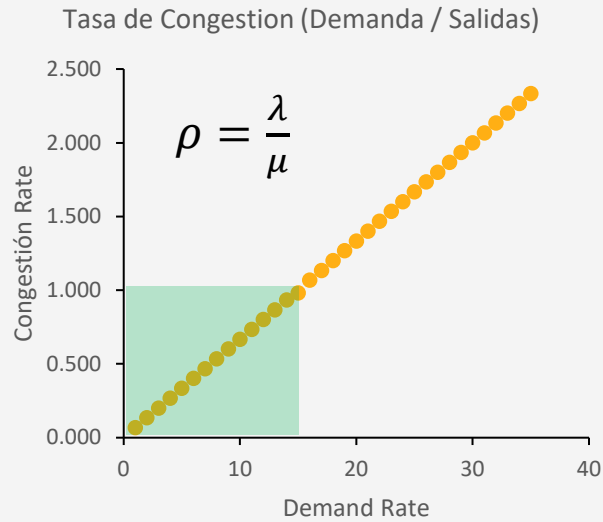
$$lt = \frac{wip}{Exit} = \frac{10}{2} = 5hrs$$



If the congestion is less than 1, the system will be in steady state and People will be Happy at work

$\lambda =$ arrival rate
 $\mu =$ exit rate

Steady State Region



Work overload is correlated with Employee Engagement

Generally, I believe my workload is sustainable for my role? (P03)
 I do not feel burned out from my work? (P52)

	Estimate	Std. Error	t value	Pr(> t)
(Intercept)	-20.482631	1.117682	-18.326	< 2e-16 ***
P03	0.108153	0.007571	14.284	< 2e-16 ***
P52	0.069853	0.007572	9.225	< 2e-16 ***

Agile Journey

AGILE

LESSONS

Keep Doing

1. Training on the use of Agile methods
2. **Learning how to do Agile in non-Tech functions (People, Finance, Sales)**
3. Agile bubbles
4. **PDCA & DMAIC**

Stop Doing

1. **Agile with no dedicated teams**
2. **Fake SCRUM** Master and Fake Agile
3. Separate method (PDCA & DMAIC) from Agile/Scrum project management
4. **Fall in love on the solution not the problem**

Start Doing

1. **Target Setting on Agile teams**
2. **People Analytics**
3. Define your own Agile @Scale framework
4. Define ways of working for Agile WoW
5. **PDCA & DMAIC + Analytics**



Gracias

