EDC’s Journey with Operational Excellence

Fredericton

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Export Development Canada (EDC) is Canada’s Export Credit Agency (ECA)

Mandate is to grow Canadian trade

Financing, insurance and knowledge solutions for Canadian companies

EDC’s winning aspiration: To be the leader in helping every Canadian company go, grow and succeed internationally.
Where we play in Canada
Where we play internationally

North America $54.5B (55%)
Asia-Pacific $17.9B (18%)
Europe $13.5B (14%)
South / Central America $8.4B (9%)
Africa / Middle East $4.5B (5%)
Spectrum of EDC Products

Accounts       Political
Receivable      Bonding       Risk       Financing
Insurance      Insurance

Repetitive tasks Vs. Knowledge work
Short cycle time Vs. Long Cycle Time
EDC’s journey towards Operational Excellence
2007: DATA BUILDING THE BUSINESS CASE

- > 40 handoffs to complete one loan
- 107 days to complete bilateral loans
- 35 days to issue term sheets
- 36 days to complete syndicated loans
- < 40% of underwriters’ time spent underwriting (including 20-30% over processing)
- > 50% of underwriters’ time spent managing advisory team input and collating information
Annual growth (%) in exports of goods and services (1997-2007)

- India: 20%
- China: 20%
- Brazil: 18%
- World Average: 14%
- S. Korea: 11%
- Norway: 8%
- Germany: 7%
- Sweden: 6%
- Australia: 5%
- US: 4%
- Italy: 3%
- Japan: 3%
- France: 3%
- UK: 3%
- Canada: 0%
2007: LEANING OUR PROCESSES
THE GOOD AND THE BAD
2010: Mindsets and Behaviours
2011: Focus on Continuous Improvement
How are we doing?

Great! We are extra lean.

Sigh…
SHINGO MODEL OF PRINCIPLE BASED BEHAVIOR

THE SHINGO MODEL™

GUIDING PRINCIPLES

RESULTS

CULTURE

SYSTEMS

TOOLS

THE GUIDING PRINCIPLES

Results
Create Value
for the Customer

Enterprise Alignment
Create Consistency of Purpose
Think Systemically

Continuous Improvement
Flow & Pull Value
Assure Quality at the Source
Focus on Process
Embrace Scientific Thinking
Seek Perfection

Cultural Enablers
Lead with Humility
Respect Every Individual

THREE INSIGHTS OF ENTERPRISE EXCELLENCE

1. Ideal Results Require Ideal Behavior
2. Beliefs and Systems Drive Behavior
3. Principles Inform Ideal Behavior

SHINGO INSTITUTE
HOME OF THE SHINGO PRIZE

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EDC
SHINGO MODEL OF MATURITY
2012: FOCUS ON MANAGEMENT SYSTEMS

VALUE STREAM

Develop People

Connect & Communicate

Create Value for the Customer

Solve Problems
CONNECTING THE DOTS

VISION
We will be the most knowledgeable, the most connected, and the most committed partner in trade for Canada

CORPORATE PLAN
Financing
Credit Insurance
Market Knowledge

Who?

How?

Live the EDC Way PRINCIPLES of...

What?

Teamwork
Empowerment
Customer Centricity
Continuous Improvement

Financial Sustainability

Drive EDC Way BEHAVIOURS like...

Leaders are expected to...

Connect & communicate

With tools like...

Goal Setting & alignment
Weekly cascades & team meetings
Floor walks (go see)

Create value for the customer

Looking for...

Develop People

1:1s
Competency development
Effective performance management

Transparency sharing of information
Constancy of purpose
A focus on the long term

Voice of the customer
Visual metrics
Capacity management

Measuring what matters
Behaviours aligned with performance
Identifying cause and effect relationships

Solve Problems
Standard work
Root cause problem solving
Blocked time for problem solving

Standard and stable processes
Identification and elimination of waste
Simple and visual

A safe environment
Everyone is involved and empowered
Identified opportunities for development

EDC
2014: SENIOR LEADERSHIP COACHING (TECHNICAL AND BEHAVIORAL)
Process Efficiency (middle-out)

Mindsets & Behaviours

Continuous Improvement (bottom up)

Management Systems

Lean Management Systems

Lean Leadership

Principle based (top down)

Lean Production

PDCA

- Yearly corporate-wide assessment
- Senior leadership development plan
- Quarterly team barometer
- Quarterly check-in
- Progress reports
OUR TEAM’S WINNING ASPIRATION

What is our winning aspiration?
- To be the leader in unlocking the excellence in, EDC’s business, people and customers
  - To achieve Enterprise Level 5 Operational Excellence maturity by 2020
  - To be the first call 100% of the time for operational excellence support by 2017 (direct or through channel partners SUs, Leaders)

Where will we play?
- **Customers**: Employees and EDC’s customers
- **Geography**: everywhere where EDC operates
- **Product**: OE standards, coaching and training services
- **Channel**: through partners (Sustainability Units, Leaders at EDC, Consultants), and Self-Serve
- **Stage of Production**: design and monitor

How will we win?
- By being readily and easily accessible to our channel partners.
- By knowing the enterprise and our customers and helping them drive towards the organizational goals.
- By transferring OpEx Knowledge to our channels/customers (sustainability of OpEx)

What capabilities do we need?
- Operational (Enterprise) Excellence knowledge, skill, ability
- Coaching, guiding, mentoring
- Relationship Management
- Ability to connect across silos and organizational objectives (org. savvy)

What management systems do we need?
- Training and Coaching System
- Relationship Management System
- Knowledge Management System
- Governance System (Execution, Sponsorship, Strategy)
- Assessment/Measurement System

As at Dec 1, 2015
LESSONS LEARNED: A PERSONAL PERSPECTIVE