

# Innovate while maintaining process excellence – is this possible?

## Case study of an agile transformation roadmap

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Market Unit CH - Individual Life

**04.04.2013**



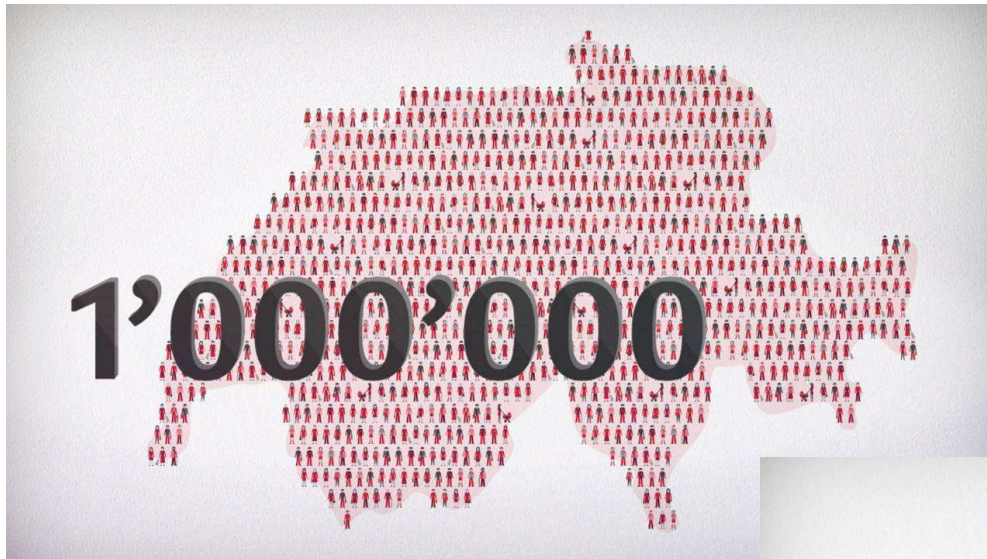
# Swiss Life Switzerland



- § 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

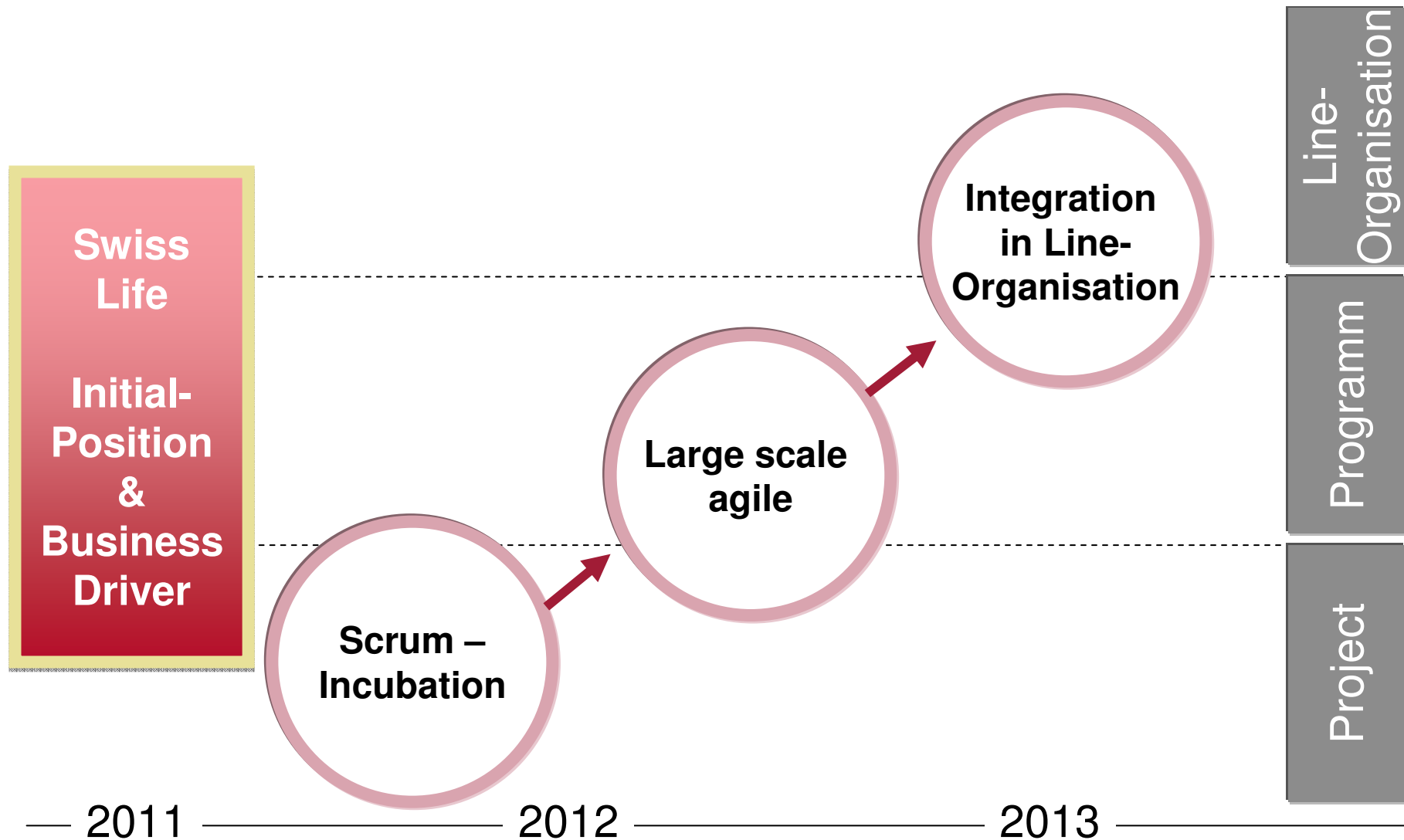
Pension planning





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# Agenda – Agile Transformation Roadmap



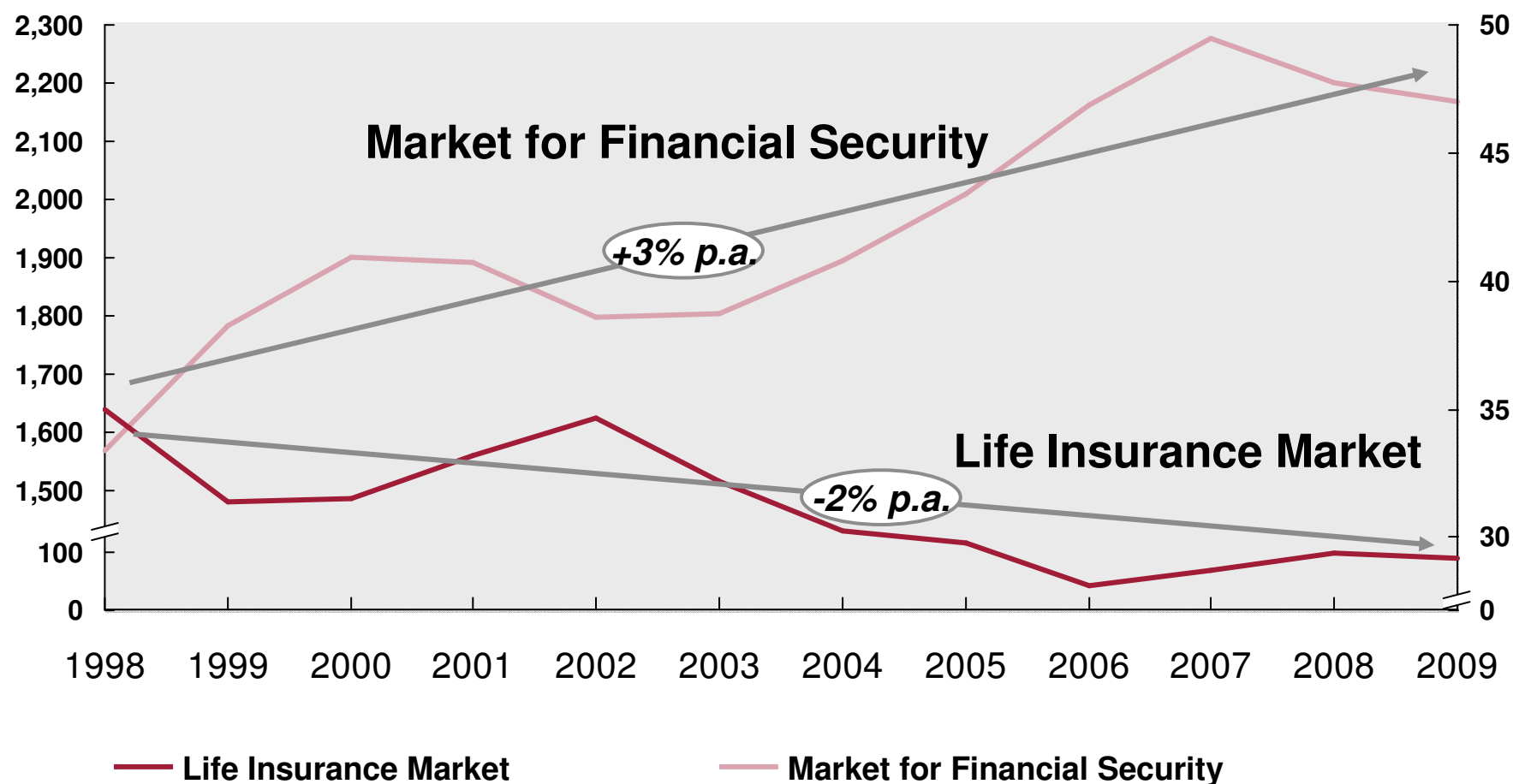


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# Our life insurance market is shrinking

Mia. CHF

Mia. CHF

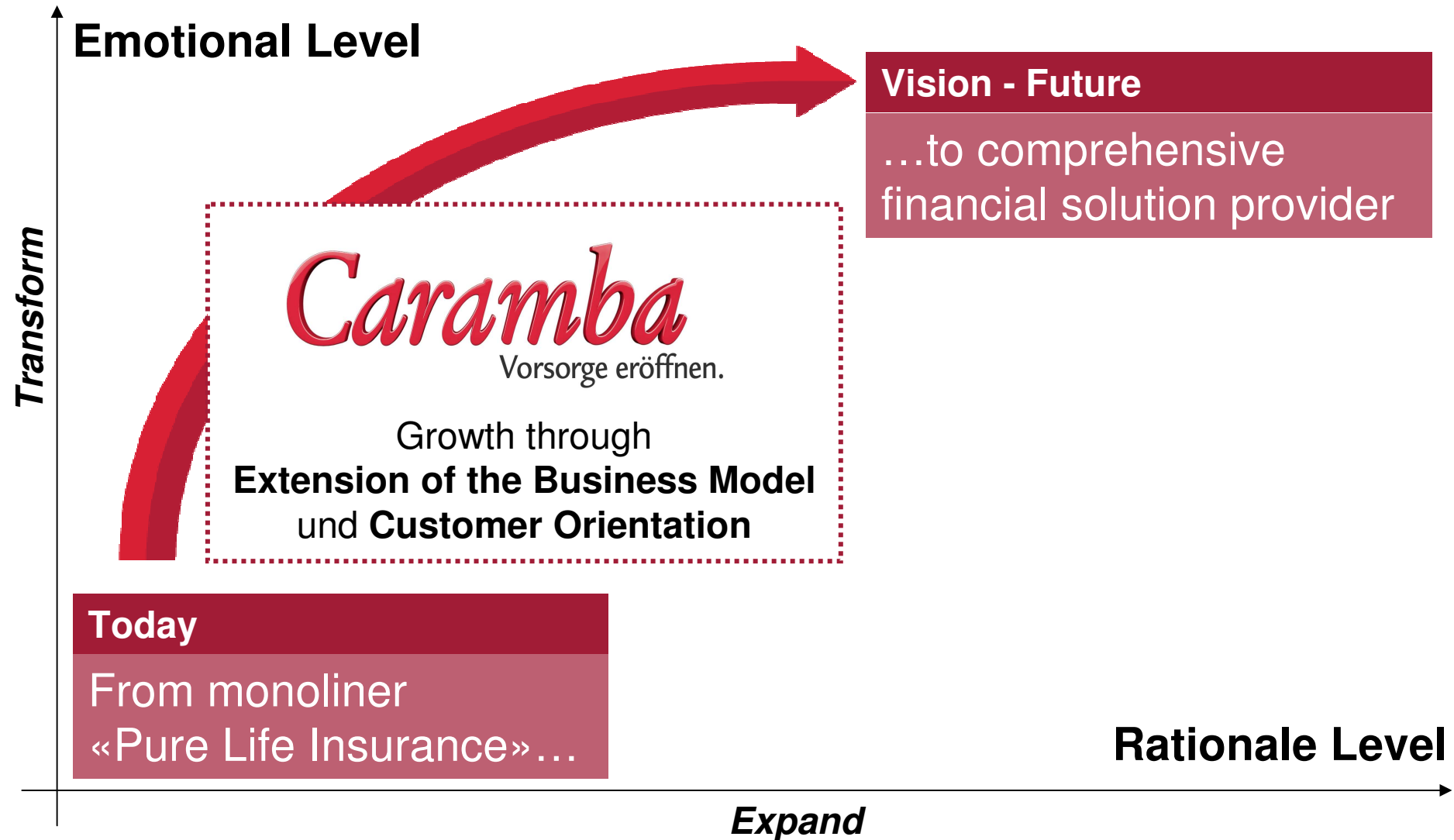






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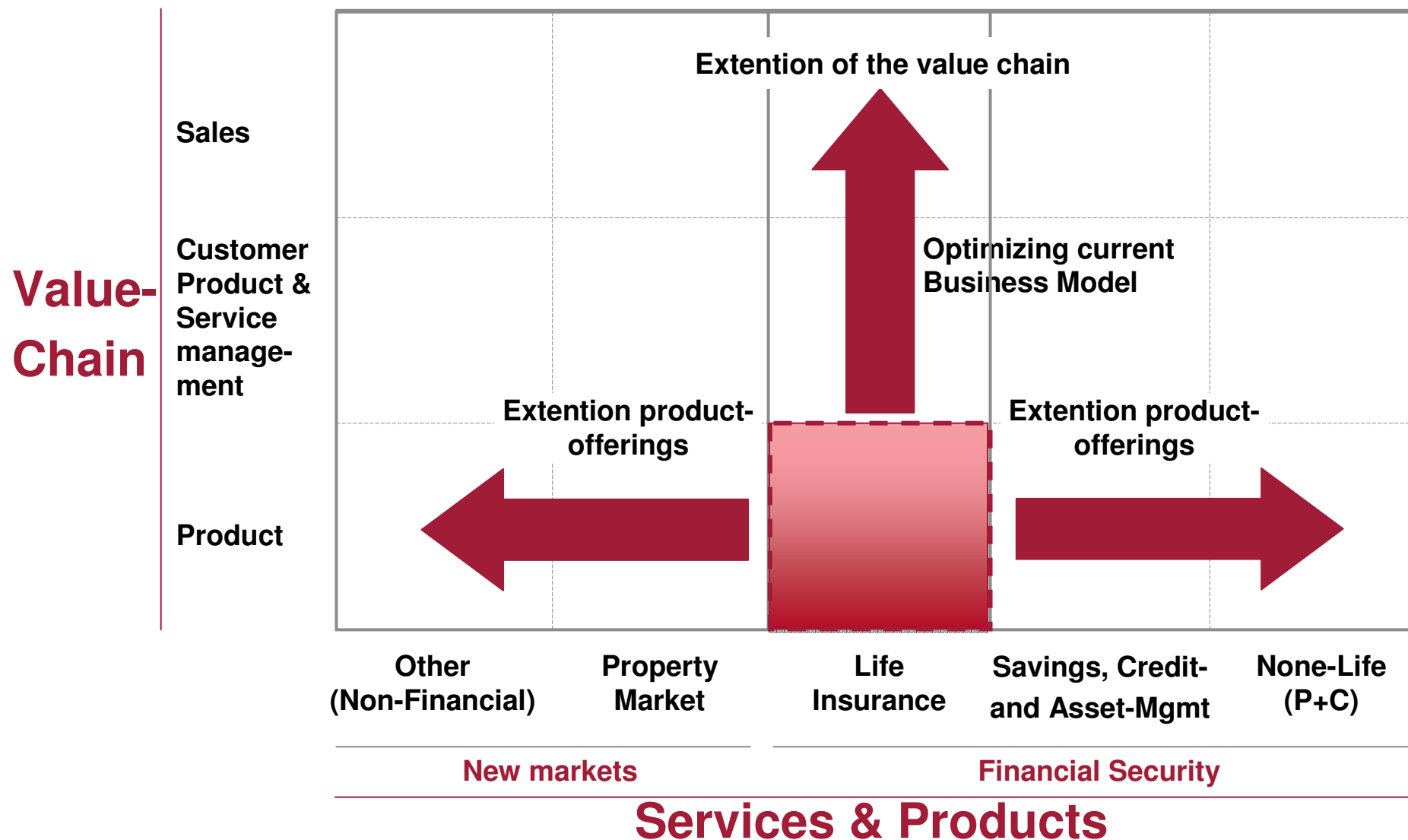
# Transformation of Swiss Life Switzerland





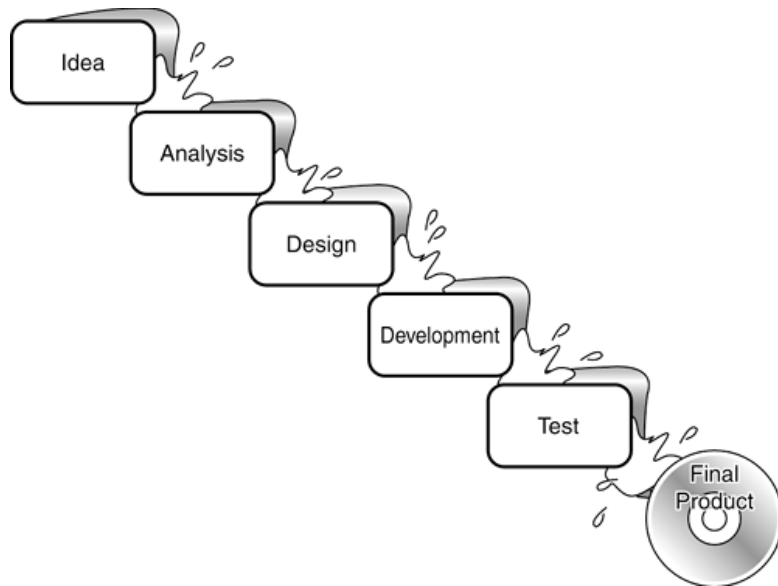
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## Growth through following options...





# 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



## The challenge before us...

Keep Status Quo!



Process  
Excellence

Innovation

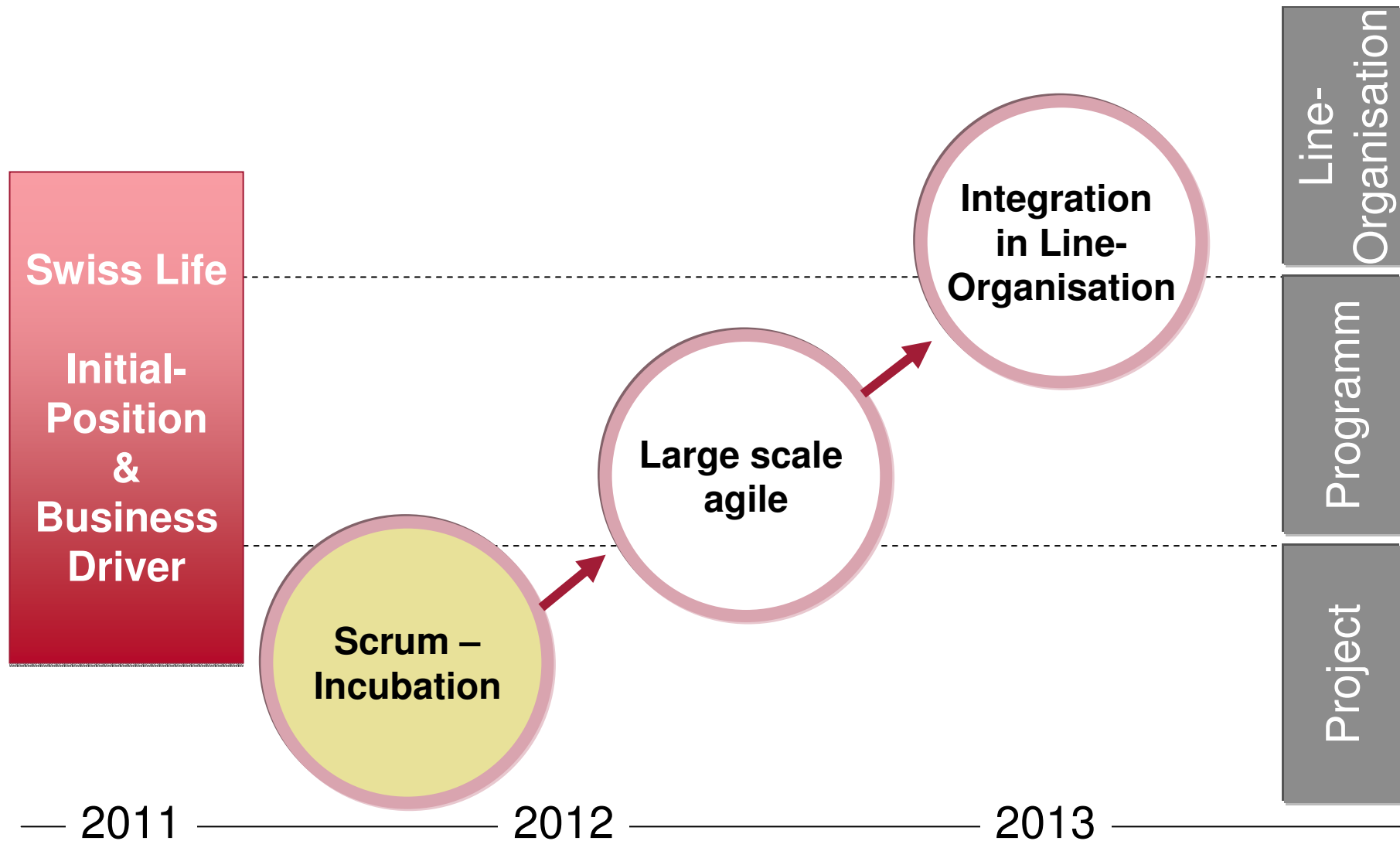
Challenge: Innovate!

Agile & Scrum?

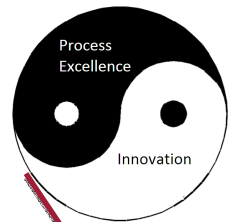


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# Agenda – Agile Transformation Roadmap



# 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 successfull



- 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*



### 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

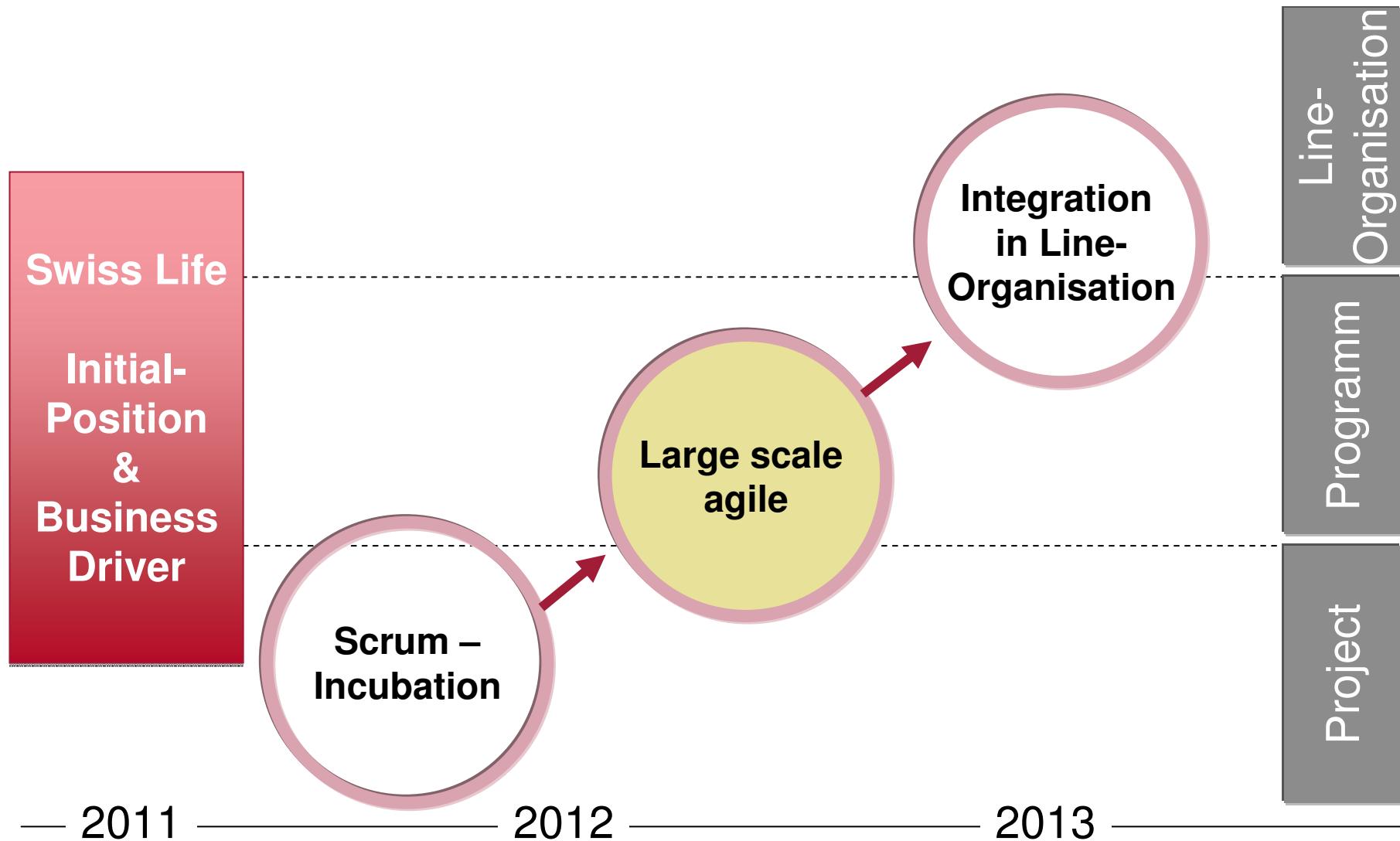
- Start too quickly (minimal setup)
- Multiple product-owner per team
- < 100% availability of product owner
- NOT adhering to scrum-process
- Too high expectation

**Top-Management support and clear allocation of the team**



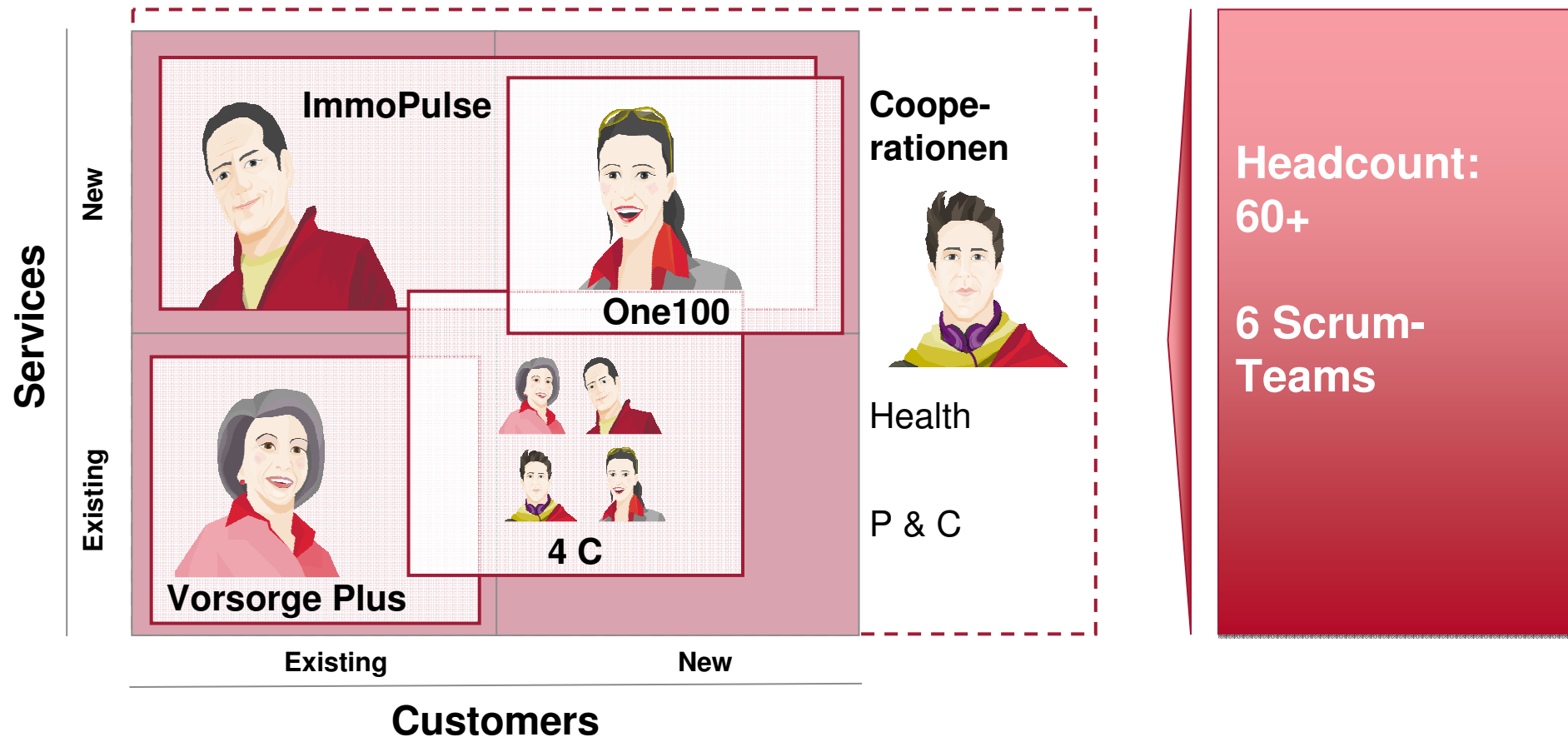
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# Agenda – Agile Transformation Roadmap



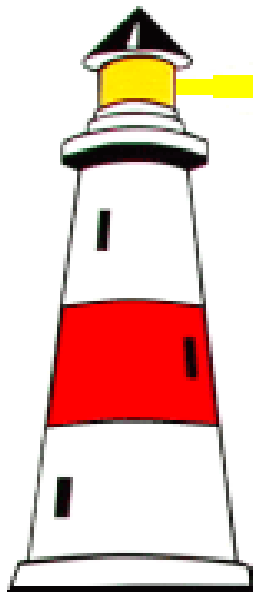


# Caramba – large scale agile program setup



4 C = Communication | Collaboration | Contact Center | CRM

# Power of a good vision



## Visions:

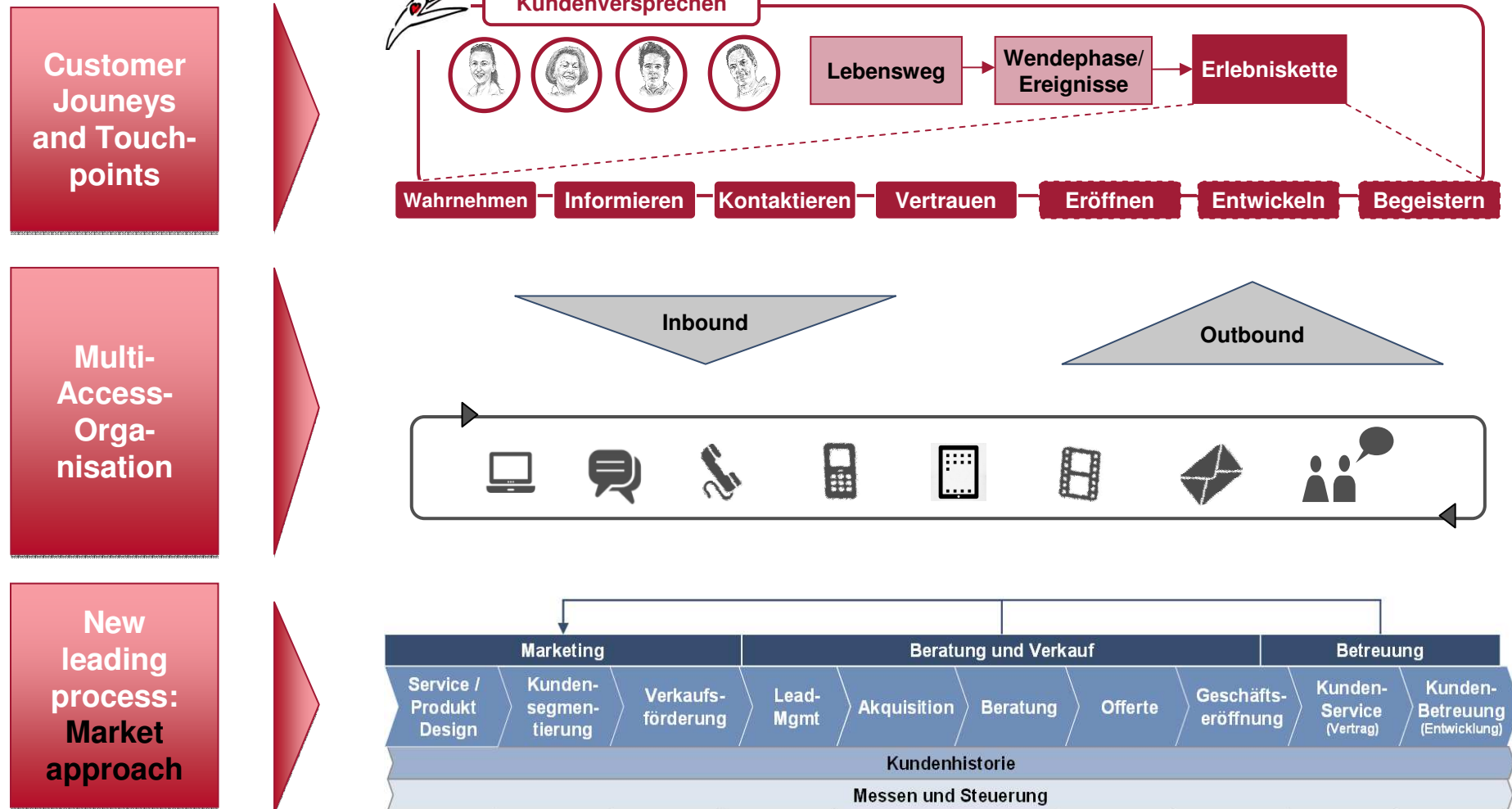
- 1 **Product vision** for **alignment** of the **team-member**
- 2 **Overall business vision** on program-level for **alignment** of teams
- 3 **IT-Vision**: **alignment** of **technology** roadmap

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



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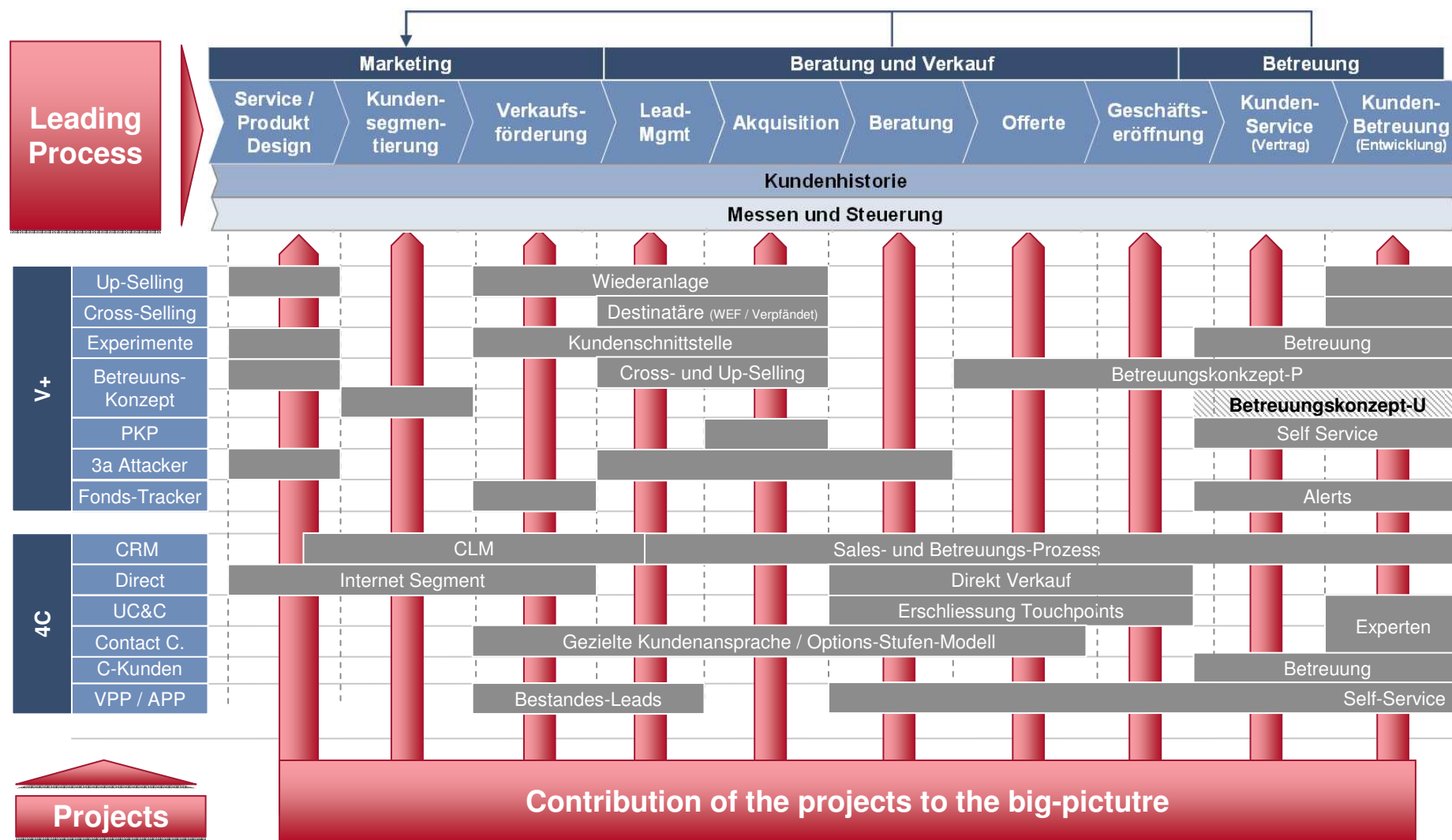
# Business vision and big-picture





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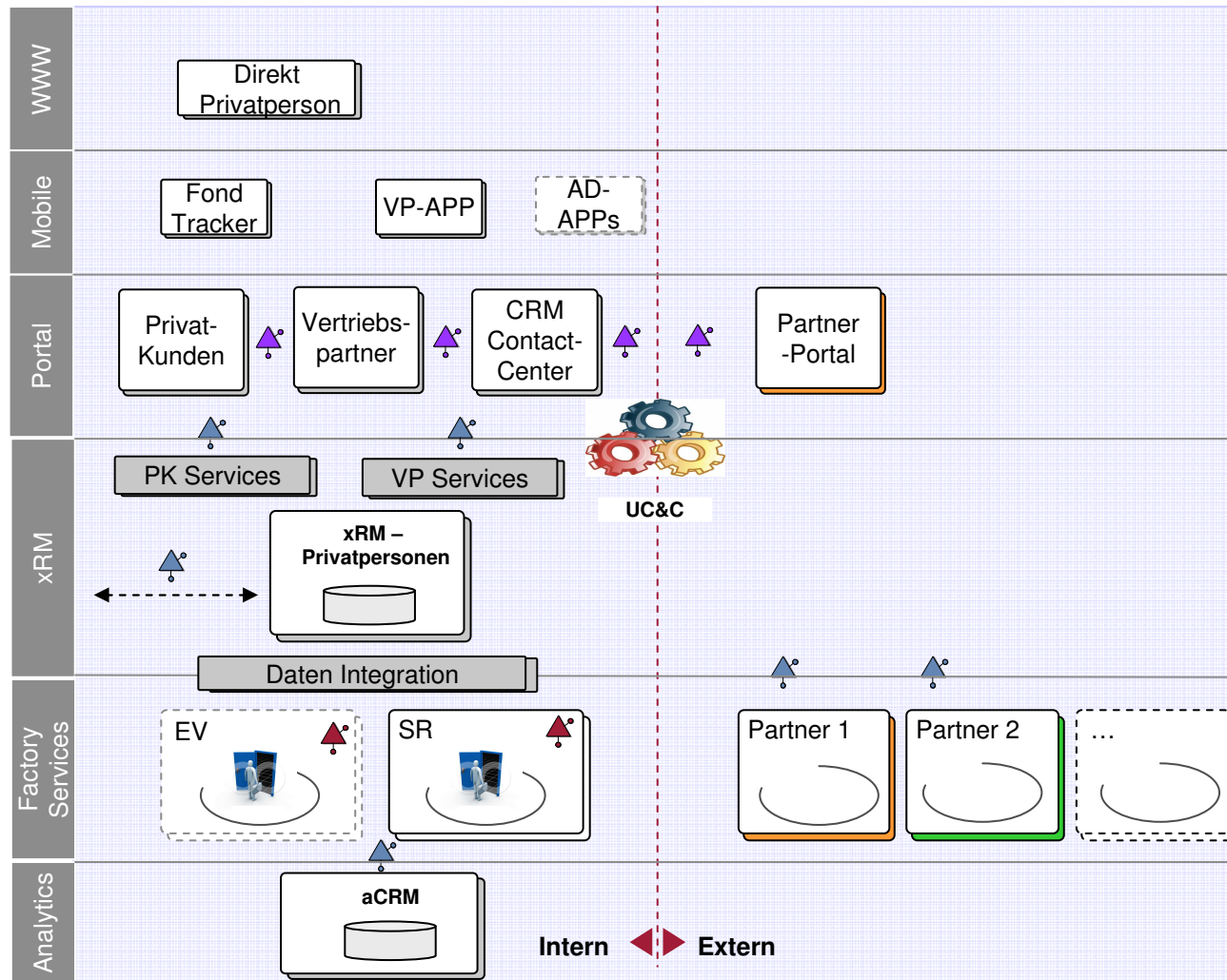
# Alignment of teams





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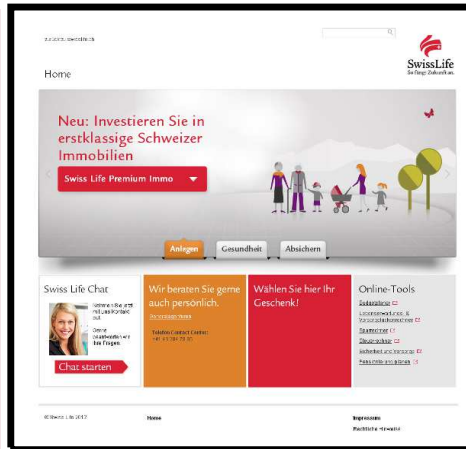
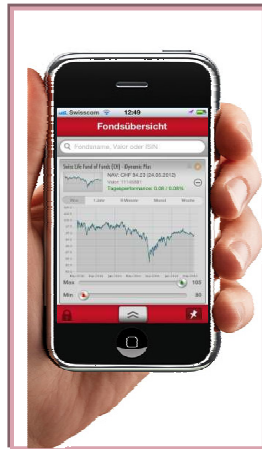
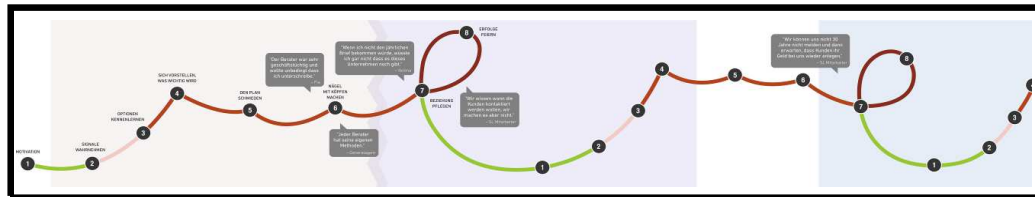
# IT-Vision: alignment of technology



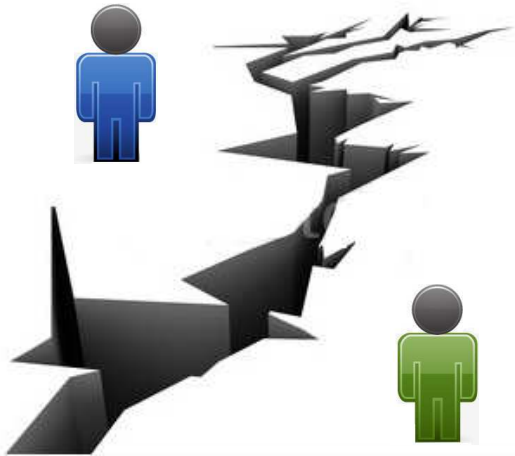
High level  
Target  
Architecture

Still valid after  
18 months

# The program delivers...



# Despite successful delivery of products - new challenges



- **Rising conflict between Line- and Program-Organisation**
  - Acceptance problems
  - program perceived as “2<sup>nd</sup> 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

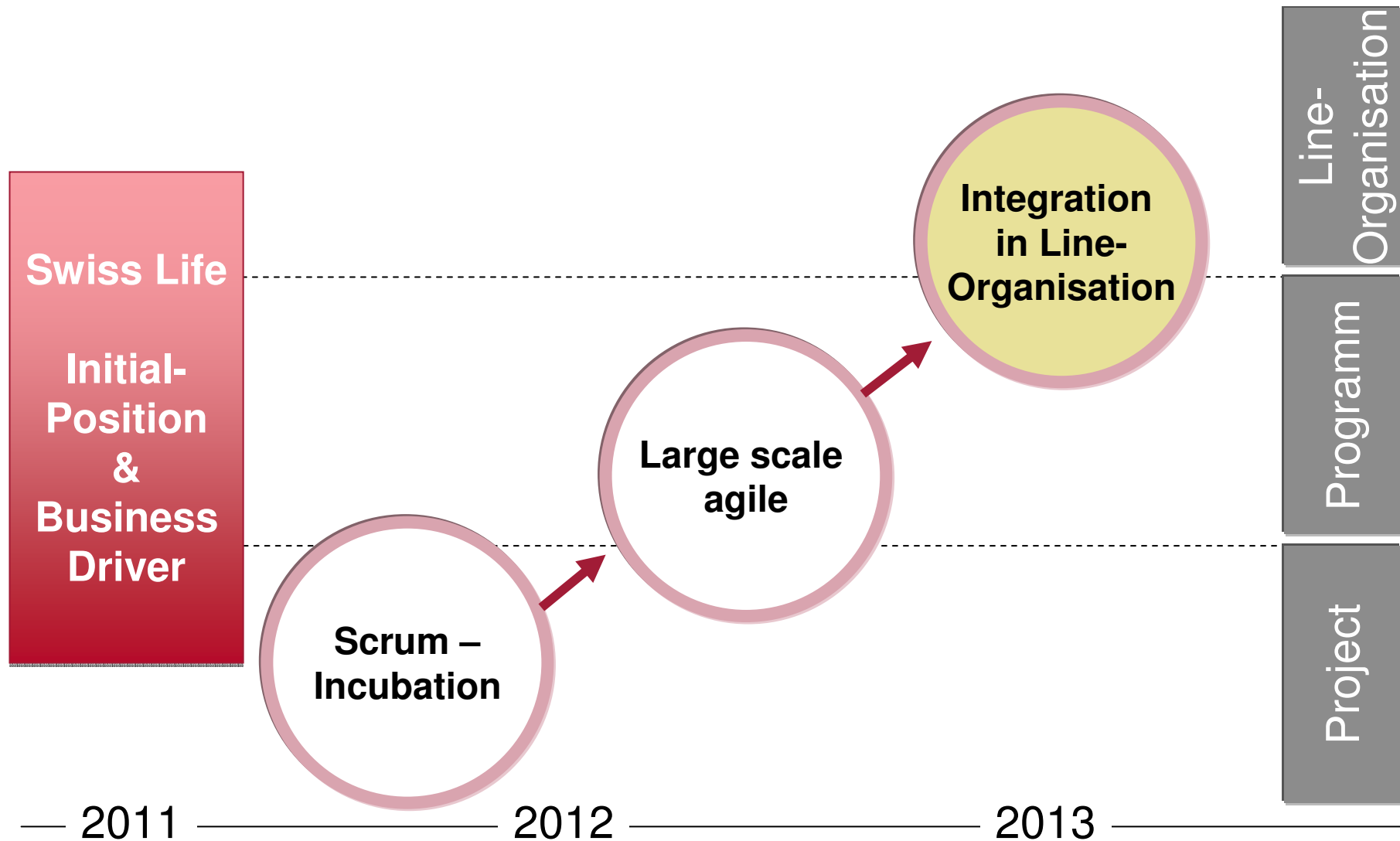
**We are too fast!**  
**For real transformation - we have to increase traction with line organisation**



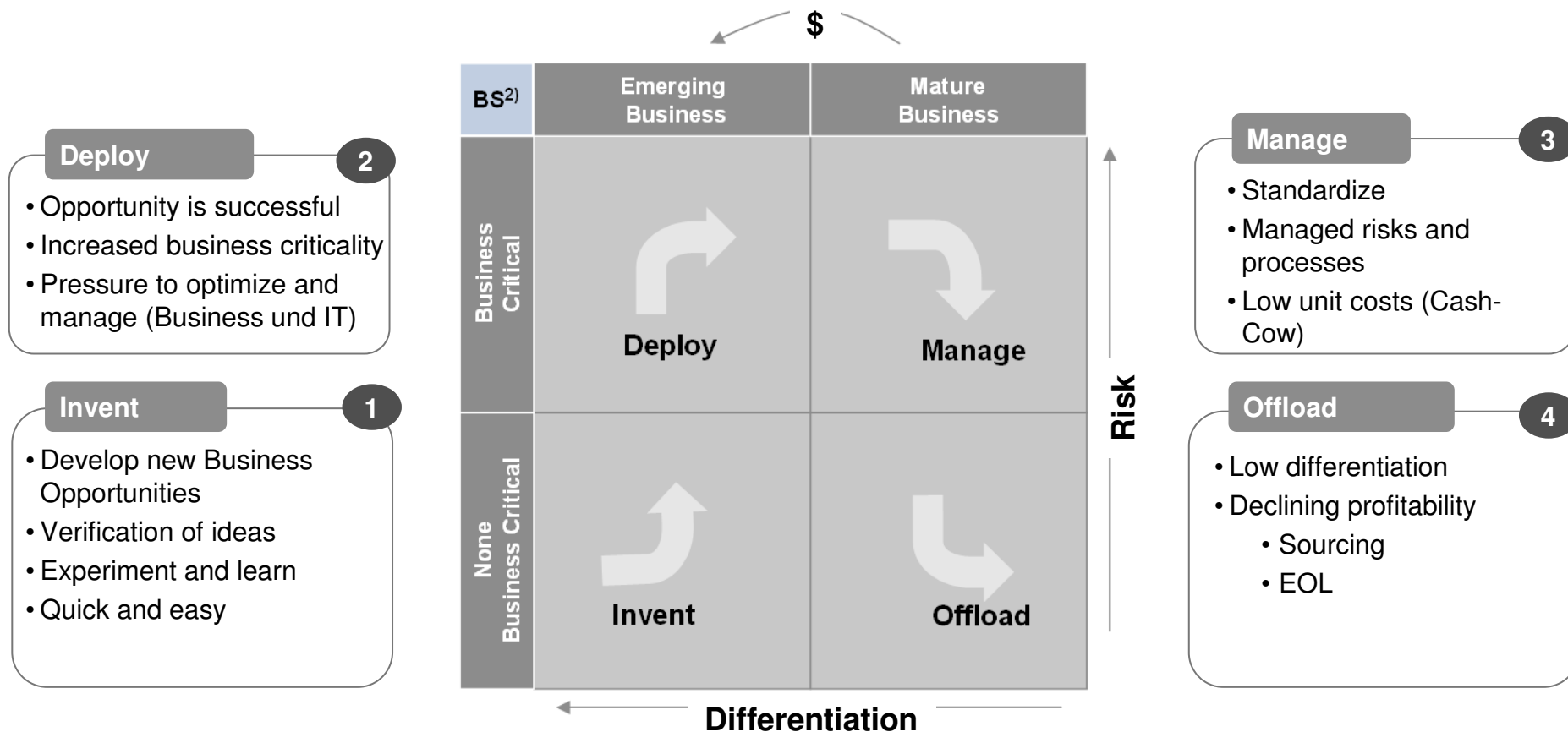


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# Agenda – Agile Transformation Roadmap



# Common model for mutual understanding – product lifecycle framework



## Impact on

1

Operating-Modell

2

People und Skills

3

Finance

4

Steering

# Beside status quo – establish new «disruptiv» approach

«*Evolution*» AND «*Disruptiv*»

## Maintain status quo «evolution»

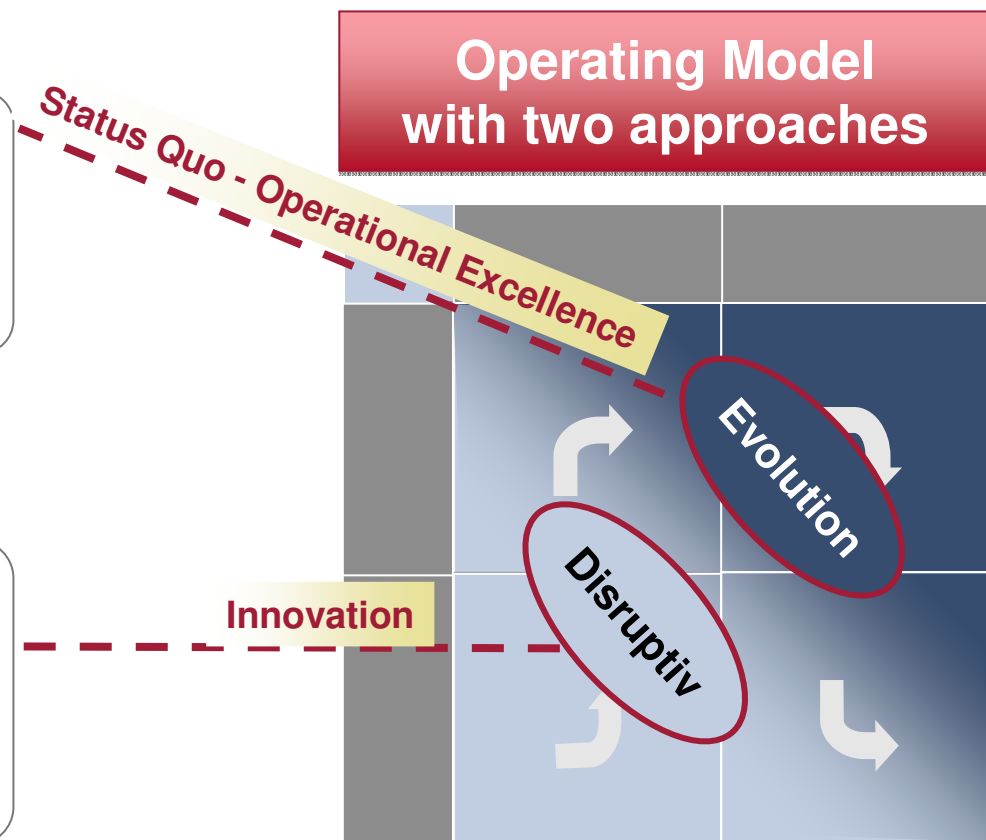
**Established** and **successful**

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

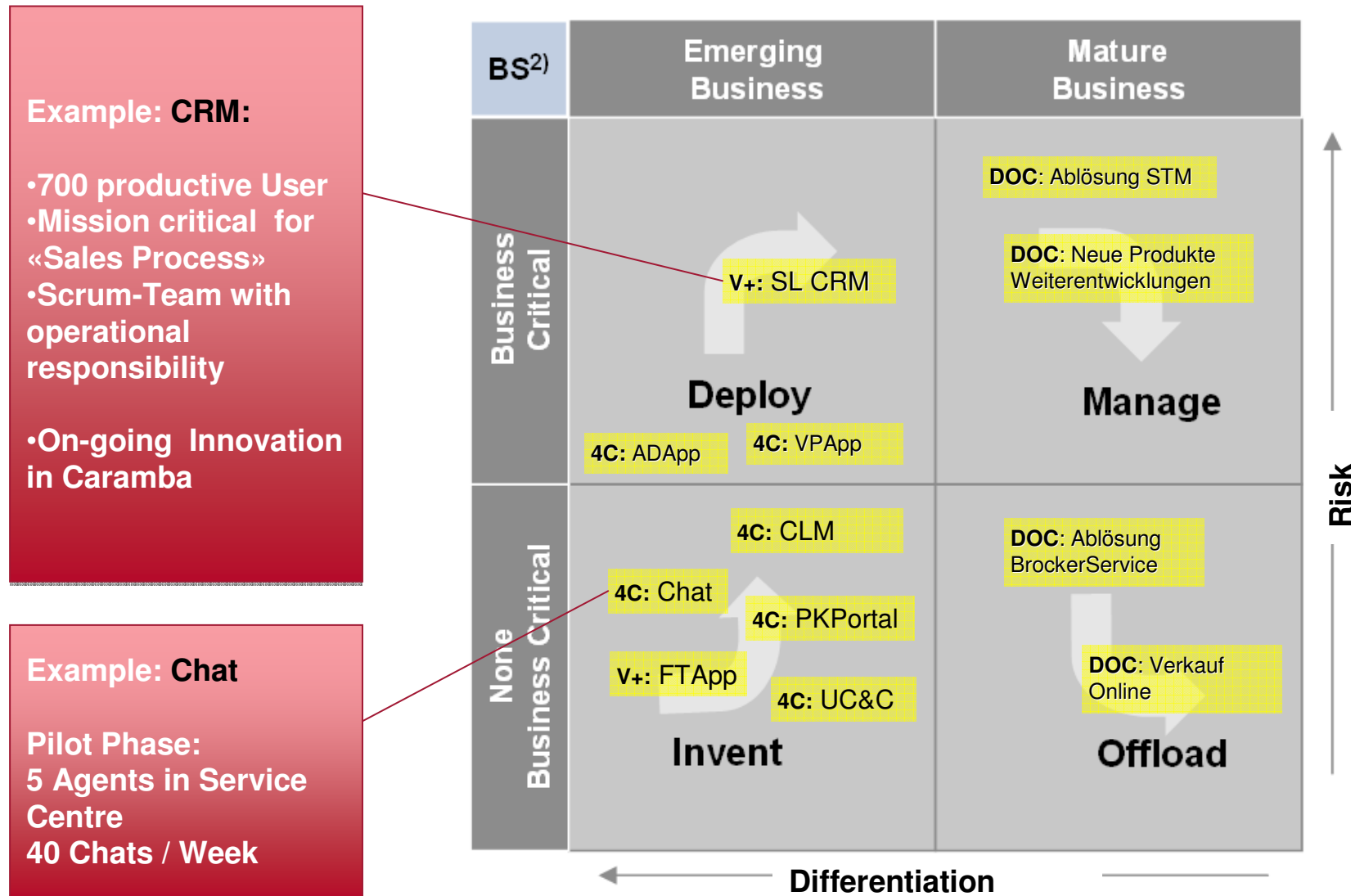
## Establish new „disruptiv“ approach

Learning and agile

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



# Positioning of products in model (extract)



# Deploy – the most interesting and challenging

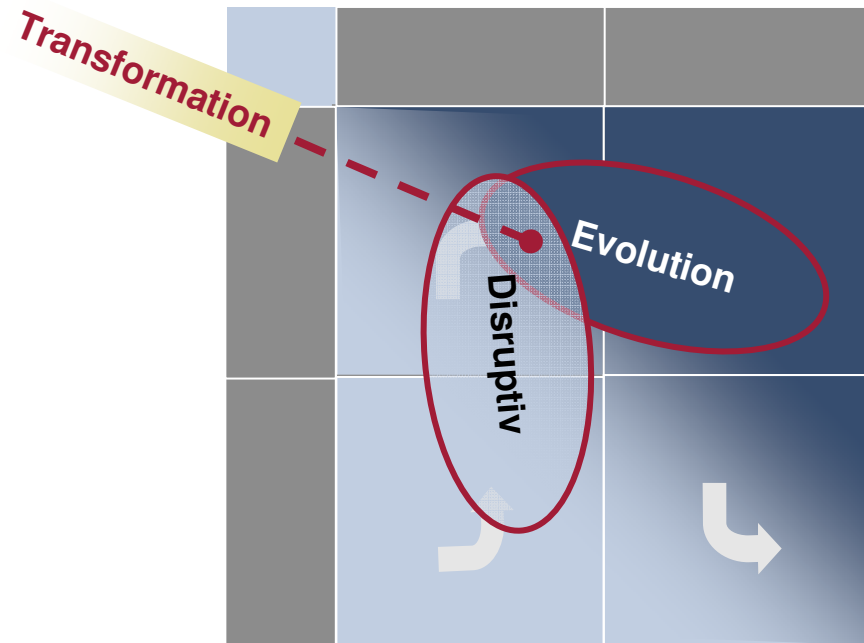
## Here is the transformation happening!



### 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

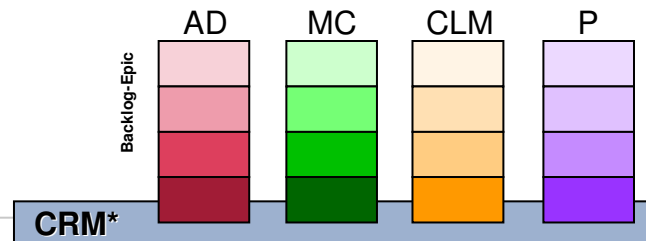


# Release train with CRM-Product

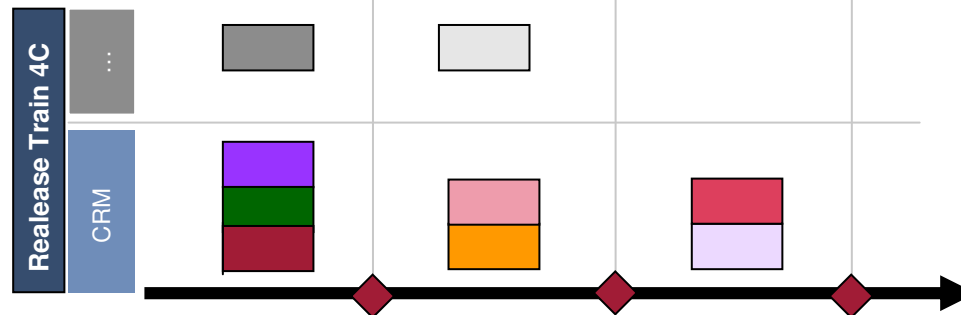
## •STC Caramba



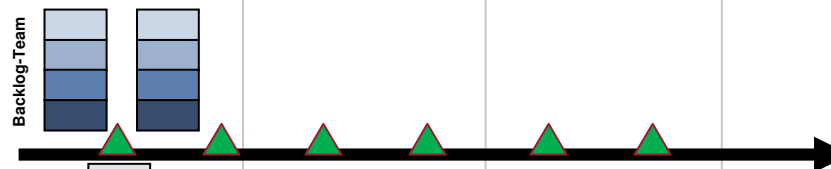
## •Business Stakeholder



## •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**

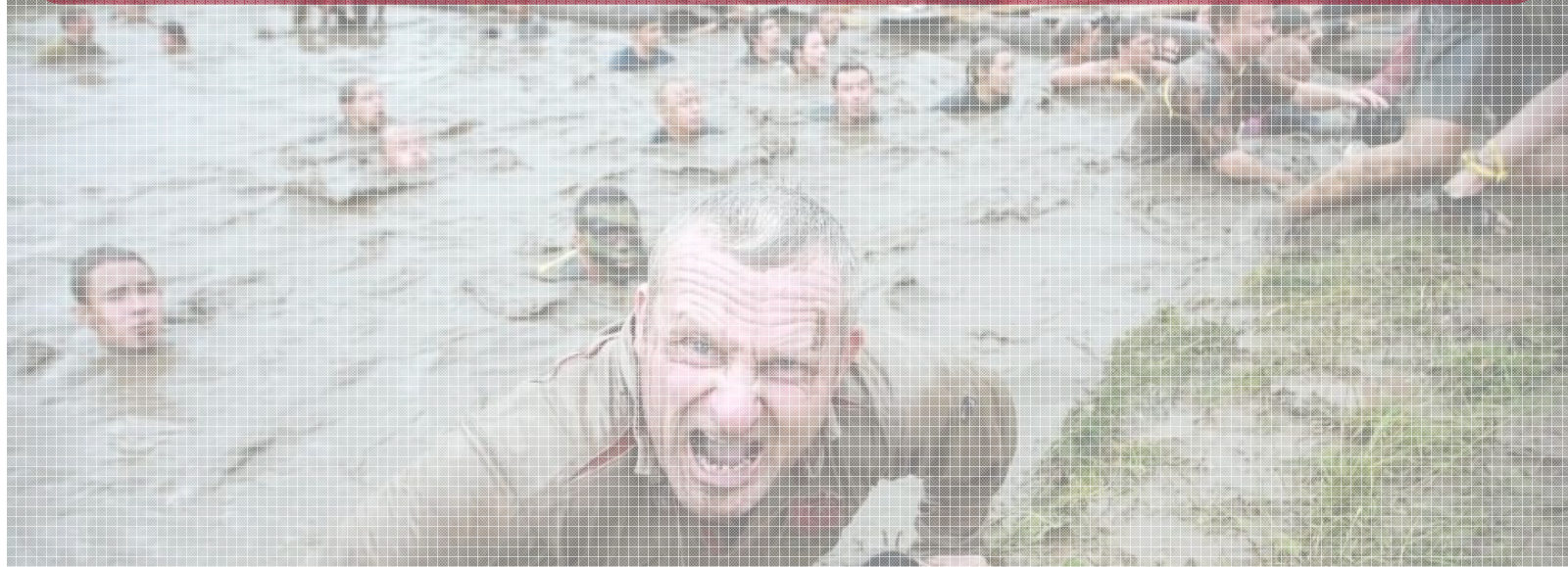
**“Agile” requires a much higher discipline -  
and immediately shows the forming problems!**



# 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**