



The agile journey at Danske Bank

Anders Peter Lange and Mikkel Toudal Kristiansen

A little bit of background ...

Why did we start this journey?

- Danske Bank is more than 100 years old – many things are still very traditional
- We have a traditional split between business and IT in the organization
- The flow typically looked like this:
 - 1. The business decides on some new requirements
 - 2. IT designs and estimates the IT-portion
 - 3. The business funds the initiative
 - 4. IT builds, tests and delivers the new functionality
 - 5. The business evaluates the new functionality
 - 6. IT takes the new functionality online
- It could feel a bit like ...



The exceptions ...

However, not everything is traditional!



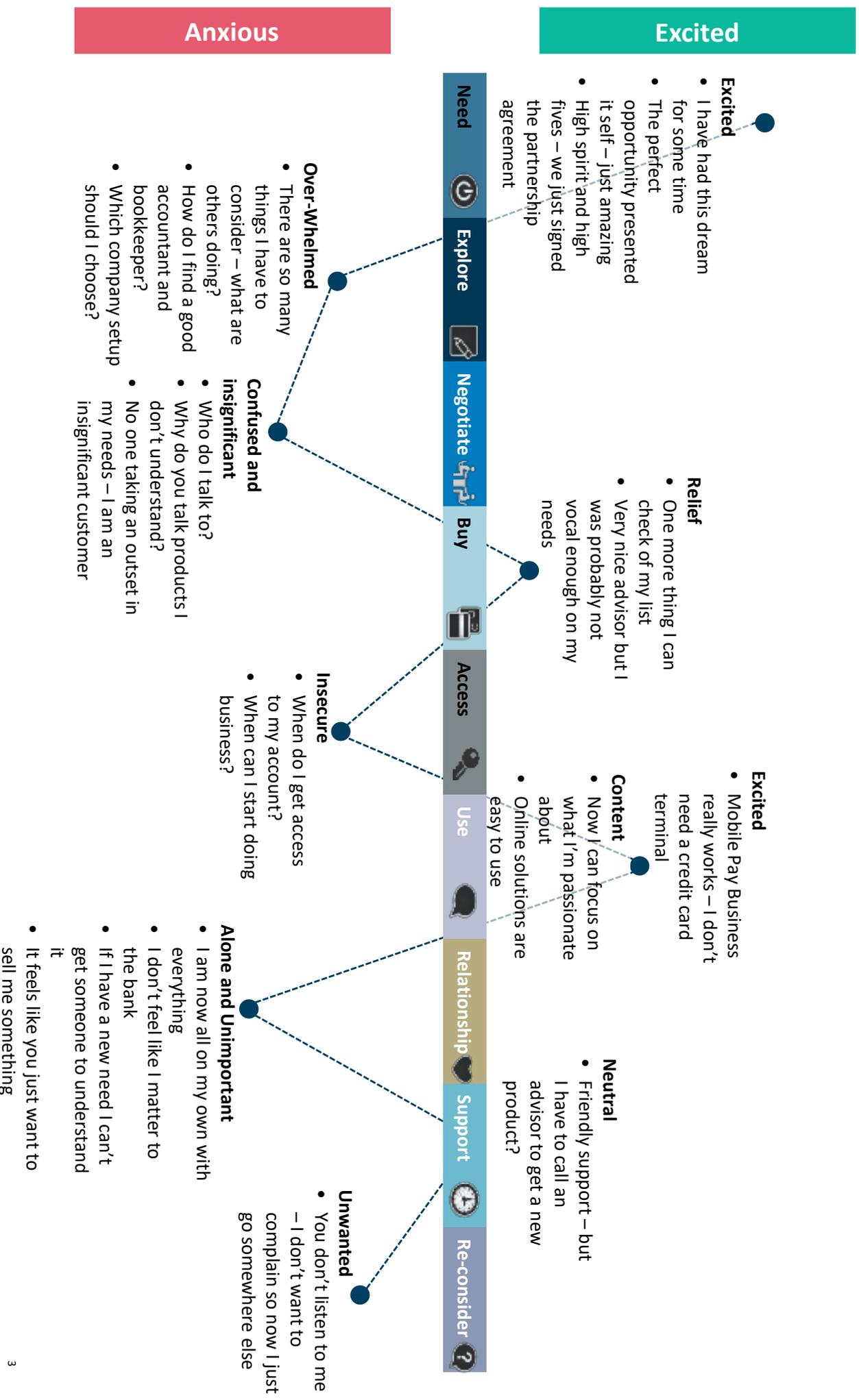
- Some of our “moon shots”, such as Mobile Pay, The Hub and June perform much better!
- They break away from the waterfall, and bring business and IT much closer together
- Built around customer journeys, and involve real-life customers
- Governance also differs, including HR, funding, reporting and more

The wish from upper management is very clear:

To reach our ambition of becoming **#1 in customer experience**, we need these improvements in other parts of the bank as well!



An example customer journey



Step 1: Customer Journey ownership

A significant change was made in 2014:

- Business Process Owner (BPO) and Primary Service Owner (PSO) roles established
- The BPO owns a customer journey area, including the entire end-to-end process
 - spanning customer advisors, customer-facing systems, business, operations and IT
 - owns the budget to fund development activities for both business processes and IT
- Each PSO owns an operational function. A typical customer journey hits several operational functions
- The BPO will collaborate with the relevant PSOs to improve the overall customer journey



Step 2: Learn from those who came before us

- We interviewed agile role models, including ING, HSBC, Spotify and several others
- We studied our moon shots closely, to find out what made them successful
- The key similarities included:
 - A very clear vision and direction guiding the efforts
 - Cross-functional teams that deliver superior performance
 - Driven by the desire to build great customer journeys
 - An agile and flexible way of working, bringing focus and faster value creation



Step 3: Figure out how the bank could become more agile

- Scrum seems like a good choice for a single team, but how do we
 - make the teams cross-functional, when members are in functional silos?
 - co-locate, when members are spread across multiple countries?
 - enable many teams working on the same customer journey?
 - ensure the right agile mind set on all levels of the organization?
 - enable flexible funding for agile initiatives?
 - ensure adequate reporting from agile initiatives?
 - handle IT systems that support many customer journeys and business units?
 - ensure consistency in architecture, customer experience, quality, ...?
 - guarantee legal and regulatory compliance in everything we do?
 - enable the BPOs and PSOs to collaborate on improving customer experience?

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Step 4: Design an agile framework that might work in the bank

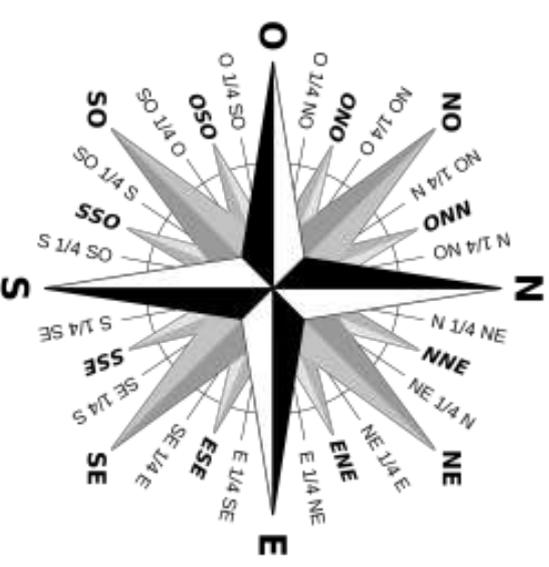
Key requirements:

- Must be centred around customer journeys
- Must enable fast time-to-market
- Must ensure strategic attention
- Must ensure legal and regulatory compliance
- Must be allowed to evolve based on inspection and adaptation

Initial thoughts:

- Cross-functional Scrum teams, spanning business, IT and other functions
- Product ownership on multiple levels: Business Unit, Customer Journey Area, and Team
- Specific enough to address key requirements
 - but generic and flexible enough to be applicable across the bank
- Cascading strategy and vision down the hierarchy,
 - enabling teams to define how to bring the vision to life,
 - and aggregating value created up the hierarchy

Based on this, we came up with ...



The blueprint for an agile framework – the 4 pillars

Structure

Structure is the frame people collaborate in, focusing on building connections that can support the creation of additional value

People

People are the core of everything. Our organisational culture will make or break this initiative, so we need to define a common set of values to support the change.

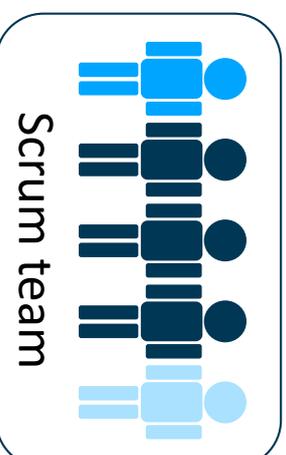
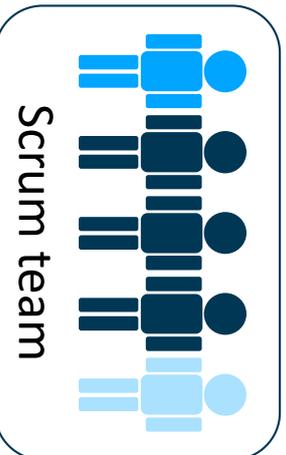
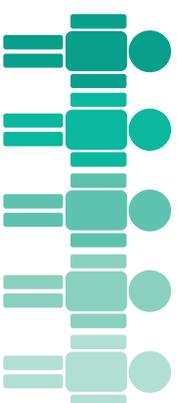
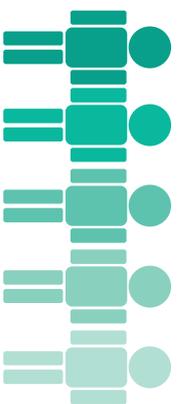
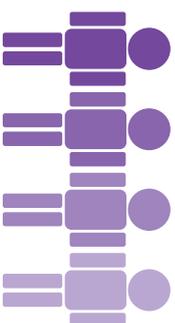
Methods & Practices

Methods & practices is the shared framework that will support the agile work from budget allocation and portfolio management to vision breakdown and workable tasks

Tools & Technology

With an increased focus on digital solutions, Technology & Tools focuses on API enablement, and an IT platform that supports early and continuous releases

The suggested structure

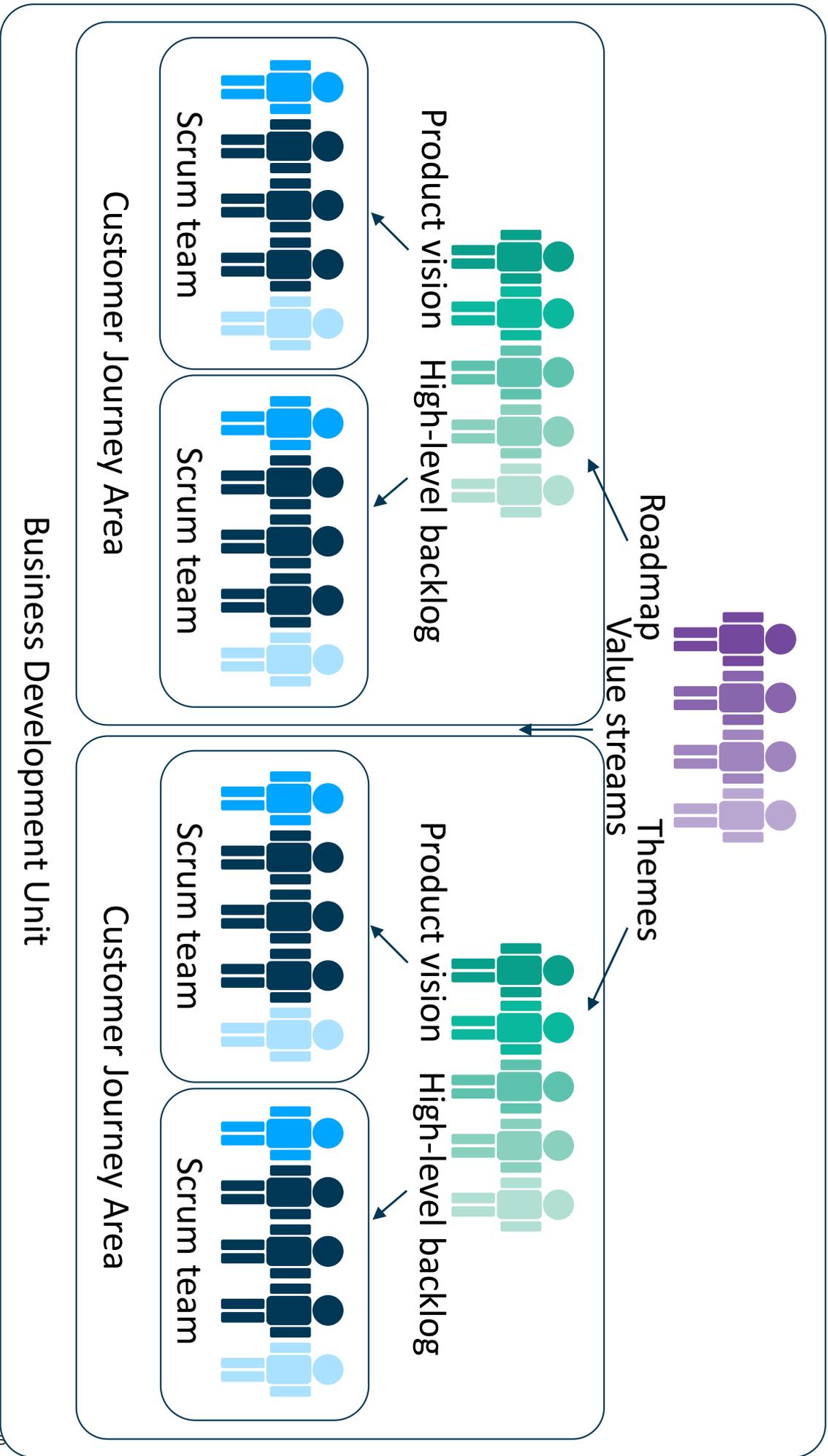


Customer Journey Area

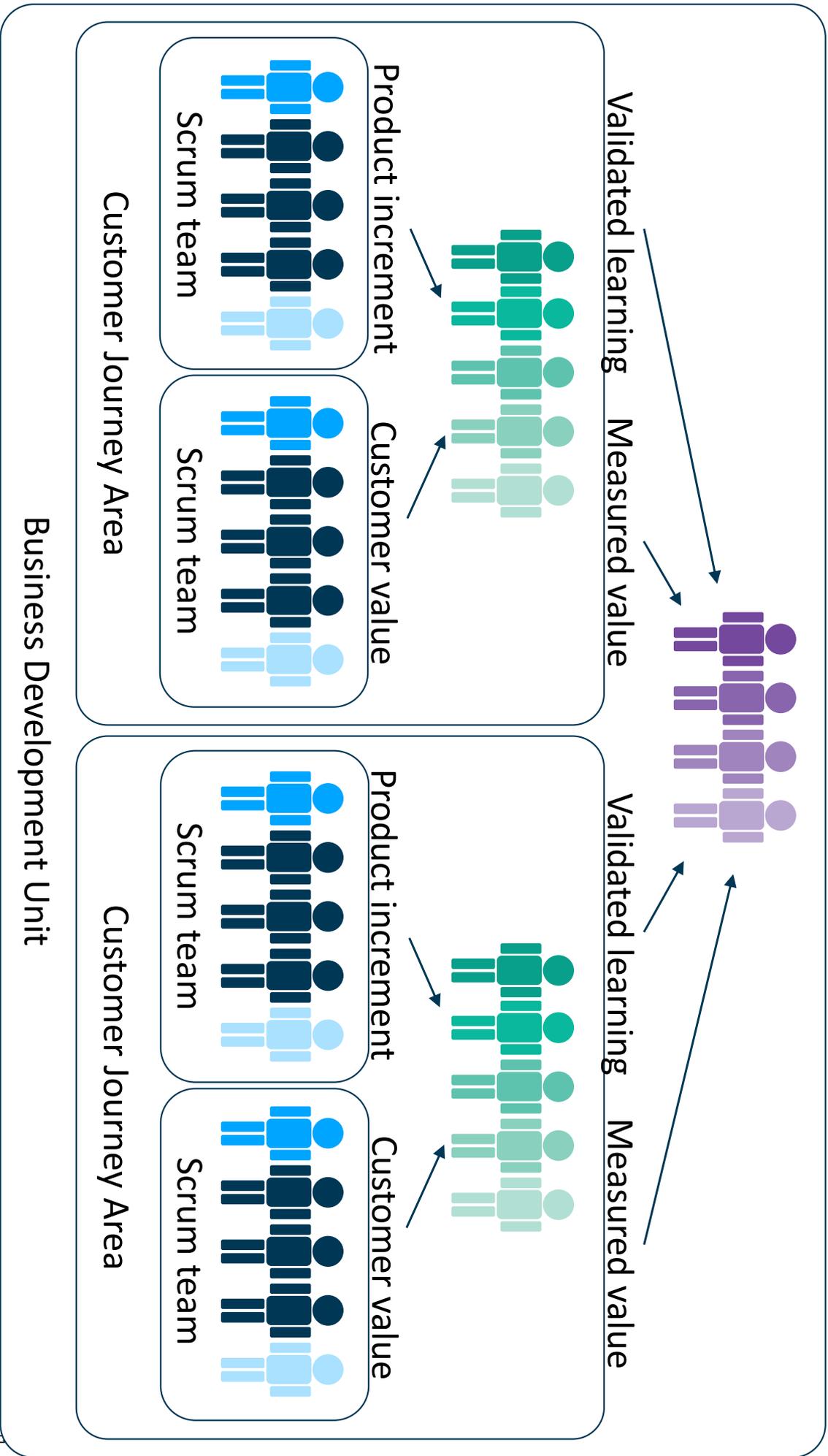
Customer Journey Area

Business Development Unit

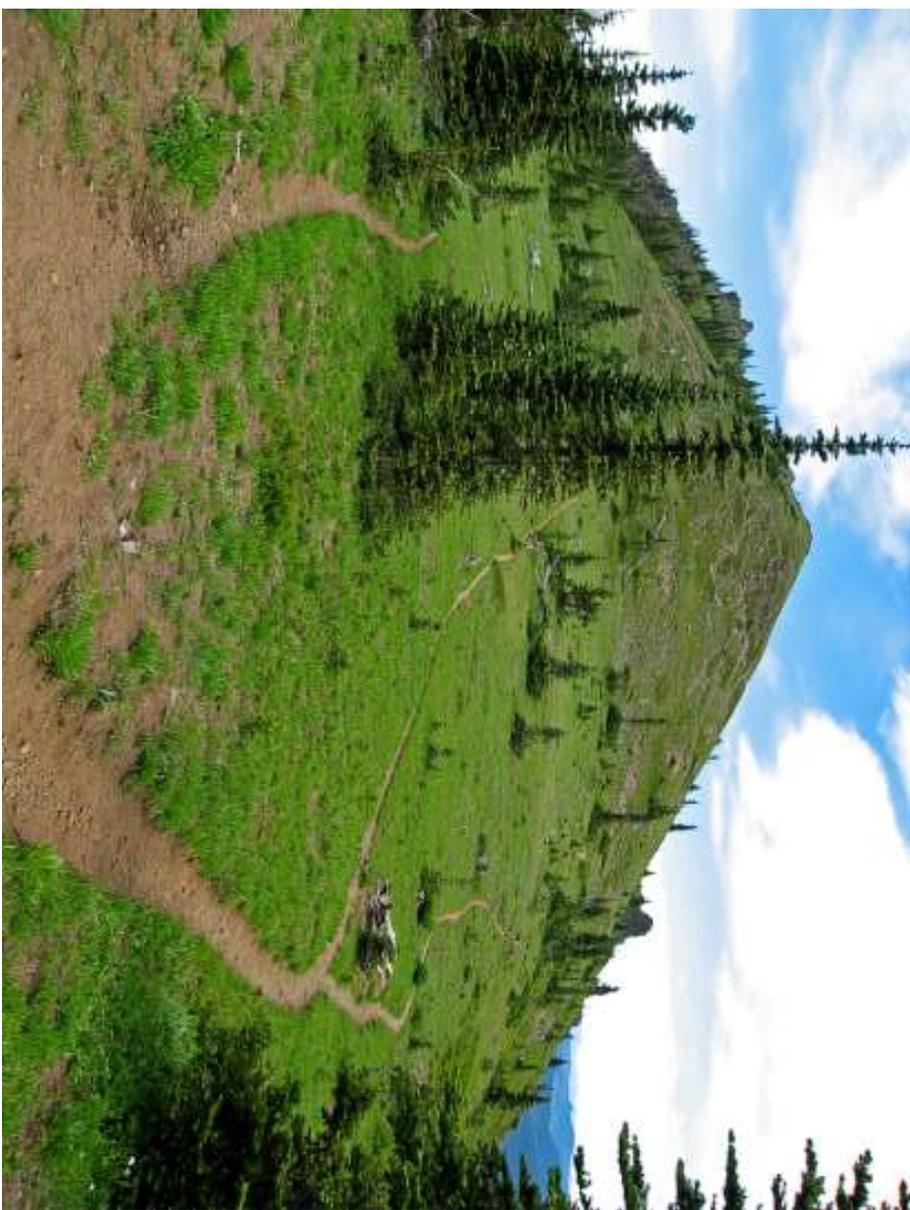
Flow of strategy and vision



Flow of value



So, where do we go from here?



Thank you for listening!