

Innovate while maintaining process excellence – is this possible?

Case study of an agile transformation roadmap

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ZURICH
LEAN INNOVATION,
LEADERSHIP & MANAGEMENT
CONFERENCE 2013
For Leaders

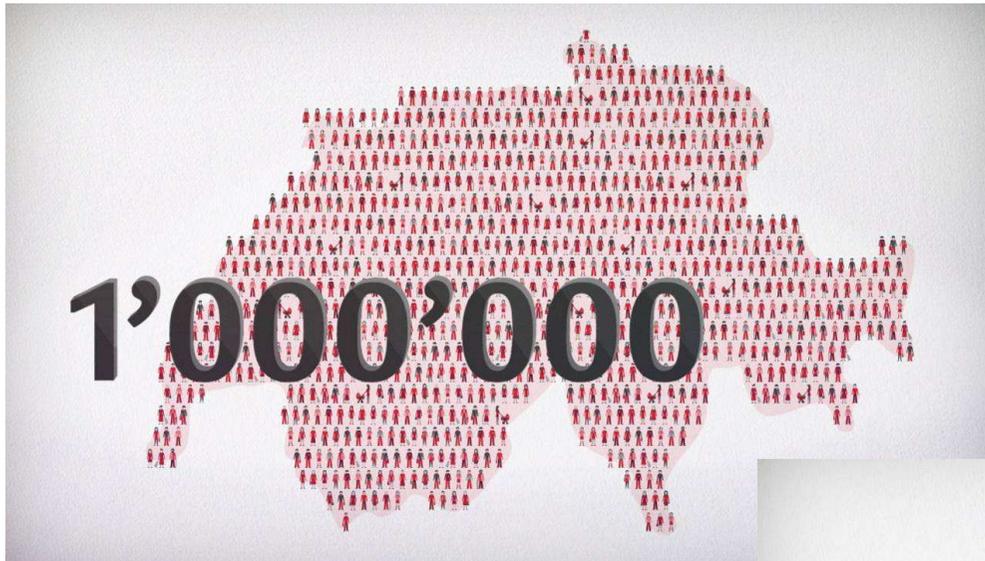
goto;
conference

Swiss Life Switzerland

- § Swiss Life is one of Switzerland's **leading providers** of life and **pensions** and **financial solutions**
- § **Fourth largest institutional asset manager** in Switzerland.
- § **Market share 27%** (individual & group)
- § An important **real estate owner** in Switzerland.
- § Swiss Life has around 2300 **employees** and 570 **financial advisors** in its Swiss Market division.



**One million private clients (policy holder)
and 38 000 corporate clients (group life)**





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Swiss Life: Comprehensive offering

Financial protection in the event of disability or death - Life insurance (unit-linked and traditional)

Mortgages

Fund savings and fund investments

Property and asset protection

Income protection

Retirement provisions

Wealth accumulation

Residential property: buying, selling and renovating

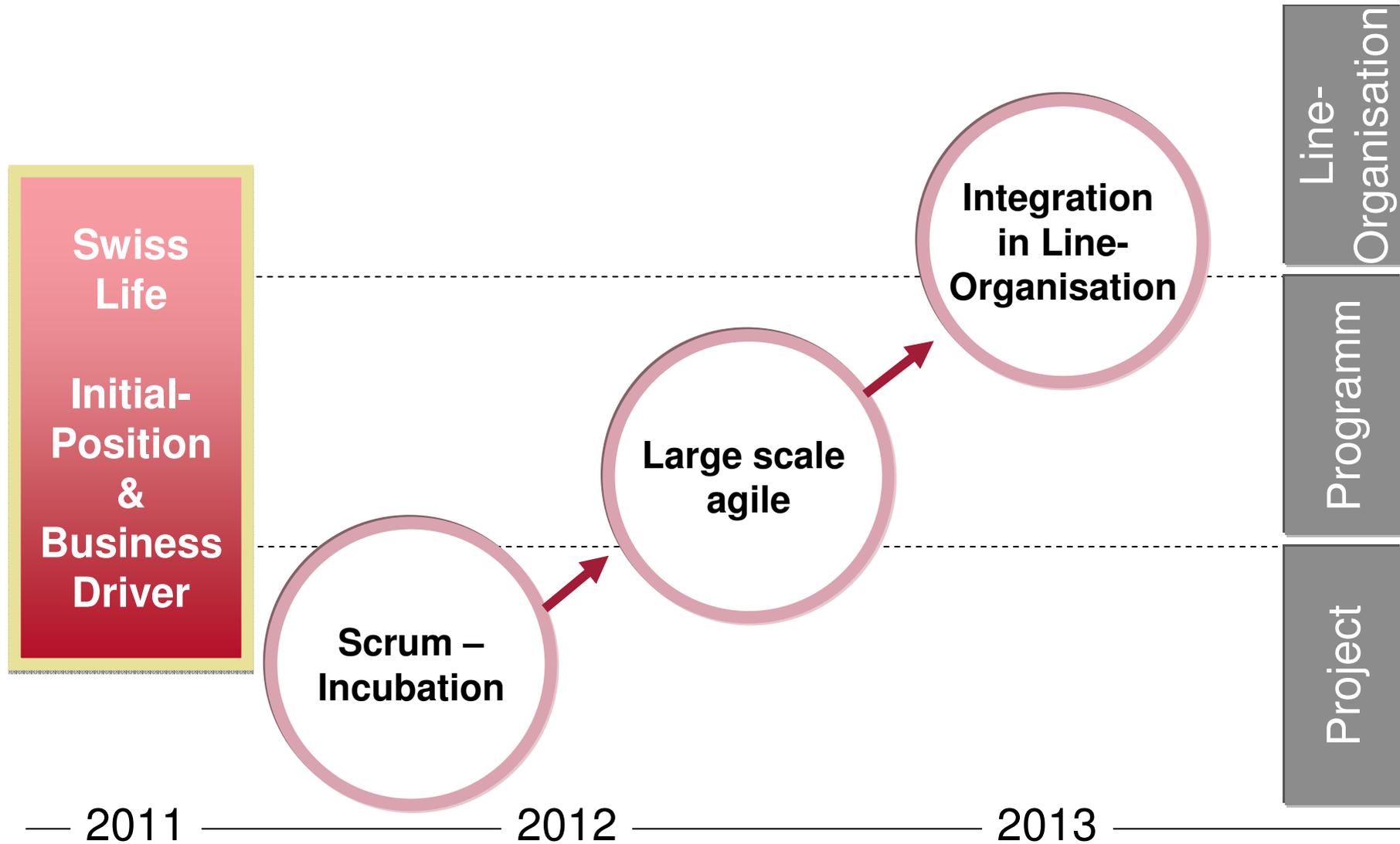
Pension planning





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Agenda – Agile Transformation Roadmap



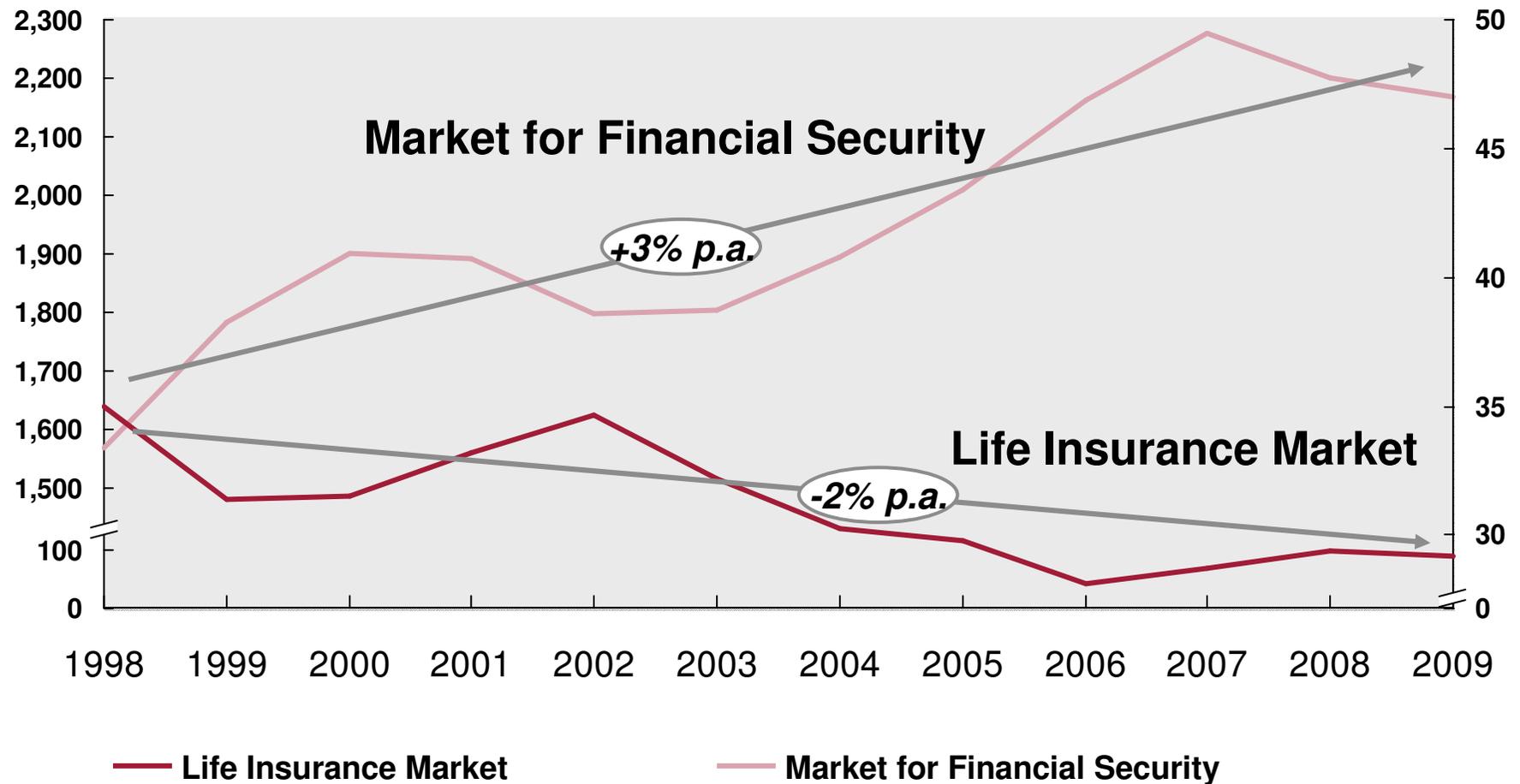


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Our life insurance market is shrinking

Mia. CHF

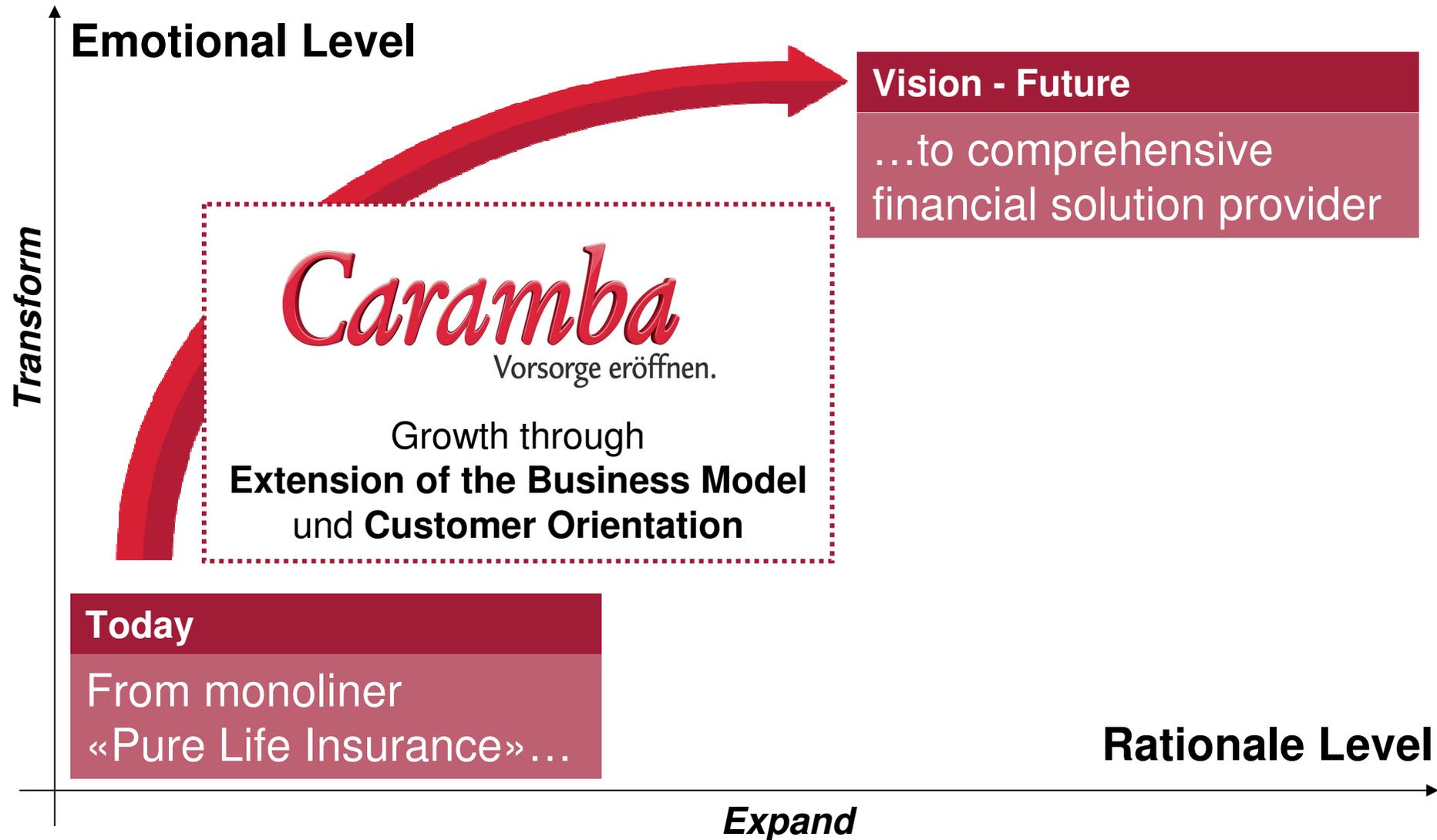
Mia. CHF





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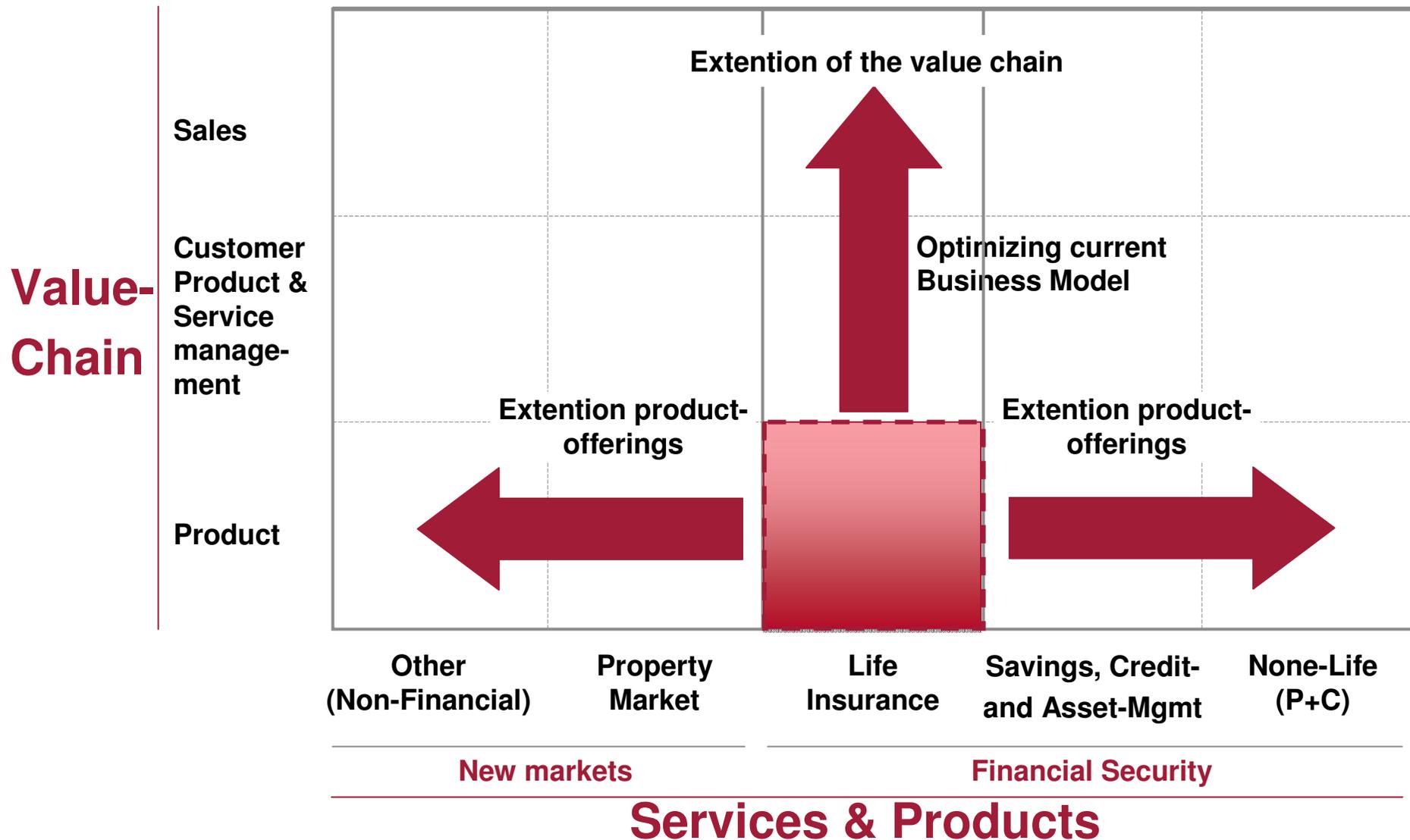
Transformation of Swiss Life Switzerland



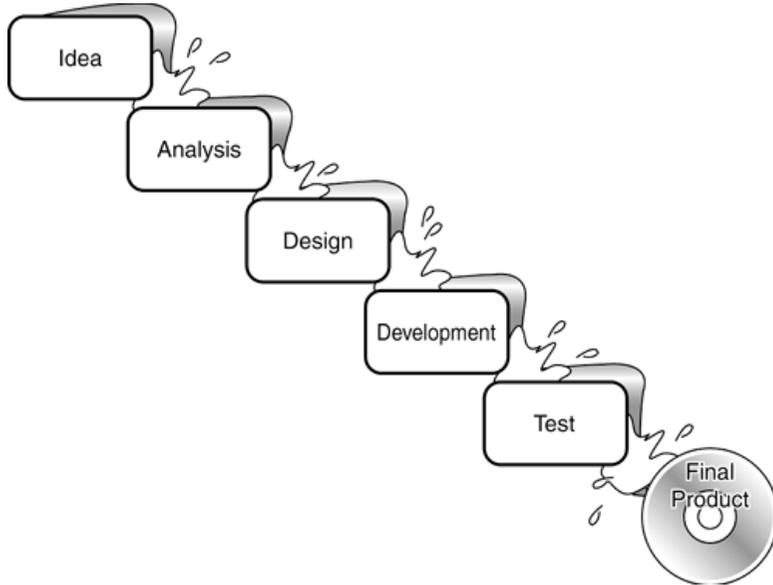


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Growth through following options...



Delivering “Life Insurance Products” with predictive and very reliable waterfall



- Strongly **process orientated**
- **3-4 new products**
- **6 Releases pa**
- **Consolidated, standardized technology**
- **high automation level**

Very **predictive** and **reliable** process in terms of timeline and resources



Low risk and **high security**



Very **high** quality **standard**



Clear **skills & behaviour** in the development process





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The challenge before us...

Keep Status Quo! ✓



Process
Excellence

Innovation

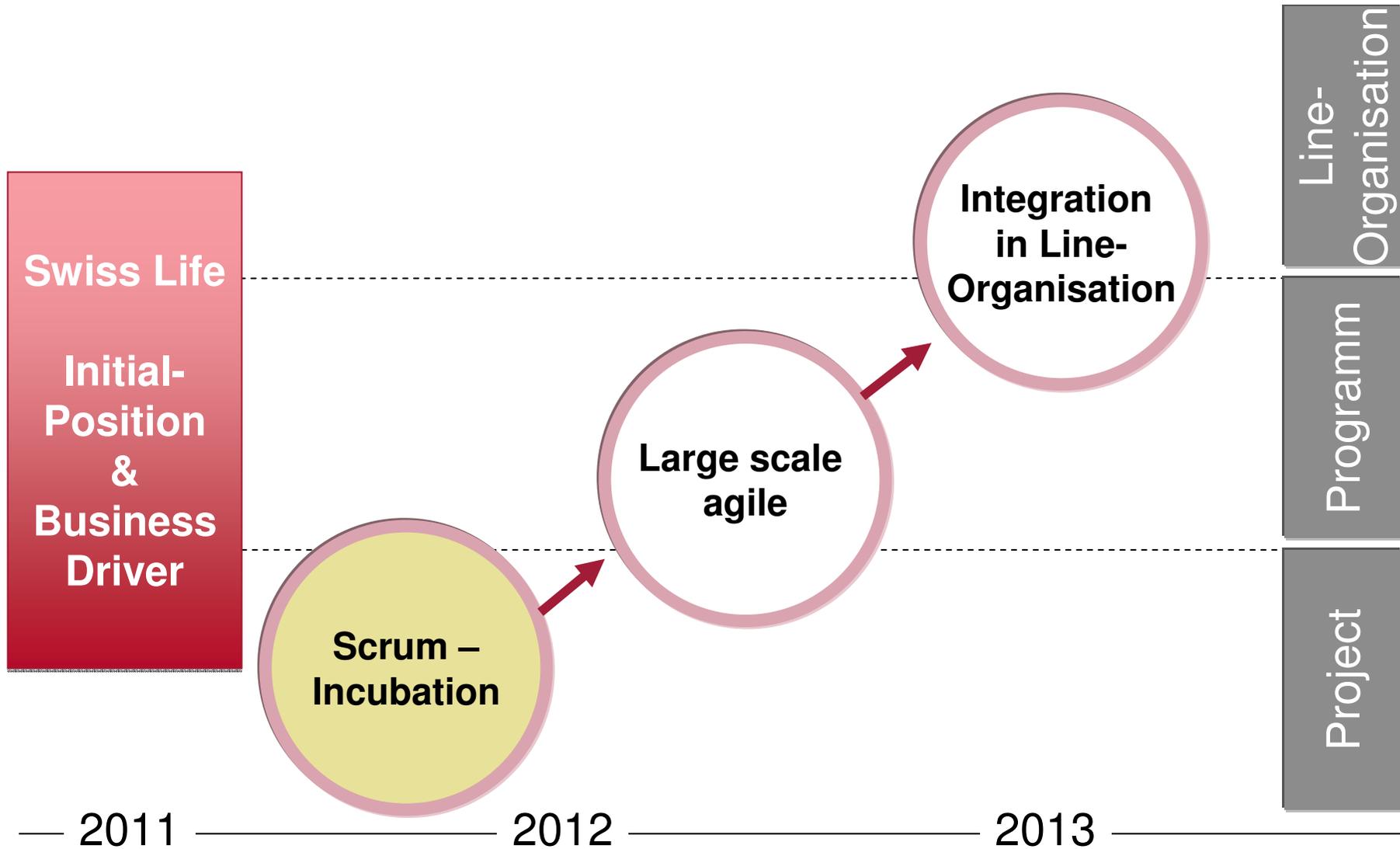
Challenge: Innovate!

Agile & Scrum?



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Agenda – Agile Transformation Roadmap



Kickstart agile transformation: innovation with Scrum?



PoC Scrum:

- Process and IT & Business Innovation
- Time2Market: PoC 6-7 Weeks
- 2 Teams:



- External Scrum Coach

PoC with Scrum successful



- External Scrum Coach

Process innovation	Introduction of Scrum
Business innovation	multi-access, mobile: anywhere, anytime
IT - Innovation	Expose services to Customer, iOS
Time2Market	Delivery in 7 weeks



Do's & Don'ts introduction of Scrum

Experiences from the *Proof of Concepts*



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Do's

- Strong Top-Level management support
- Role specific training and ongoing coaching
- Focus on 1 project / 1 product / 1 role
- Collocation of PO, SM & Team
- Direct end customer and user involvement



Don'ts

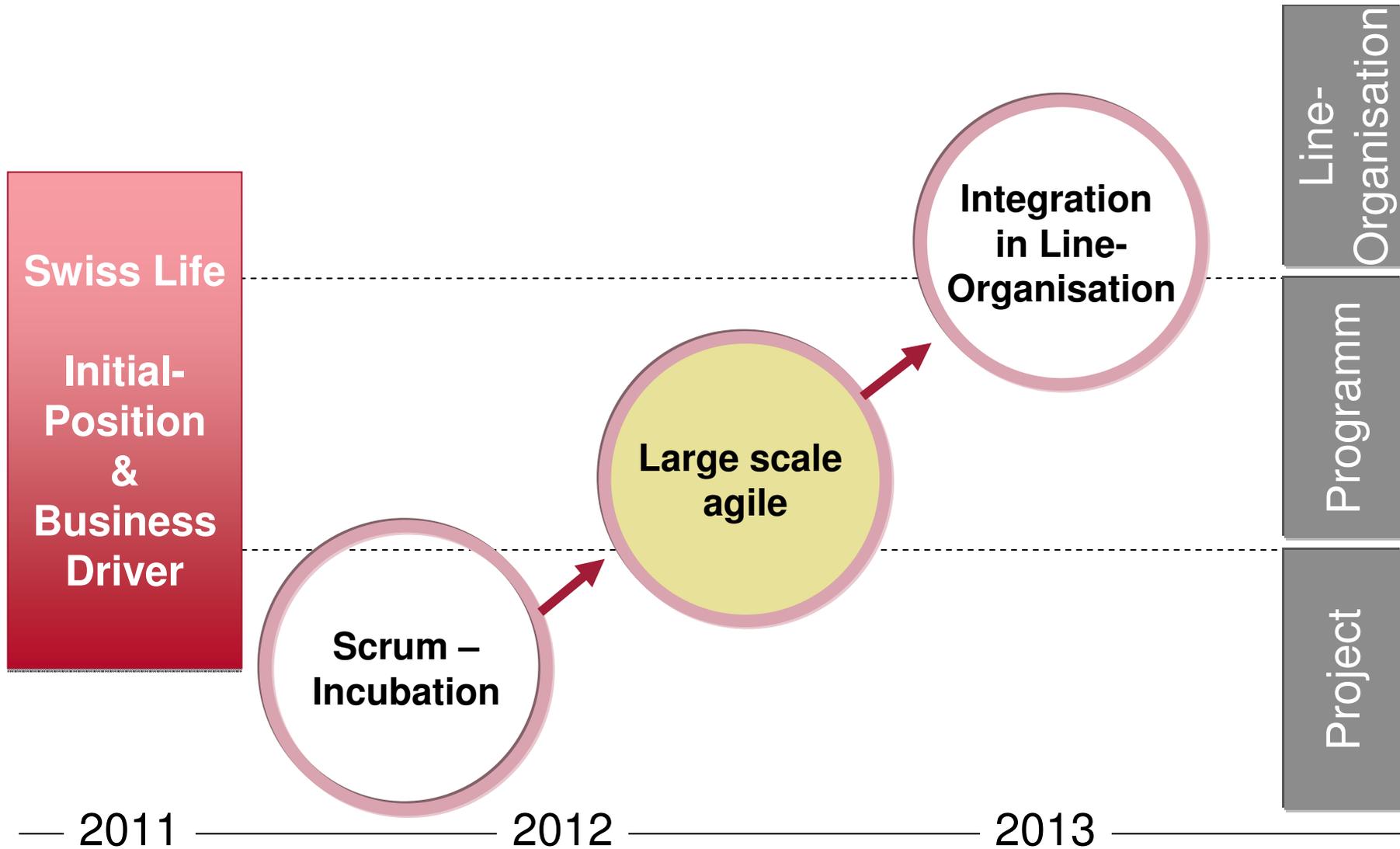
- Start too quickly (minimal setup)
- Multiple product-owner per team
- < 100% availability of product owner
- NOT adhering to scrum-process
- Too high expectation

Top-Management support and clear allocation of the team

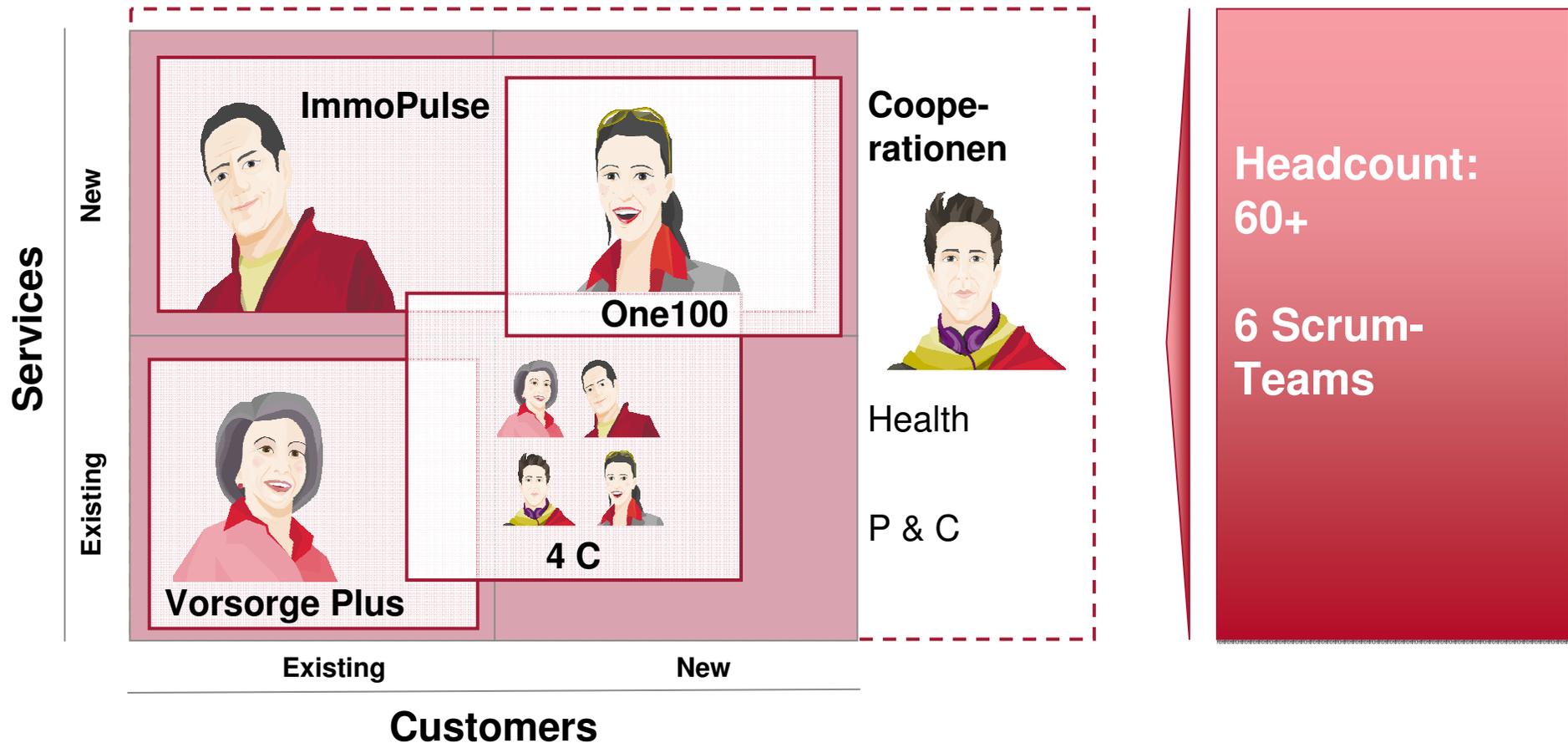


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Agenda – Agile Transformation Roadmap

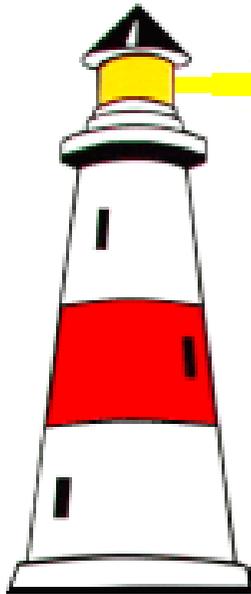


Caramba – large scale agile program setup



4 C = Communication | Collaboration | Contact Center | CRM

Power of a good vision



Visions:

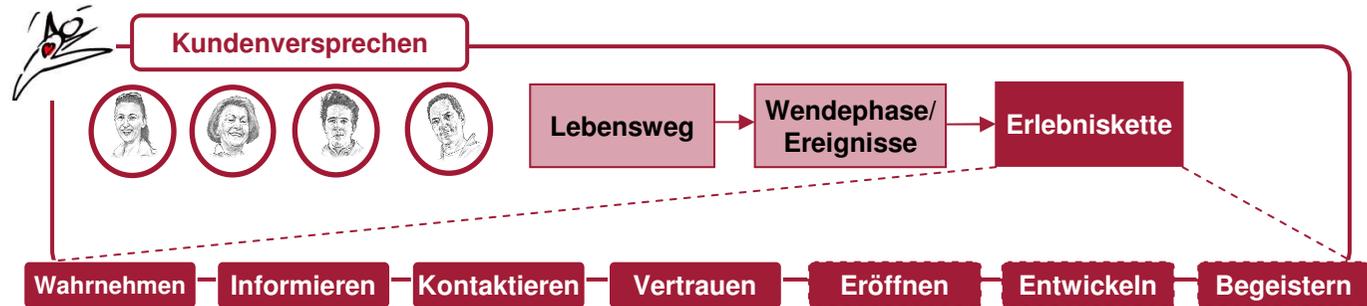
- 1 **Product vision** for **alignment** of the **team-member**
- 2 **Overall business vision** on program-level for **alignment of teams**
- 3 **IT-Vision:** **alignment of technology** roadmap

Don't underestimate the power of a good vision!
Invest in upfront high-level **target architecture!**

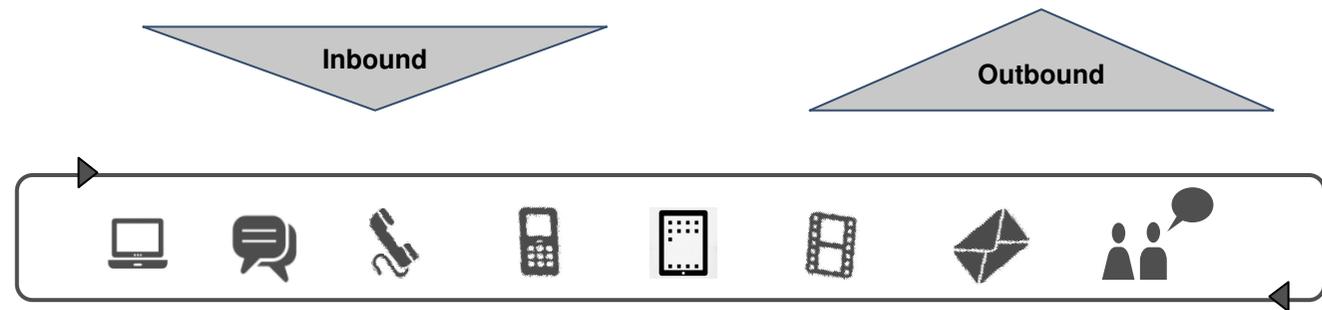
Business vision and big-picture



Customer Journeys and Touch-points



Multi-Access-Organisation



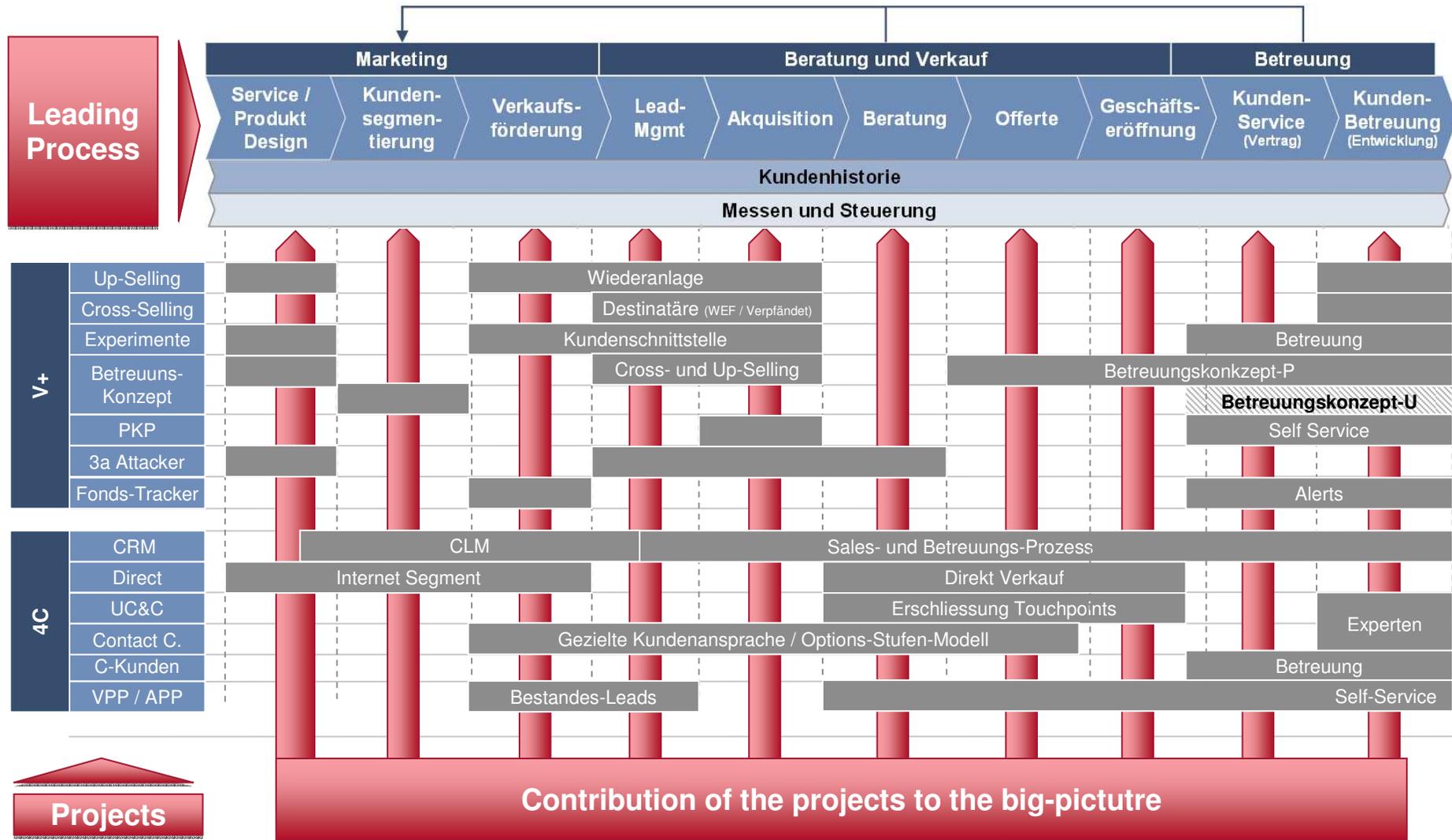
New leading process: Market approach





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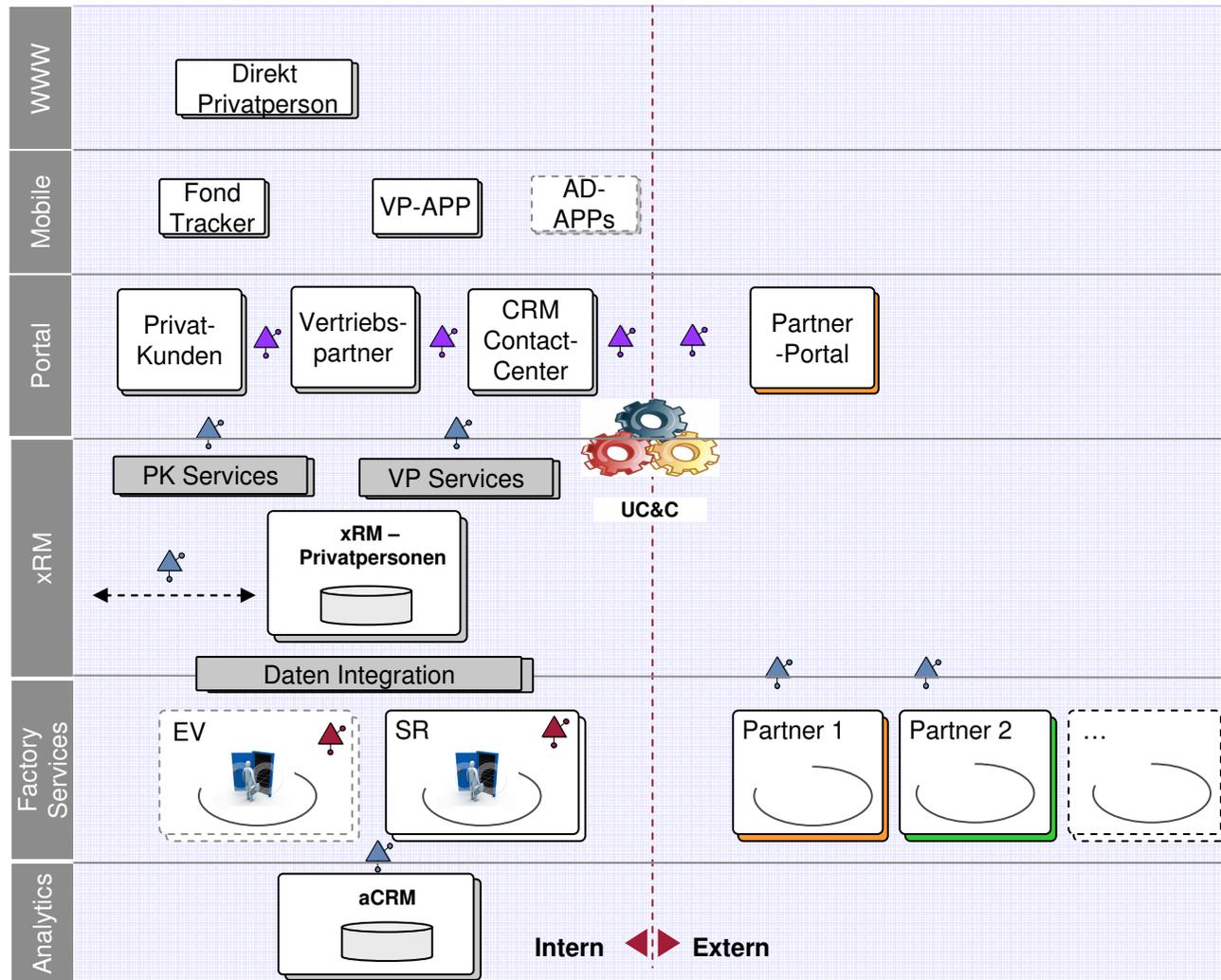
Alignment of teams





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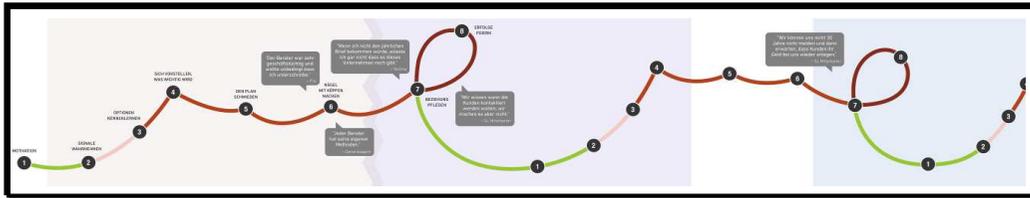
IT-Vision: alignment of technology



High level
Target
Architecture

Still valid after
18 months

The program delivers...

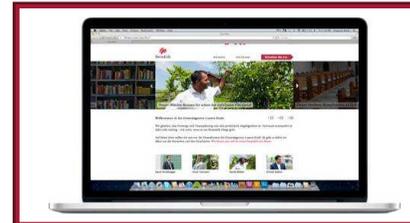



Swiss Life Chat

Nehmen Sie jetzt mit uns Kontakt auf.
Gerne beantworten wir Ihre Fragen.

Chat starten

3a-Attacker



Verkaufen, Kaufen und Umbauen von Wohneigentum

Das Eigenheim im Zentrum der Vorsorge

Swiss Life CRM



Despite successful delivery of products - new challenges



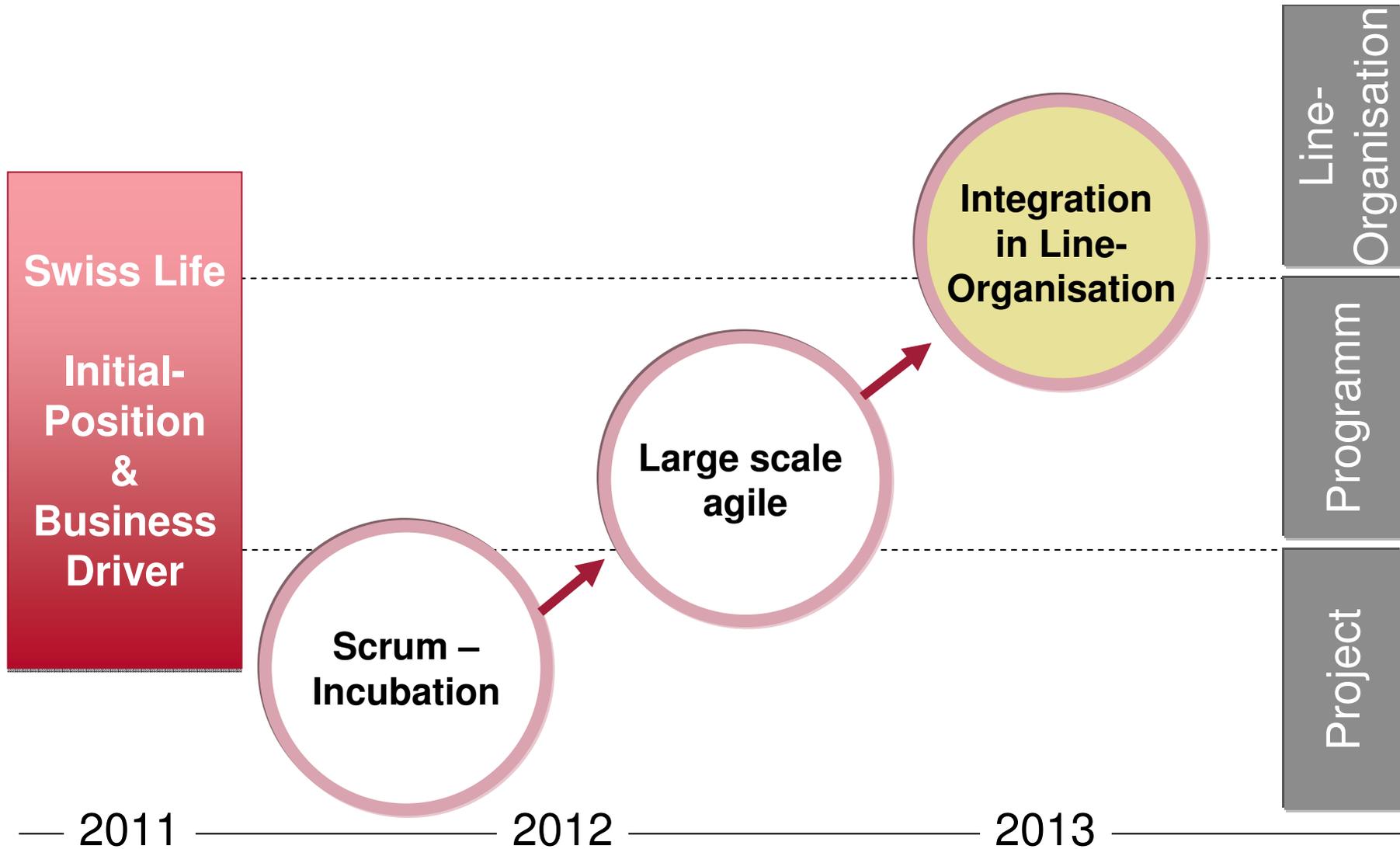
- **Rising conflict between Line- and Program-Organisation**
 - Acceptance problems
 - program perceived as “2nd World”
 - Conflicting objectives, misunderstanding
- **Issues with transition of delivered products into line organisation (Business & IT)**
 - Business: **Low adoption** of the delivered products **into daily business-** and operation-model low effect on top and bottom line

We are too fast!
For real transformation - we have to increase traction with line organisation

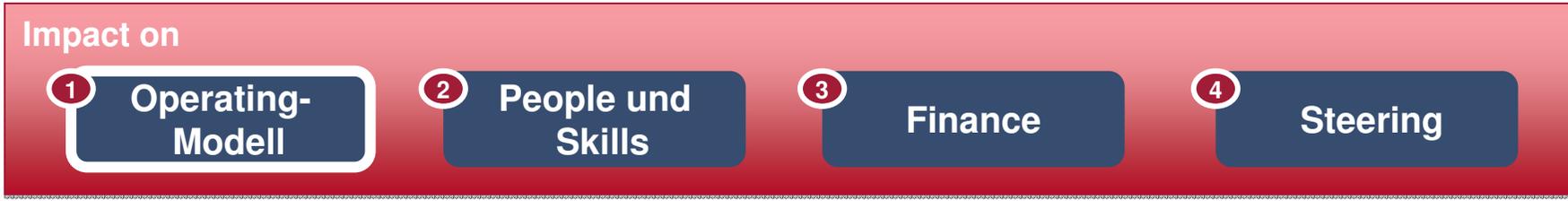
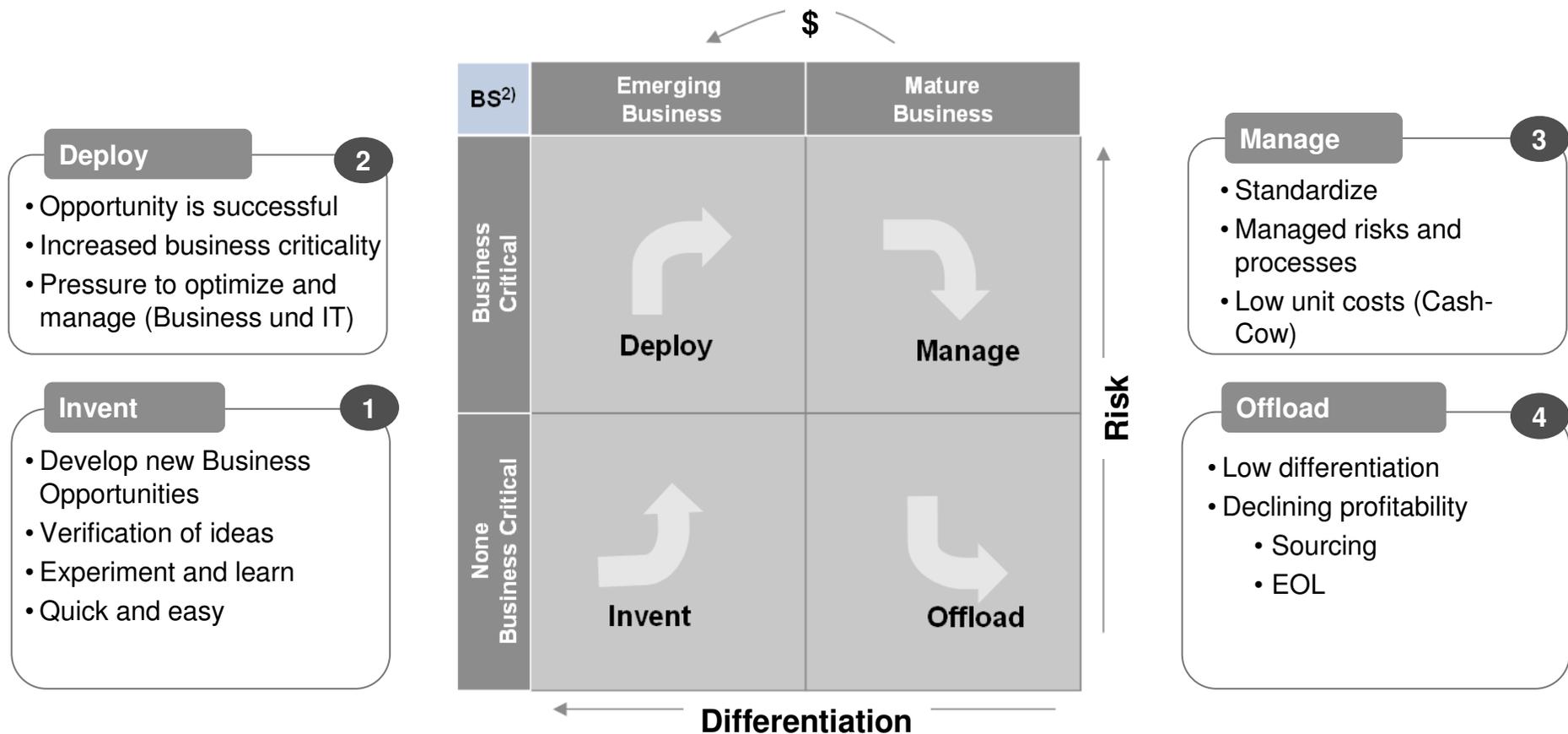


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Agenda – Agile Transformation Roadmap



Common model for mutual understanding – product lifecycle framework



1) Wichtig: Der Markt entwickelt das Angebot von Invent nach Deploy 2) Business Sicht

Beside status quo – establish new «disruptiv» approach

«Evolution» AND «Disruptiv»

Maintain status quo «evolution»

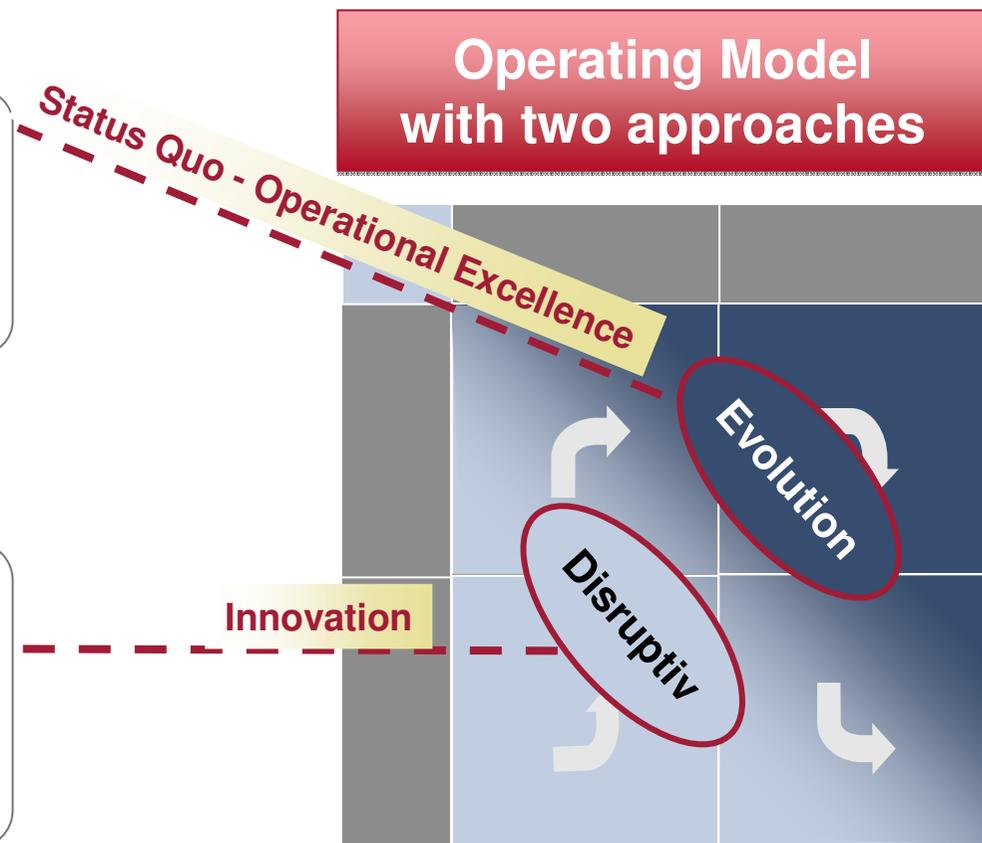
Established and successful

- High trust and security
- Low risk
- High process-maturity and automation

Establish new „disruptiv“ approach

Learning and agile

- Time2Market and moving target
- Experiment and learn
- Close collaboration with business and end-customer



Positioning of products in model (extract)

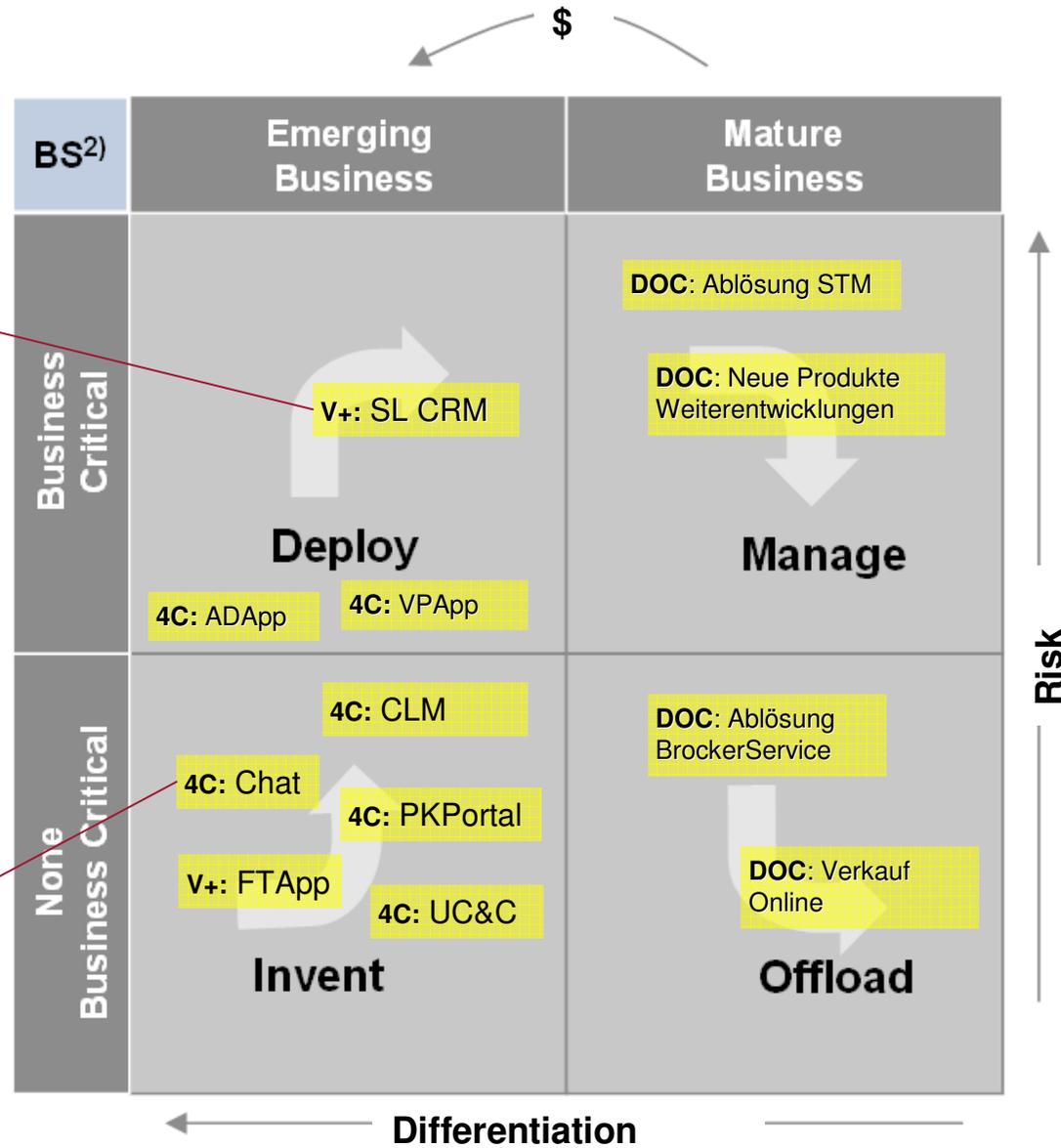


Example: CRM:

- 700 productive User
- Mission critical for «Sales Process»
- Scrum-Team with operational responsibility
- On-going Innovation in Caramba

Example: Chat

Pilot Phase:
5 Agents in Service Centre
40 Chats / Week



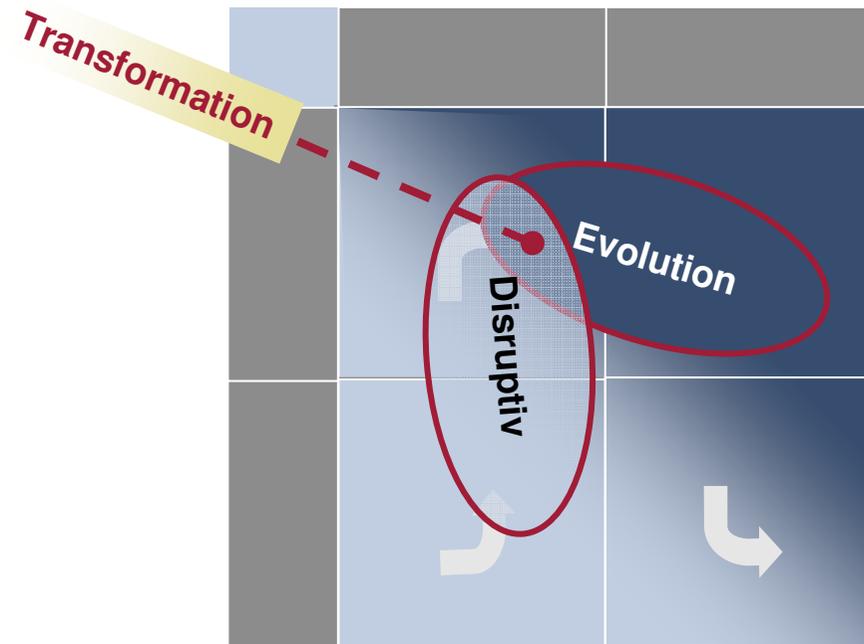
Deploy – the most interesting and challenging Here is the transformation happening!



Active Transformation in Intersection

- **Requirements** from **both worlds** (line & program)
- On-going **Innovation** but **business critical** and **productive**
- **High dependencies** with regular **release cycle**

Introduction of an *Release Train* with Feature Portfolio Management

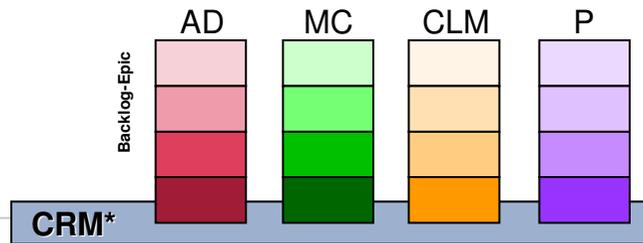


Release train with CRM-Product

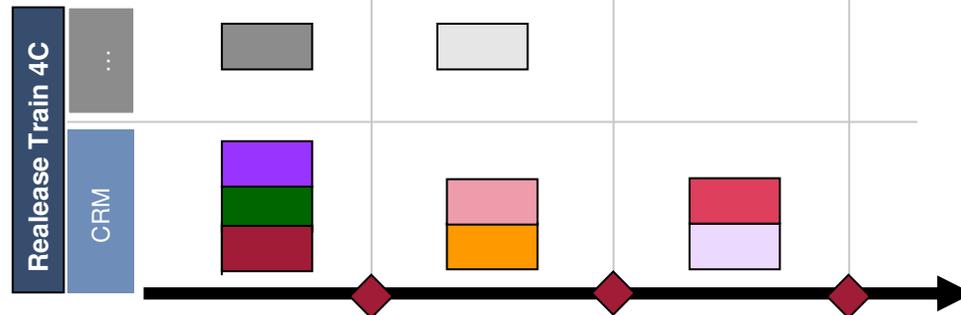
•STC Caramba



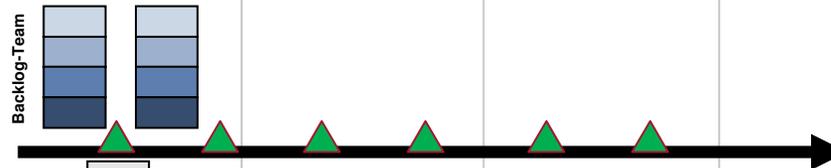
•Business Stakeholder



•Release Train Board



•Delivery Team CRM



•Delivery Team X



•Strategy and budget

- Requirements: Epic and Feature
- Acceptance, Rollout / Training
- Ensure **effect** on business process

- Value Driven Priorities
- Manage **dependencies**
- Ensure coherent **Business- and IT-Architecture**

- Implement in Sprints: Team Backlog
- Release und Rollout





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Lessons learned – 3 months release train

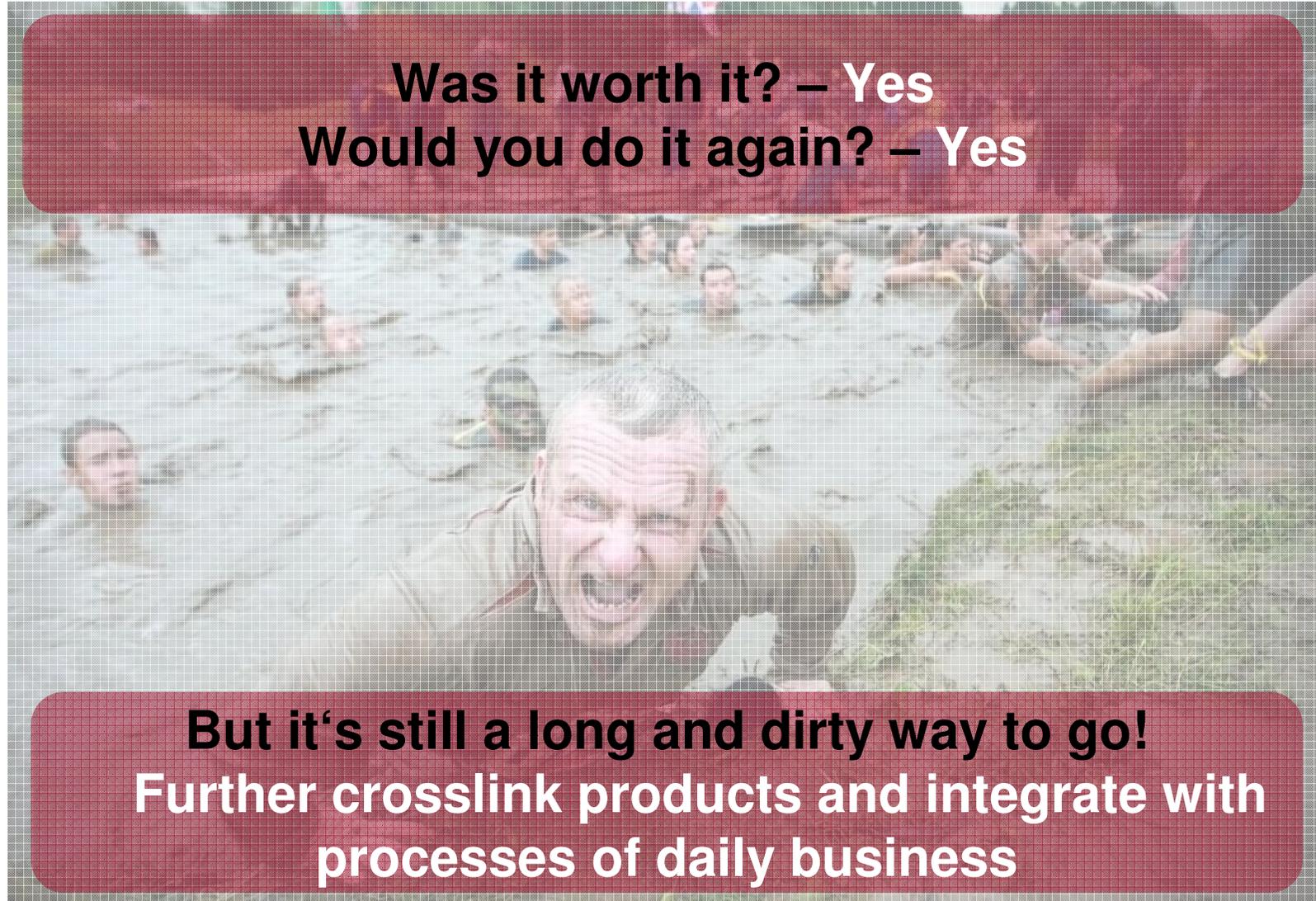
- **Bring the work to the team, not the team to the work**
 - **Feature Entry criteria** (e.g. “ready to groom” & “ready to sprint”)
- **Standardize epics and features to uncover redundancies enable process harmonization**
 - Ensure **common understanding** on common terms (e.g. **Information object model** and / or dictionary)
 - Use an stable framework as **structuring element** (e.g. process steps, domain model)
- **Visualize the epic and feature portfolio**
- **Use «Strict Order» not «Priority» per stakeholder!**
- **Only focus on “Order 1..5” - prioritize based on vision**

**“Agile” requires a much higher discipline -
and immediately shows the forming problems!**

Any further questions?



Was it worth it? – Yes
Would you do it again? – Yes



But it's still a long and dirty way to go!
**Further crosslink products and integrate with
processes of daily business**