ENHANCING CX & OEX by DIGITALLY SCALING your organization

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The call for Change in the DIGITAL WORLD

Serve the client everywhere, all the time & through all channels in an effortless & contextualized way

Deliver on the new normal of digital: give data once, keep it safe & clean and become fully data-driven

Comply seamlessly with an increasing set of data intensive regulations

Take part in the value creation of the digital economy and become an open and innovative player
The Digital World also brings some SURPRISES

PERFORMANCE has been dropping since 1968 (1750-2018)

* Analysis based on a.o. following sources: World economic Forum, BCG + McKinsey
The Digital World also brings some SURPRISES

COMPLICATEDNESS has increased exponentially (1750-2018)

* Analysis based on a.o. following sources: World economic Forum, BCG + McKinsey
The Digital World also brings some SURPRISES

HAPPINESS is declining since 1750-2018

* Analysis based on a.o. following sources: World economic Forum, BCG + McKinsey
WHILST BUSINESS HAS REACHED A NEW LEVEL OF SPEED

SPEED is exponentially increasing in 1750-2018

* Analysis based on a.o. following sources: World economic Forum, BCG + McKinsey
TIME HAS COME TO USE OUR COLLABORATIVE POWER

CONNECTING @ THE HEART is making the difference in the Digital Age (since 2000)

* Analysis based on a.o. following sources: World economic Forum, BCG + McKinsey
And start a deep transformation on 5 main capabilities…

SERVICE-REDESIGN@SCALE
Re-invention & simplification to fundamentally enable the Business Model of the Future

DIGITAL&DATA@SCALE
To develop the fundamental digital data-driven capabilities of the digital age

AGILE@SCALE
To ensure speed & velocity of digital natives

WORKFORCE of the FUTURE
Skilled and Competent WorkForce Sourcing Mix

OPERATIONAL EXCELLENCE
To ensure Trust & Security, superior Service Quality & Efficient IT
To deliver the VALUE WE ALL DREAM OF

• Faster Innovation & Time to market
  • Agility
• Effortless and Exciting client experiences
• Lower consumption & more efficient use of resources (more with less)
• Real time data driven business
• Fast adoption of new technologies
  • Higher Quality of delivery
  • …

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<tr>
<th>Market Benchmark</th>
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<tr>
<td>Increased Speed</td>
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<td>Less Build cost</td>
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<td>Less Run Cost</td>
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<tr>
<td>Higher Quality</td>
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<tr>
<td>Better Customer Experience</td>
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<td>Lower Risks</td>
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Yet, there are key challenges when transforming @SCALE
CHALLENGE N°1: THE BIG BOLD MOVE

DIGITAL SCALING COVERS EVERYTHING AND COMPANIES MUST BE BOLD ENOUGH TO DRIVE THIS CHANGE

From engaging our customers and employees,
creating new agile teams to collaborate,
forcing continuous innovation and process improvements,
enabling new & optimizing existing business models,
introducing scalable digital technologies and servicing models.
How do you mitigate the chaos such a Transformation can bring?

Support:
- Get an absolute Senior Management Sponsorship
- Create a trusted Board and Transformation Team

Engage:
- Take the time to Explain it thoroughly to All
- Strongly Connect Employees to the Customer

Drive:
- Lead by Example and Transparency
- Foster a Data Driven Mindset
- Strive for an Execution Culture

And most of all, the secret to Scale in a Big Bold Move is to Think, Design and Deploy as ONE organisation, not just as a gathering of teams!
CHALLENGE N°2: PERFORMANCE

SIMPLIFICATION, COLLABORATION, DIGITIZATION & ENGAGEMENT ARE KEY TO INCREASE PRODUCTIVITY

- Introduce Agile@Scale with a scaled agile governance tailored to your needs
- Redesign/ Customer, Partner and Employee journeys before digitization
- Simplify your Digital and Data Architecture, adopt microservices and Cloud
- Simplify and transform end-2-end traditional processes into Agile
- Embrace a company-wide Agile culture and DevOps, fostering Innovation & Experimentation
- Invest thoroughly in your WorkForce of the Future through Team Training and Coaching
PRODUCTIVE & COLLABORATIVE through AGILE@SCALE tailored to your needs

**COMMITTED**
- Business Agility & Multidisciplinary collaboration & commitment
- Agile Supporting Functions (HR, Legal, Fin, …)

**SIMPLIFIED**
- Modular & decoupled Microservices/AP I architecture
- Setup of the LAB & Digital Factory for Ideation, Data exploration & UX design
- Shielding legacy from scalable Digital Platform
- Connecting with External ecosystems through open API’s

**SCALEd AGILE Core**
- Scaled Agile Governance & Operating model
- Company Agile Culture, mindset Behaviour
- Flat agile TEAM CENTRIC structure & roles

**ENFORCED BY**
- Collaboration workplaces & tooling
- Continuous smart learning journeys through digital/data Academy
- Measurement Framework

**SHARED**
- Shared Objectives & Key Delivery & Results Strategy
- Agile Team & individual performance mgmt

**TRAINED & EMBEDDED**
- DevOps & automation
- Architectural Zones with engineering & integration guidelines
- Security, reliability, operability & Continuous improvement

**Allowing Tribes to work independently on the same assets, delivering each great Customer, Partner & Employee journeys**
Tribes, Squads, Chapters and Guilds support collaboration, autonomy, empowerment and productivity

Squads are an autonomous small factory with all needed competencies to deliver the story/feature:

- Product owner
- Scrum master
- Dev engineers
- Data Scientists
- Testers
- UX experts
- Legal
- Security experts
- Ops engineers
- …

Main model source: SAFe
In addition, a focus on People and Governance is essential as well!

The 3 PEOPLE Pillars of Scaling:

- **Recruitment and Retention** shift with the Digital and Traditional talents and skillsets in mind
- **Reskilling** of the existing workforce to adapt to the evolving needs
- **Develop a strong Enterprise Agile Culture**

The Governance Shift that will make a difference:

- Empowerment and Collaboration above all
- Servant Leader management at all levels
- Portfolio Management driven by Value not budget
- Shared Measured Objectives by all parties involved from idea to customer
CHALLENGE N°3: QUALITY

SCALED AGILE IS NOT A FREE LUNCH!
QUALITY = GOOD PRACTICE + DISCIPLINE + AUTOMATION + SIMPLIFICATION

- Good practices & discipline are key to QUALITY
- So are clear roles and responsibilities from Demand Management up to running in production!
- Continuous Improvement needs to become the DNA at all levels
- Collaboration and Transparency deliver great impact on Quality (Obeya, QAP…)
- Investment in Quality levers must be incorporated in the Portfolio Roadmap and Budget
With results after 5 QAP’s (Quarterly Agile Planning)...

With Each Quarterly Agile planning the Collaboration matures and the Scope Definition improves.

Predictability increase after 2 QAP’s. After 5 QAP’s, Predictability is fundamentally higher.

The Quality increases as the number of Incident decreases (at different rates depending on area/content) until a new better plateau of stability.

The Time2Market and Customer Satisfaction increases right away.

Productivity will initially drop then grow (Y0 -5% to -15% | Y1 +5% to +10% | Y2 +15% to +25%).

And Change Management will be bumpy, but the engagement will grow with each QAP.
CHALLENGE N°4: CHANGE MANAGEMENT

IS YOUR ORGANISATION ENERGIZED FOR CHANGE?

Change management & Communication approach to focus on growing the appetite for change in the organisation

6 Batteries Of Change for measuring & managing the energy to change (Vlerick)
In summary: How do Agile and Digital@ Scale support Value delivery?

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<tr>
<th>Improve the Time To Market</th>
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<tbody>
<tr>
<td></td>
<td>- The Cadenced Portfolio &amp; Value Management</td>
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<td></td>
<td>- The increased Velocity @ squad level</td>
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<td>- The Automation at all levels</td>
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Measure the time it takes to deliver a feature from idea to customer (story points)

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<tr>
<th>Increase the overall Productivity</th>
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<tr>
<td></td>
<td>- The Process &amp; Journey Simplification</td>
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<td>- The Iterative Error Correction</td>
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<td></td>
<td>- The Automation at all levels</td>
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<td>- Collaboration, Engagement and Digitization</td>
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Measure Function points delivered

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<th>Improve the Quality of Delivery</th>
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<td>- The Change and Run together at Squad level</td>
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<tr>
<td></td>
<td>- The Automation at all levels</td>
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<tr>
<td></td>
<td>- Investment in Continuous Improvement levers embedded in Roadmap</td>
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<td>- Transparent QAP planning, Obeya collaboration rooms, Discipline</td>
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Measure the # of Incidents or customer feedback points

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<tr>
<th>Increase Customer and Employee Satisfaction</th>
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<td></td>
<td>- The increased Velocity</td>
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<td>- The Customer feedback loop</td>
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<td>- The active Voice of the Employees inclusion</td>
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<td>- Engagement, less complicatedness and more collaboration</td>
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Measure through a Customer and/or employee NPS
In summary: what are our Key Success takeaways so far on SCALING Transformations?

Keep a **non-dogmatic approach** on models and frameworks. They should adapt to the organisation, not the other way around.

Define the long run and **full-scale Ambition** from the Get-Go. It allows rational adaption rather than deviation.

Dare to federate the organisation through a Big Bang approach of common structural elements.

Never decouple the **Agile@Scale and Digital@Scale** ambitions and deployment. They power each other.

Have a strong Agile Enterprise Culture track until the ambition is reached and embedded.
Thank you.
Abstract Key-note

Sonja Noben was one of the driving forces of the large-scale digital and agile transformation at ING ahead of joining BNP Paribas Fortis as CIO and founding DigitalScaler, an enterprise consultancy. Sonja will talk about the digital transformation journey for innovative companies striving to deliver top quality experiences for their customers and how to create productive and collaborative environments for employees. She will discuss the opportunities, challenges, best practices and lessons learned from her travels.