















# **Value Creation Flow**



## **Question: what is the difference?**

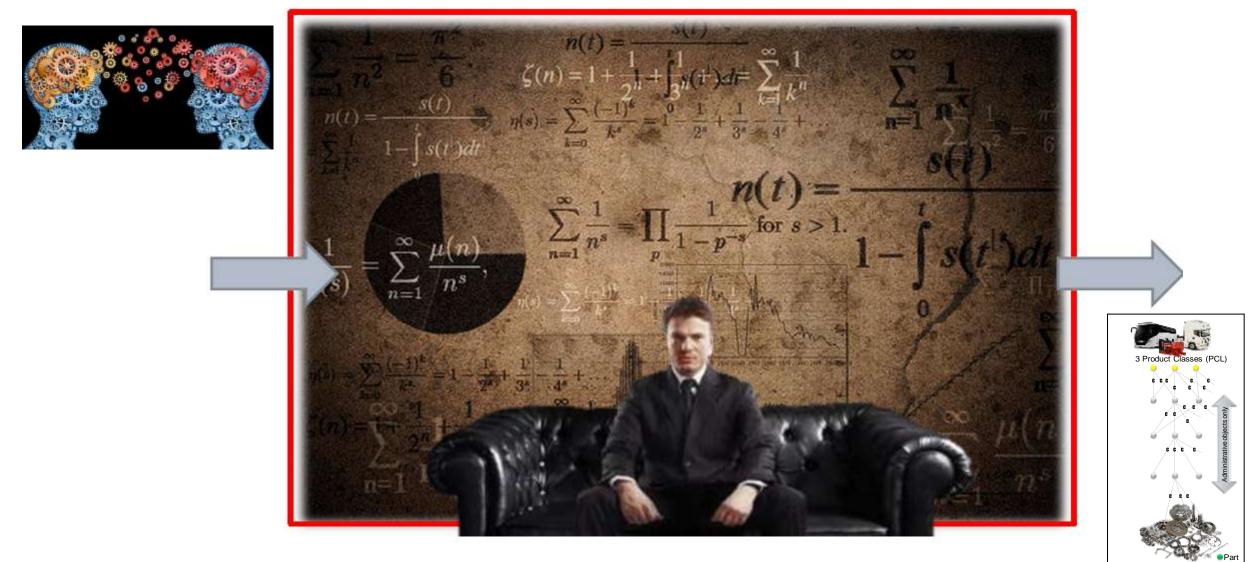




## Knowledge work is invisible and abstract

# **Knowledge Worker**



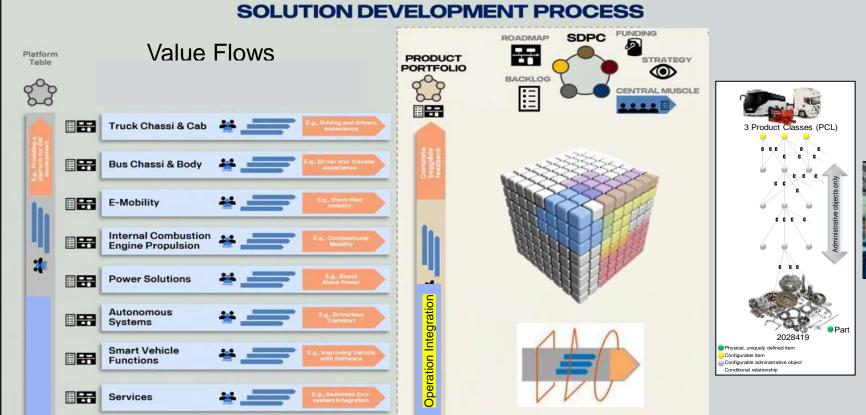


2028419 Physical, uniquely defined item Configurable item Configurable administrative object Conditional relationship



# **Value Creation Flow**









#### WHY TRANSFORM? WE NEED TO BE BETTER TO NAVIGATE UNCERTAINTY

**DEVELOPMENT PREDICTABILITY MATRIX** 



## The new operating model needs to strengthen four crucial capabilities across the company

#### SPEED & FLEXIBILITY

Quickly deploy new solutions and strategies while being able to react to changes and adapt as we go

### DEVELOP & DELIVER SOLUTIONS

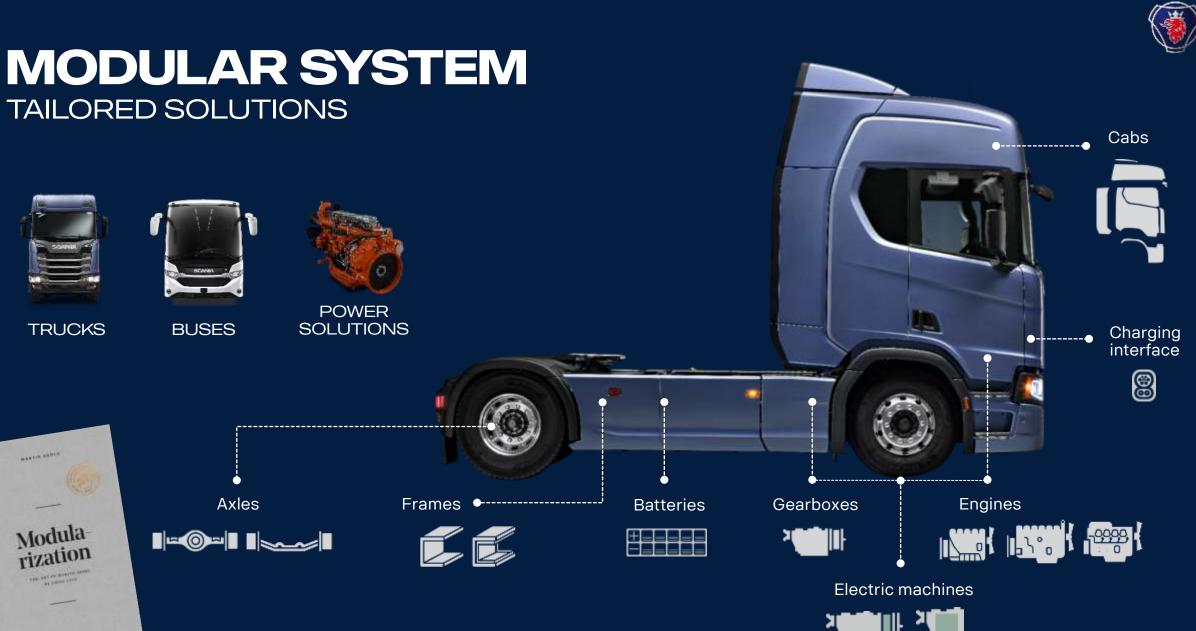
Understand, develop and deliver solutions that fully support the customers' needs

### CUSTOMER COLLABORATION

Explore business opportunities and drive the shift in close interaction with the customers

#### PEOPLE ENGAGEMENT

Inspire, empower and unleash the will to drive the shift



MARCHARICATION 1018

## Handle variants to a competitive cost level

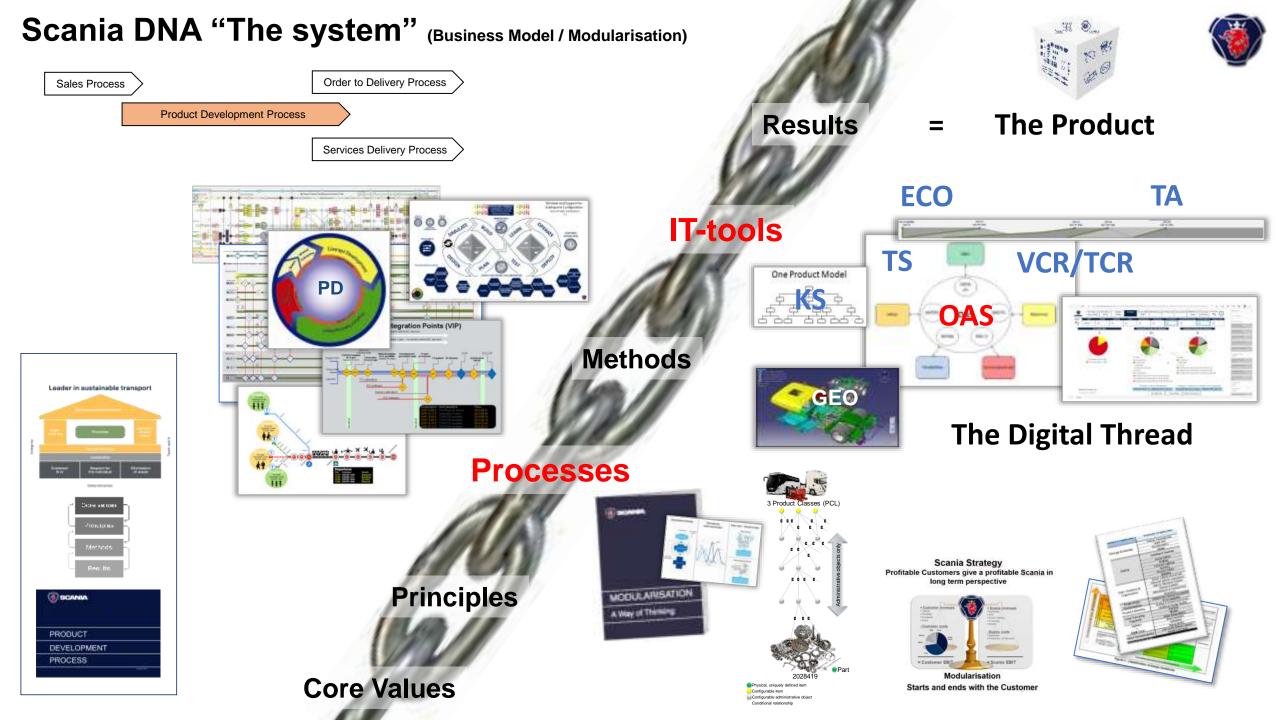
### "In a modular thinking, the odd variants are the normal"



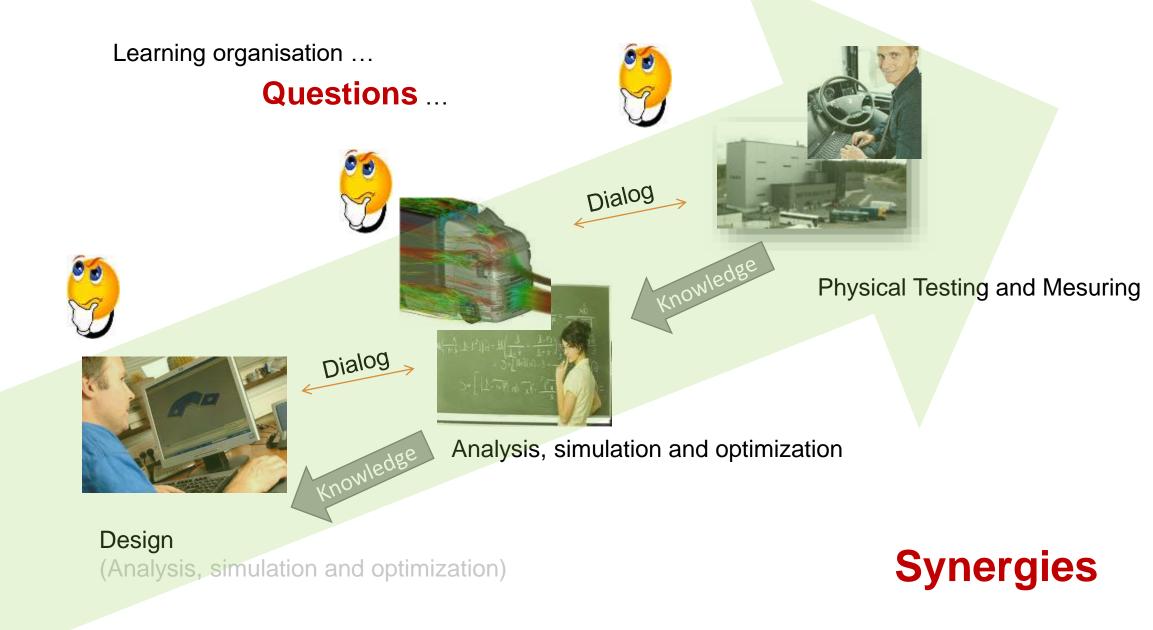


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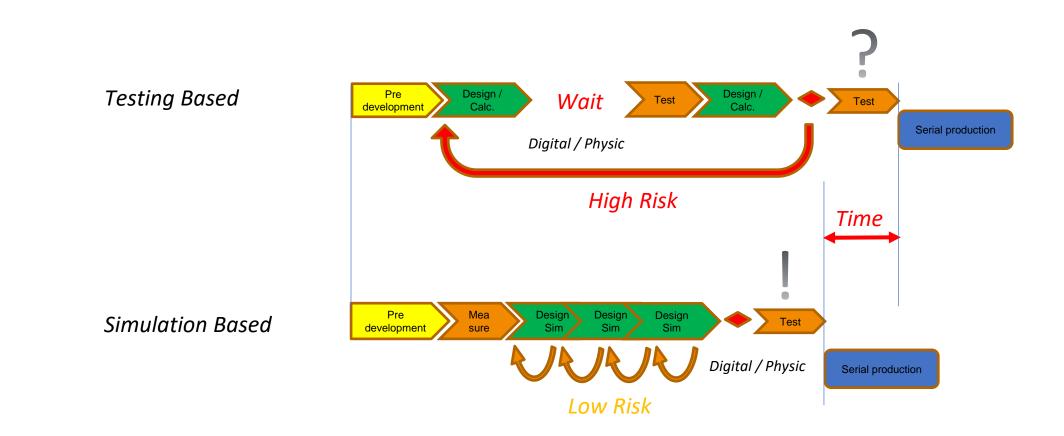
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## Simulation based product development



# Lean - Simulation Based Product Development

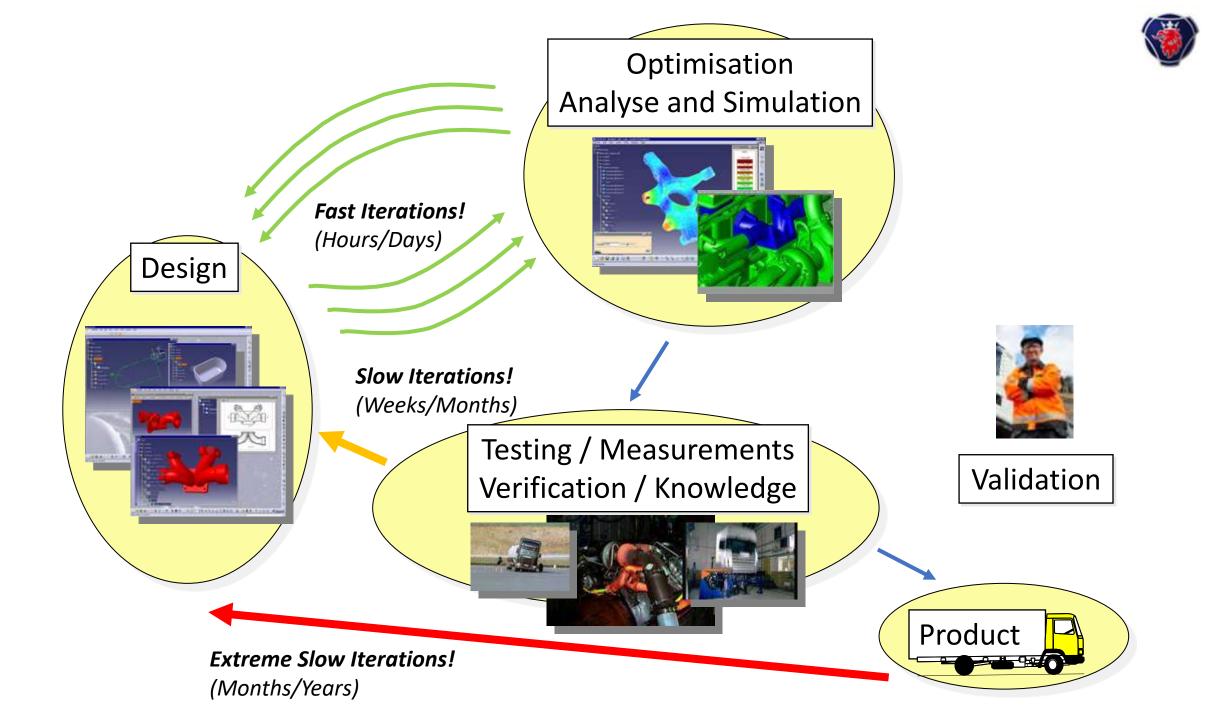


"Try fast, fail fast and learn fast"



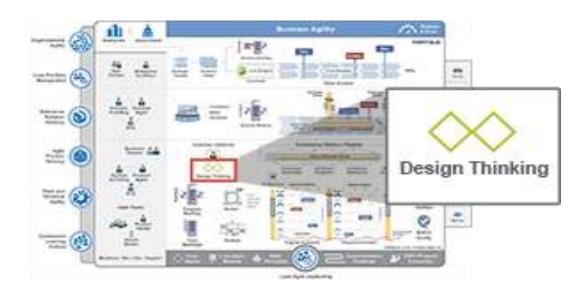
# Lean - Simulation Based Product Development Classic Signal cord Something abno "Right From Me" Simulation Based



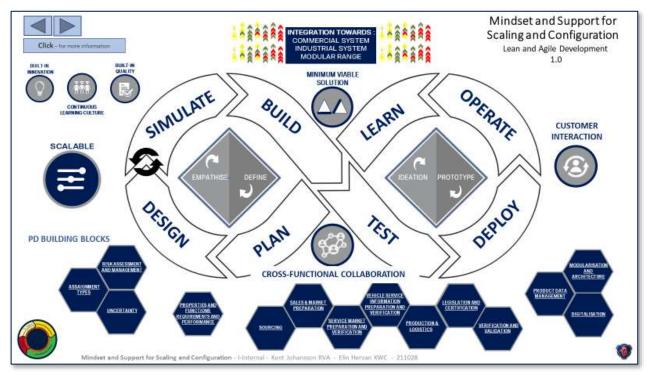




## Lean and Agile, Inspierd by SAFe







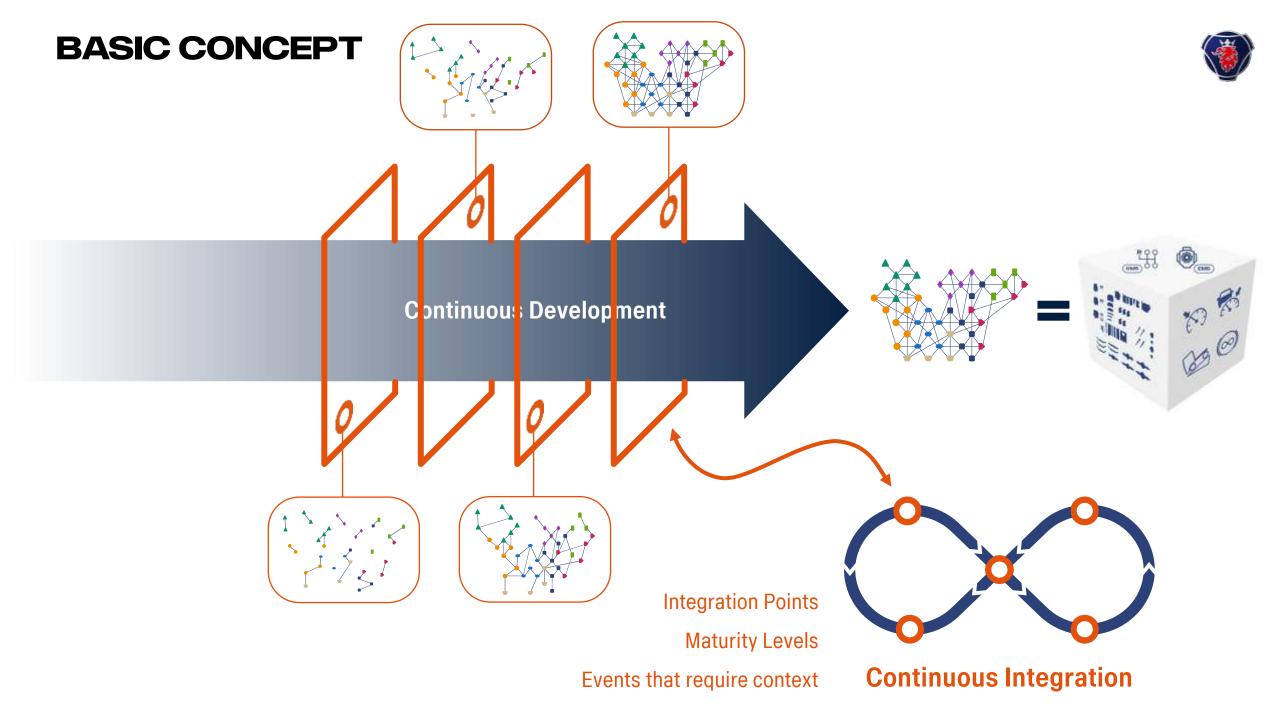
## INTEGRATION?



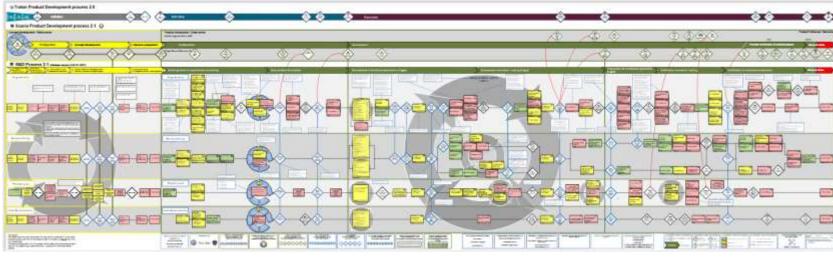
*The act of bringing components and sub-systems together into a single product that functions as one* 

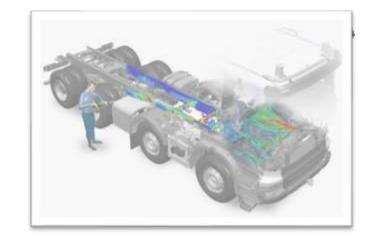


- Ensure modular system consistency
- Provide feedback loops and learning for product balancing



# We have a dream One-click Integration!

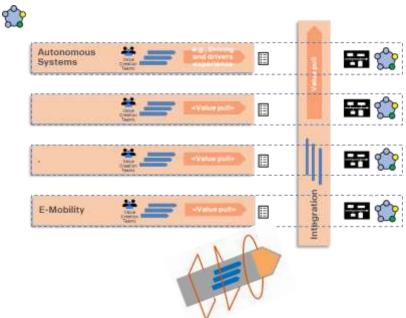




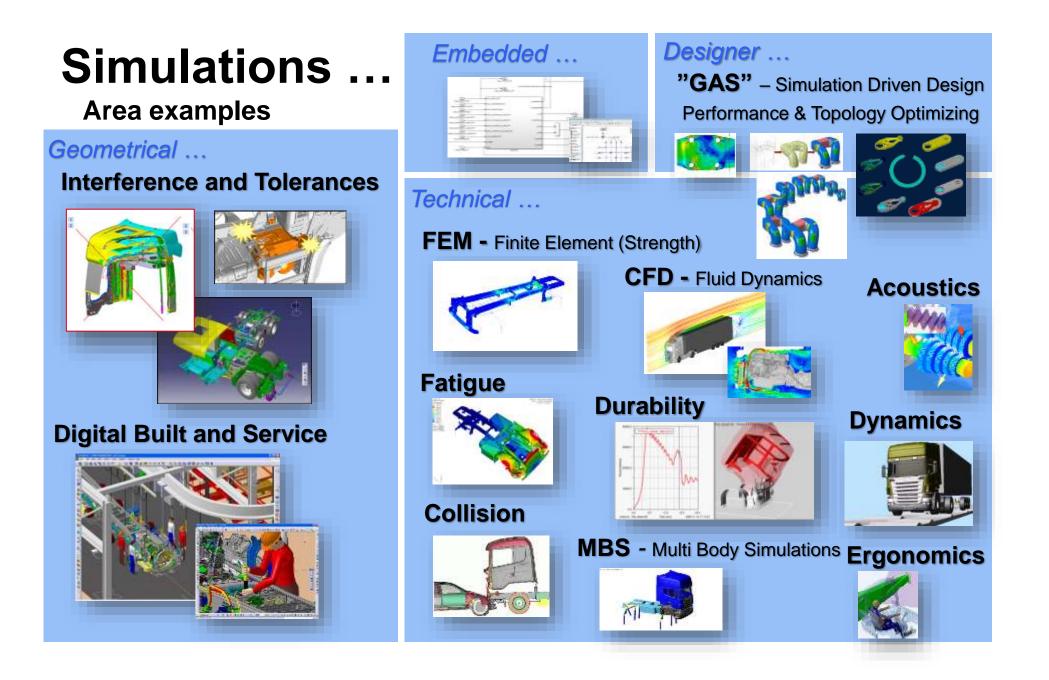
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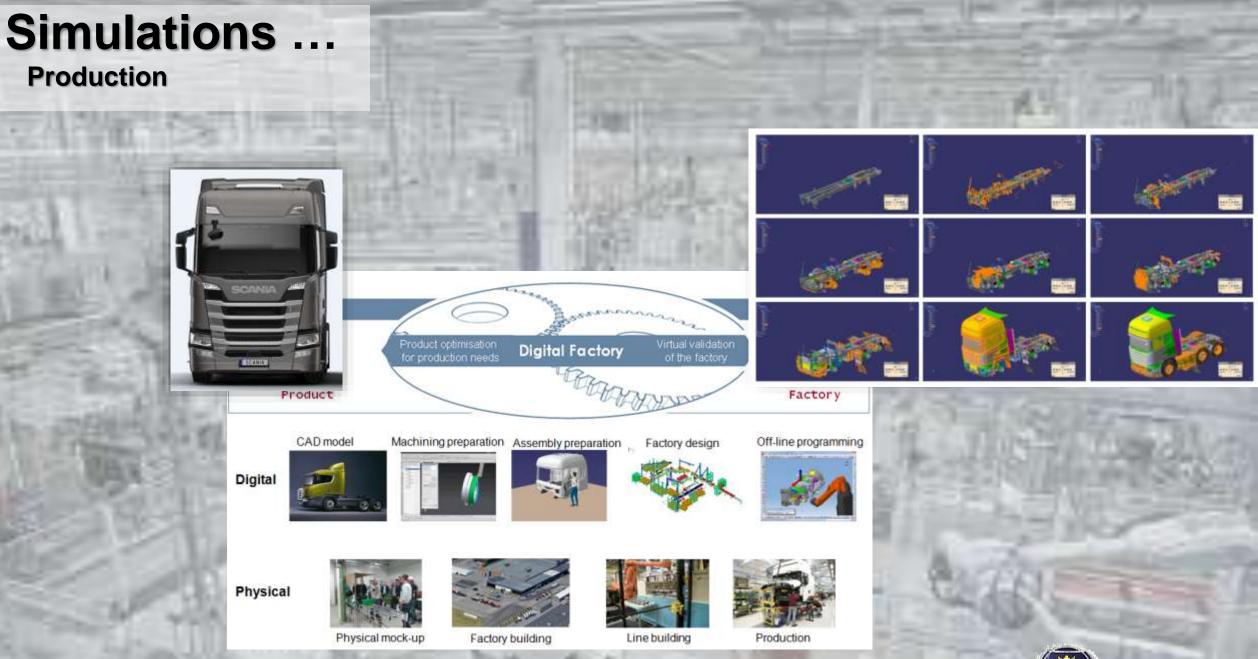
**CI-Machine!** 













## Visualisation Studio ...







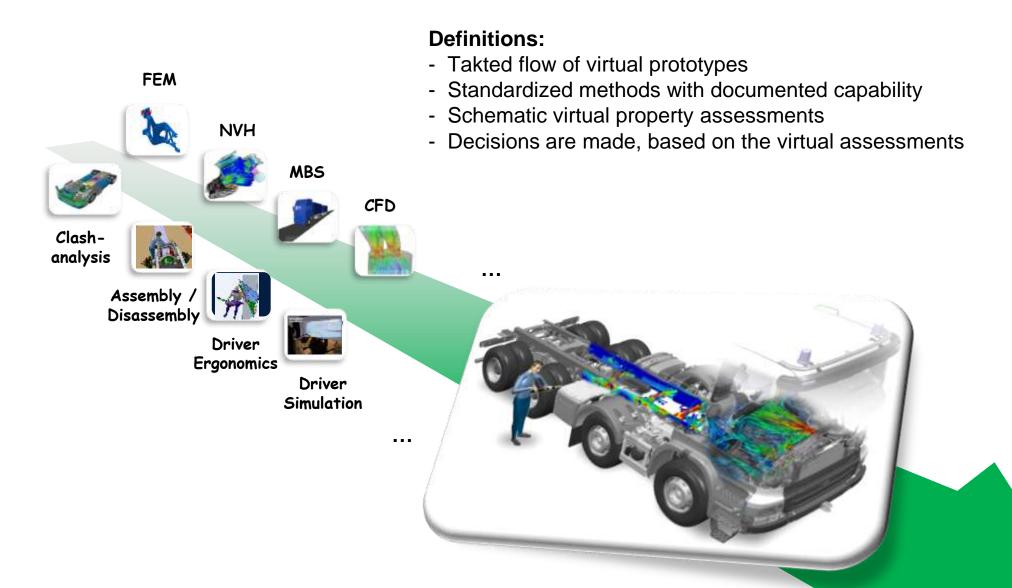






## **Simulation Based Product Development**

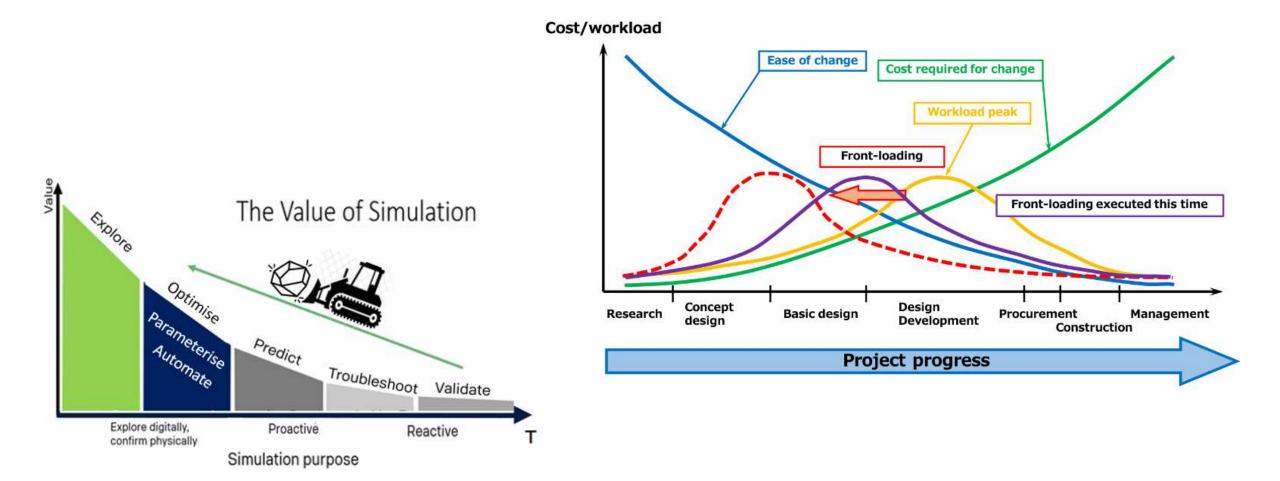




#### Simulation and Digitalisation in the Transformation

In digitisation, like the transformation into more digital simulations, there is a <u>great potential "to</u> <u>make a really big difference"</u> for increased flexibility and speed.

- By using simulations early, and not just for verification, we can speed up and simulation gives unique possibilities to balance and optimise product properties during exploration and development.



Our physical tests have historical served us well, with continuous improvements of a well-known product and market - at our own pace. Today's reputation for quality and our prestigious product clearly proves this success. But with the increased rate of change in our world with greater uncertainty and new competitors etc - then late physical tests are not enough to enhance quality by verifying our new product changes. As late changes are expensive and time consuming and cannot affect the result fast enough to a great extent.

Consider that physical testing also is in some way a simulation, as prototype items are often not manufactured using serial methods and the designs differ from the final ones. Maybe driven on a test track where try to force results with higher loads for a limited time...



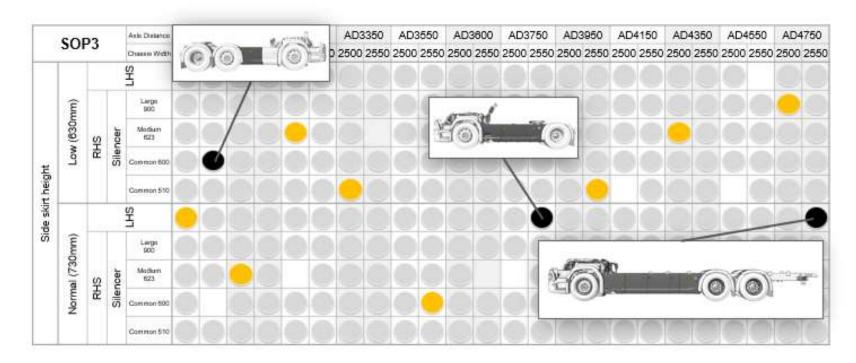
**Physical testing will still be an important cornerstone, but the demands is changing.** With greater speed and flexibility in the development work, a conflict often arises with physical testing - when the test can be carried out much later than when the test-answer is desired the component or its context has changed - which affects the value of the test results negatively.



We need to work close together; design, simulations and testing, in this digitalisation journey. With the knowledge from physical testing, we can continuously improvement our simulation methods for increased capability, precision and speed – by corelation and methods improvements to enhance the speed and development of the product.

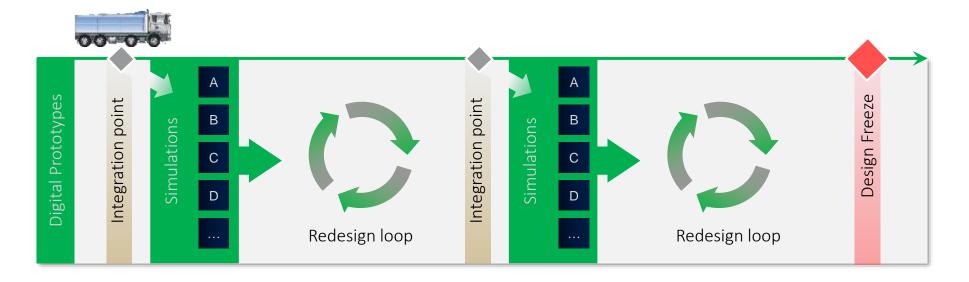
For Scania the advantage of simulations are extra important, coursed by the opportunities to early manage the large combinatorics in our modular product and the possibility to verify coming introduction changes - because we physically just can build only a smaller subset of what we need to analyse and explore. By this we can manage new/changed interfaces/components and secure product/vehicles properties in the Modular System .







Simulation is a vital part of continuous integrations to examine if proposed solutions will work in a larger context for fast iterations to change. Our simulations give us fast feedback loops to iteratively explore and optimise innovative and customer-centric solutions and concepts. - With the help of continuous integration and digital simulations, we challenge early and continuously how our various parts work as a system and whether our products and services get the properties and functions we and our customers want. This without the time, cost and natural resources consumed in manufacturing and physical testing.

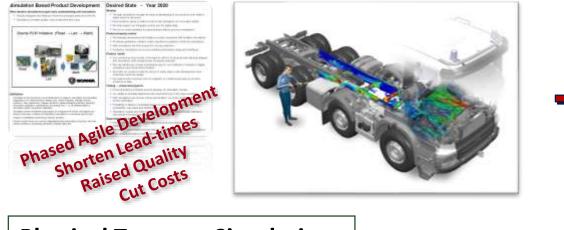


An example is the BEVs simulation assessment to Verify the vehicles continually based on different simulations in the VCF Value Flow with a 10 week PI-cadence. This to aggregate deviations for fast feed-back loops and forecast to balancing and replanning during development.



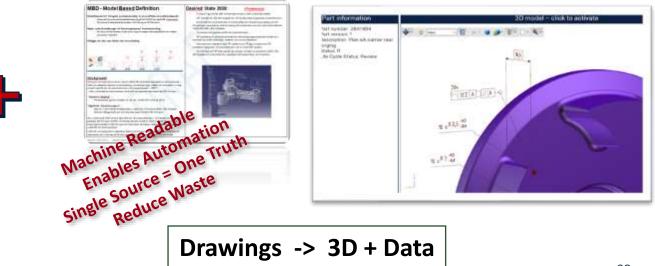


#### **Simulation Based Product Development**

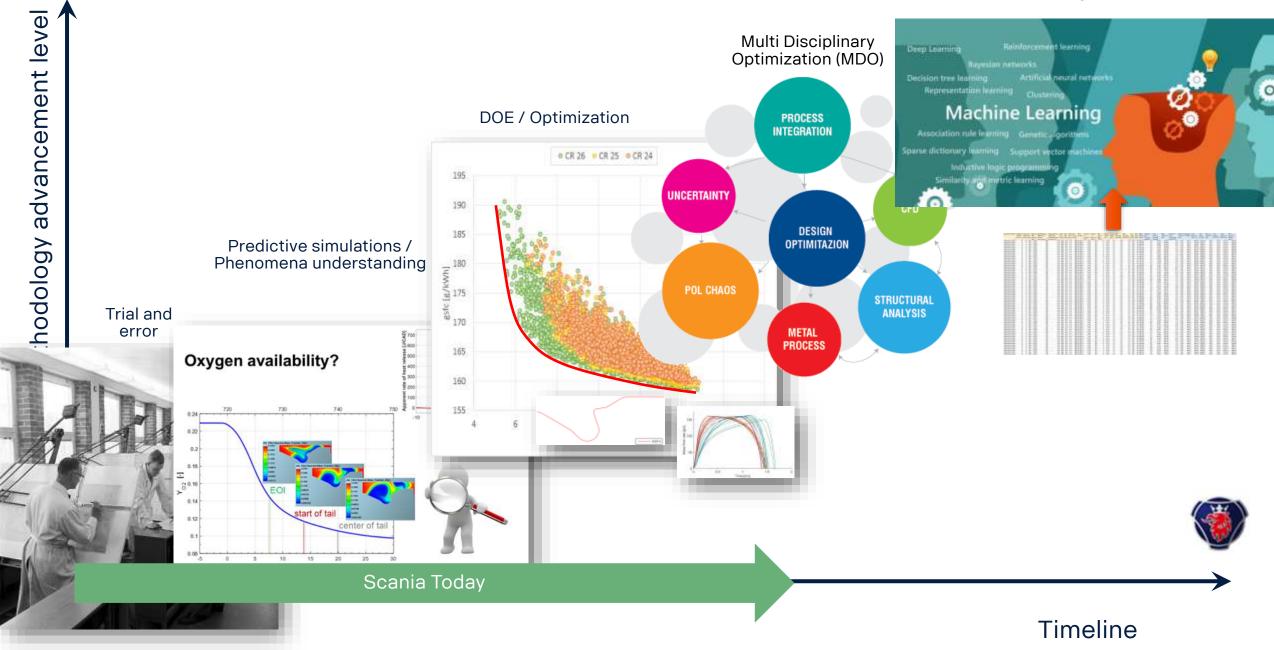


**Physical Tests -> Simulations** 

#### **Model Based Definition**



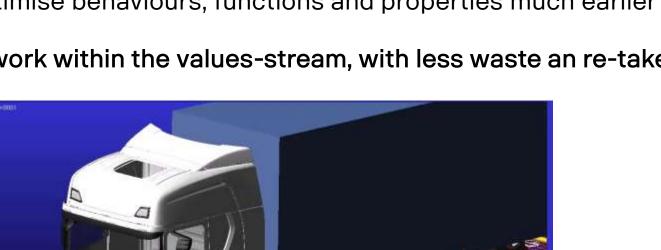
#### Machine Learning (Artificial Intelligence)



If we all really want to be as fast as in software development we need to co-operate digitally. In the virtual environment we can combine mechanics, electronics and software. At the same time as we start to make, build and test physically in real-time – the speed and pace will be significantly slower. With the mechatronic virtual product model we can with simulations, data analytics and AI balance and optimise behaviours, functions and properties much earlier and faster

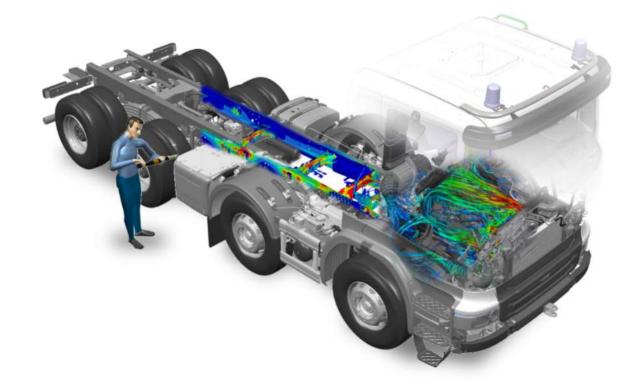
- and this is a much more lean work within the values-stream, with less waste an re-takes!







There are many different digitisations that can help us in the integration activities to become more efficient, like to automate repetitive non-value-adding recurring administrative tasks. Alongside more simulation-based development, focus to use the existing common information systems for collaboration, now in our global context when we effectively must collaborate cross-functionally – together with all our sites (with Trust to Our Digital Thread).



Let's drive the shift, and digitalise and simulate instead of test physically, and contribute to a more digital and simulation-driven development for greater speed and flexibility. This is important in order to continue to be the sustainable leader in increasingly tougher competition, in an rapidly changing world.

## So, Why is Speed and Flexibility so important ... Iteration, Integration and Innovation





Fast Pay back



Fast Feedback

# A de la de l

Fast Impact

# Digitisation and Virtualisation – the Enabler of Agile and Lean mechatronic solution development ...

"Try fast, Fail fast, Learn fast and Change fast"