Transformation Design:
Using Lean Internally to Help Maximize Impact Externally

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Lauren Hudspeth
Tiffany Nguyen
Brandi Bogosian
ALL LIVES HAVE EQUAL VALUE

we are impatient optimists working to reduce inequity

Survive and Thrive
Empower the Poorest
Combat Infectious Diseases
Inspire Action

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$36.7B
Total charitable payments to date (thru 2015)

$4.2B
2015 charitable payments

1,376
2015 employees worldwide

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1994
Bill Gates, Sr. starts small foundation at his son’s request

1997
Bill & Melinda are inspired to act due to children dying from rotavirus

2000
The Bill & Melinda Gates Foundation was founded

2006
Warren Buffett pledges $31 billion

2016
30 Strategies 100+ countries 1,400 employees

http://www.gatesfoundation.org/
Adapting to rapid growth led to operational inefficiencies, disjointed tools, team silos, and a cultural norm of treating symptoms rather than addressing root cause.
Do Lean, just don't talk about it

**LEAN APPROACH**

- **What Is**
  - DEFINE: Getting past the symptoms

- **Opportunities**
  - MEASURE: What good looks like; measurable outcomes

- **What Could Be**
  - ANALYZE: Systems change vs. silo solution

- **Prototype**
  - TEST & LEARN: Was our theory of change correct? Integration of efforts

- **Scale**
Lean as part of how we discover what we want to tackle

APPLICATION

Voice of the Customer
Affinity Themes
Root Cause
Weighted Selection

LEADERSHIP ENGAGEMENT

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Changing the way we do change

WHY PROTOTYPE?

Processes
How We Work

Behaviors
Culture

Systems
Systems & Tools

Test Card

<table>
<thead>
<tr>
<th>Test Name</th>
<th>Deadline</th>
</tr>
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<tbody>
<tr>
<td>Assigned to</td>
<td>Duration</td>
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STEP 1: HYPOTHESIS
We believe that

Critical:

STEP 2: TEST
To verify that, we will

Test Cost:
Data Reliability:

STEP 3: METRIC
And measure

Time Required:

STEP 4: CRITERIA
We are right if

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Make sure governance is understood; communicate early and often.
Test a system of change

Pick your partners wisely

WHAT TO TEST?

Processes
How We Work

Behaviors
Culture

Systems
Systems & Tools

WHO TO TEST IT?

Established Team & Leadership

Commitment to Experimentation

New Perspective

Motivated by Collective Success

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Be bold in design – this is a prototype!

Engage at all levels

Be creative

Reducing Waste | Visual Management | Root Cause | Ownership of the End Product | Decisions Made in the Room

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Testing!

Adjust as you learn

Be transparent

Celebrate "failures"

Feedback and Iterative Design

Transparency and Access

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HYPOTHESIS
WHAT DO WE WANT TO TEST TO PROVE OUR THEORY?

DESIRED OUTCOMES
WHAT WILL CHANGE AS A RESULT OF THIS PROTOTYPE?

LEARNING
WHAT WILL WE LEARN THAT WILL INFORM SCALING DECISIONS?

MEASURES
WHAT WILL WE USE TO EVALUATE CHANGE?

Track as you go (don't wait until the end!)

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LESSONS LEARNED

- Communicate early and often
- Pick your partners wisely
- Be bold in design
- Adjust as you learn
- Track learnings, progress, and insight as you go
- Expose your work and learn faster by failing early, often, and cheaply
- Engage at all levels
- Feel comfortable in a liquid state
- Hold the line and stick to your plans
- Use Lean and live Lean!

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THANK YOU
TAKE AWAY CARD
LESSONS LEARNED

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Here is what I’m hearing........

_________________________________________________________________________________________________________________________

_________________________________________________________________________________________________________________________

_________________________________________________________________________________________________________________________

**Actions:**

<table>
<thead>
<tr>
<th>What are symptoms?</th>
<th>Root cause?</th>
<th>What could you test?</th>
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