

Context and approach

Context

- In 2016, Johnson & Johnson (J&J)
 Diabetes Solutions' innovation and R&D group had built a world-class brand and product portfolio with a leading market share in key product categories (e.g., glucose monitors, strips) but weak positions in newer ones (e.g., digital)
- In addition, the digital diabetes industry was seeing significantly increased competition and a host of new, large opportunities (e.g., wearables, sensors)
- After articulating a new product strategy with RWA's help, J&J asked RWA to help it re-organize its R&D innovation group to better position itself to win in the new, dynamic diabetes space

See RWA's product strategy case study for how RWA helped J&J articulate a new product strategy for its new digital diabetes app, OneTouch Reveal

Approach

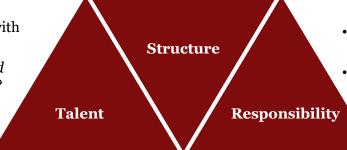
RWA was brought in to:

- **Build a fact base** (e.g., vetted and accurate org charts, activities and responsibilities) to inform the effort
- **Set-up an organizational re-design** by laying-out key goals and principles, conducting research into new models, and gathering input from stakeholders
- Design a new organizational structure and map employees from the current to the new organization
- Support and monitor the transition and make changes as needed

Redwood Advisors focuses on 6 key dimensions to help organizations move toward organizational excellence

- Organization and reporting structure
- **Key question:** What roles report into what roles?
- A skill set description that aligns with the organization and objectives
- **Key question**: Where do we need strategic versus functional talent?

- A system and cadence that enables interaction and collaboration to create effective strategic and operational decisions
- Key question: Who needs to be in the room and how often do they meet?



Governance

- A clear articulation of each member's responsibilities
- **Key question**: What is the most important thing this role must accomplish?

Clear and explicit pathways that enable important things to get done
 Key question: Who takes the lead on that step, and who makes

Core

- **Key question**: Who takes the lead on that step, and who makes the final decision?
- Key measures that align the organization around critical priorities
- **Key question**: What are the most important metrics for measuring this group's success?

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RWA began by mapping out the core processes for an effective innovation and R&D group to help guide the overall effort Key capabilities

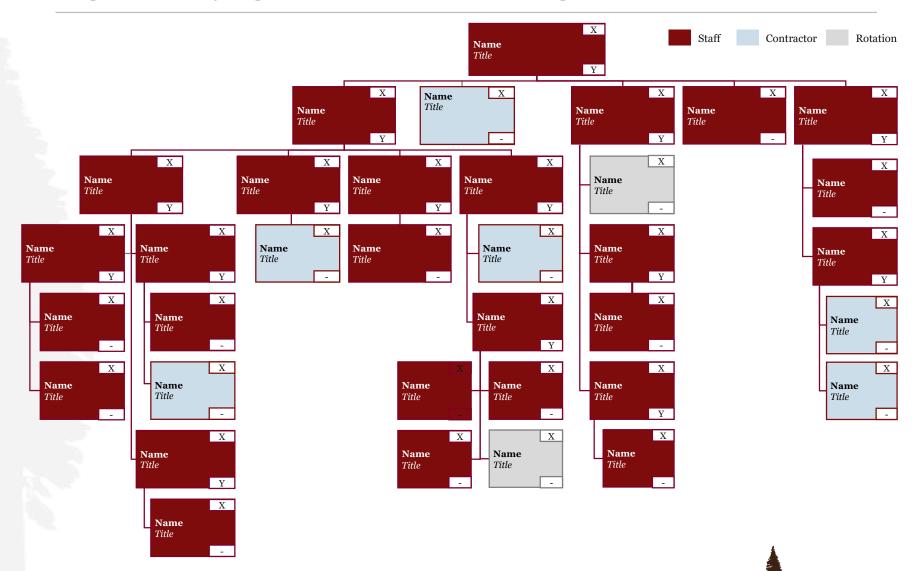
ENHANCE CAPACITY ENHANCE CAPACITY Deliver Create Support Idea Concept Engineering Sales and **Discovery Development Development** Production Support · Consumer Validation · Consumer Satisfaction Customer Insights / · Consumer Testing · Consumer Support Consumer Needs Lens Idea Generation / Research & Development Outline Product Commercialization **Customer Relationships** Screening Planning & Finance Development · Product Development Doctor/Patient Partnerships / Suppliers Vision Board / Business Case / Analysis Engineering Execution **Partnerships Focus** Invention / Creation Partnerships / Suppliers Digital Scalability Increasing Sales Evaluation / · Increasing Market Share A MULTI-DISCIPLINARY APPROACH Assessment · Industrial Design · Industrial Design Concept Design · Product Design Design Design Thinking Graphic Design · Graphic Design Packaging / Branding Design · Market/Brand Market Research User Stories · Sales Planning Marketing Market Segmentation Competitive Analysis Positioning · Marketing Collateral Communications Marketing Market Assessment Market/Brand · Go-To-Market Training & Education Best-In-Class Positioning Light Engineering Product Delivery Design/Prototyping Product Engineering Feasibility Technology Research · Product Engineering DFM/Manufacturing Product Updates Design/Prototyping **Engineering** · Product Frameworks Pre-Production Testing Firmware Updates **Product Engineering** · Phase-In / Phase-Out FDA Approval Technology Testing Wireframes UI/UX Testing & Digital Delivery MVP/User Interface User Experience Design Digital Trends User Experience Design Software Architecture Development **Digital Enhancements** Digital Lab Software Architecture · Site Architecture Software Development Security / Digital Analytics **Digital** Site Architecture Web / App / Device User Experience Development Enhancements · Security / Data Analytics Our org structure

needs to support this



RWA worked with JJDSC's leadership to create detailed org charts laying out the current R&D organization





Rotation

RWA worked with leadership to articulate the key activities and responsibilities for each role to better understand the current org

Name Sr. Manager, **Engineering**

Name

Key activities

- Develops Software
- Participates in NPD and Agile process
- Ensure timely completion of web dev tasks
- Advises rest of team on mobile best practices

Name Manager. Digital Solutions

Software Developer

- Performs management duties for test leads
- Coaches and problem solves with test leads
- Assess testing needs and deploys work to vendors
- Participates in the NPD and PLM processes to ensure all testing needs are met, on time

Key responsibilities

- Lead iOS development
- Ensuring coding best practices
- Translating requirements into product
- Implementing UX/UI features

Staff

- Liaison with hardware team
- Day to Day Management of Testing team
- Ensures a fully Validated and Verified product

Contractor

- Project manages all testing activities
- Vendor management for on-shore and off-shore

Name

Principal Database & Network Engineer

- Keeps all environments up and running
- Establishes new environments
- Advises on all Ops aspects of New Product Dev
- Ensures all customer data requirements met
- As Principal, coaches junior engineering staff

Performs all systems operations duties

- Owns all system architectures and data models
- Responsible for generation of analytics
- Manages customer reporting requirements
- Vendor selection and management

Name Manaaer.

Product Lifecycle

- Performs management duties for PLM
- Coaches and problem solves with team
- Assesses incoming PLM development needs such as product defects and assigns
- Liaison to Customer Service organization

Name

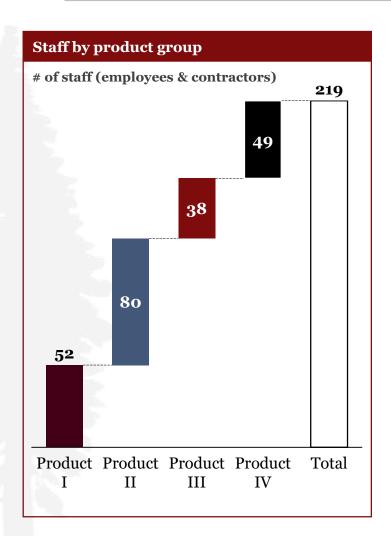
Software Engineer

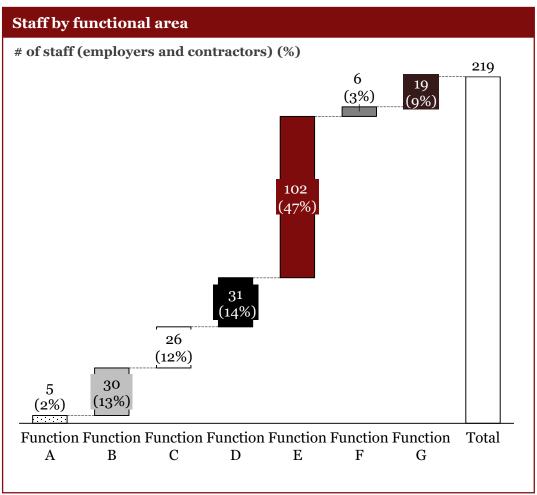
- Develops Software
- Participates in NPD, PLM and Agile process
- Ensure timely completion of dev tasks
- Generates documentation artifacts as required

- Day to Day Management of Product Lifecycle team members
- Manages all sustaining development activity
- Manages Tier 3 customer service
- Vendor selection and management
- Building optimized product code
- Ensuring coding best practices are followed
- Translating requirements into product
- Implementing UX/UI features



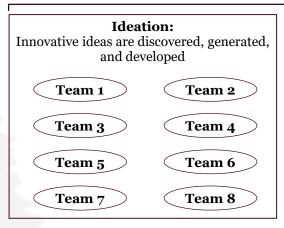
RWA conducted cross-organizational analyses including a decomposition by product group and functional area

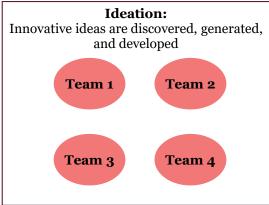


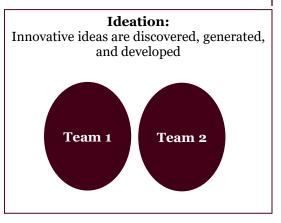


Research-driven case studies on internal and external peers helped identify and understand new models (example: Google X)

Google X Product Teams







~2-10 FTES ~2-10 FTES ~10-100s FTES

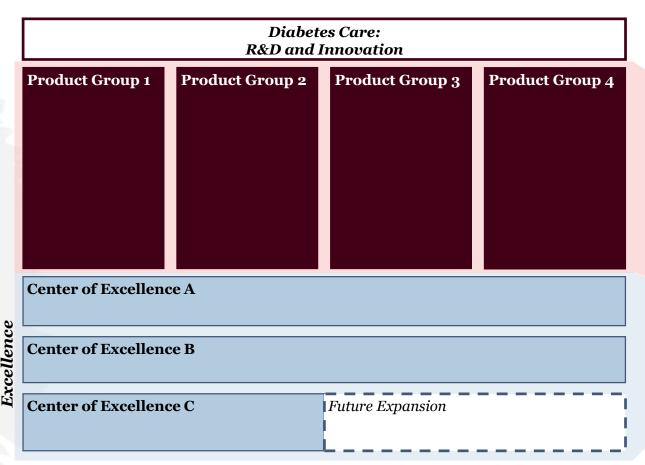
Least Developed, Most COE Supported

Marketing

Finance

e	Marketing
ene	Finance
cell	Digital
Exc	Mechanical Engineering
Of	Policy
ers	Business Development
ent	Sourcing & Supplier
Ö	Quality & Reliability

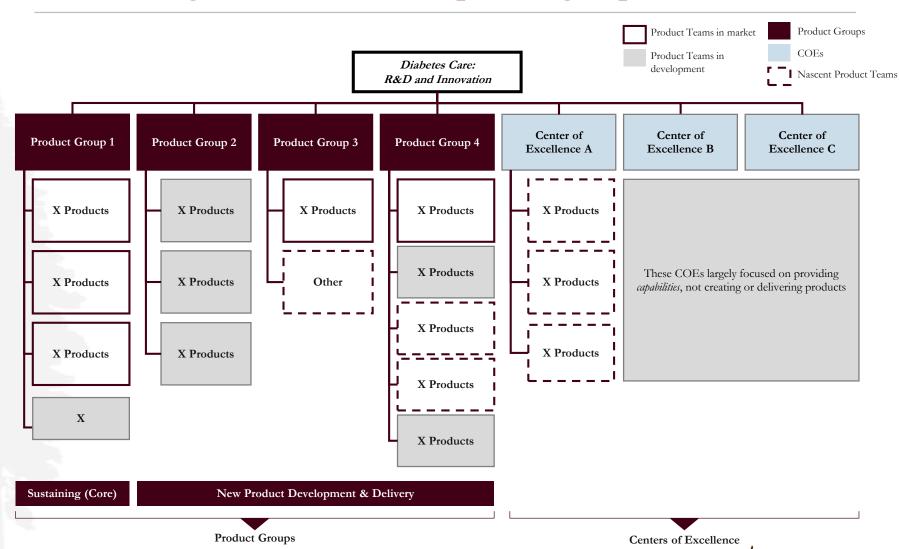
RWA's recommendation focused on re-organizing the product groups and adding new supporting centers of excellence



Key takeaways

- Create targeted,
 product-specific
 teams focused on
 individual
 categories
- Create new, dedicated teams to go after the market's new categories
- Centralize key
 capabilities
 applicable across
 products in new
 Centers of
 Excellence

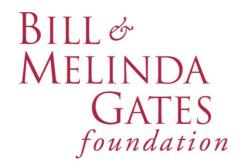
RWA then worked with JJDSC leadership to design a new structure organized around these product groups and COEs



Other clients we have worked with on Organization projects

















Where we can go from here



Reach out and connect

You can reach us at inquiries@rwadvisors.com or <u>visit</u> our website to schedule a meeting or phone call to discuss how we can help you.



Choose your preferred approach

We are a flexible, value-oriented firm, open to working with clients in a variety of ways:

- By project
- By deliverable
- By day



Work together

We look forward to working with you!

