Enabling value by process
- centralise to establish, distribute to optimise

In theory there's no difference between theory and practice
In Practice there is.
Yogi Berra

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Why to attend?

1. Real-life case study

2. Establishing process governance in international IT organization

3. Closer focus on

    - Process ownership and models

    - Process framework
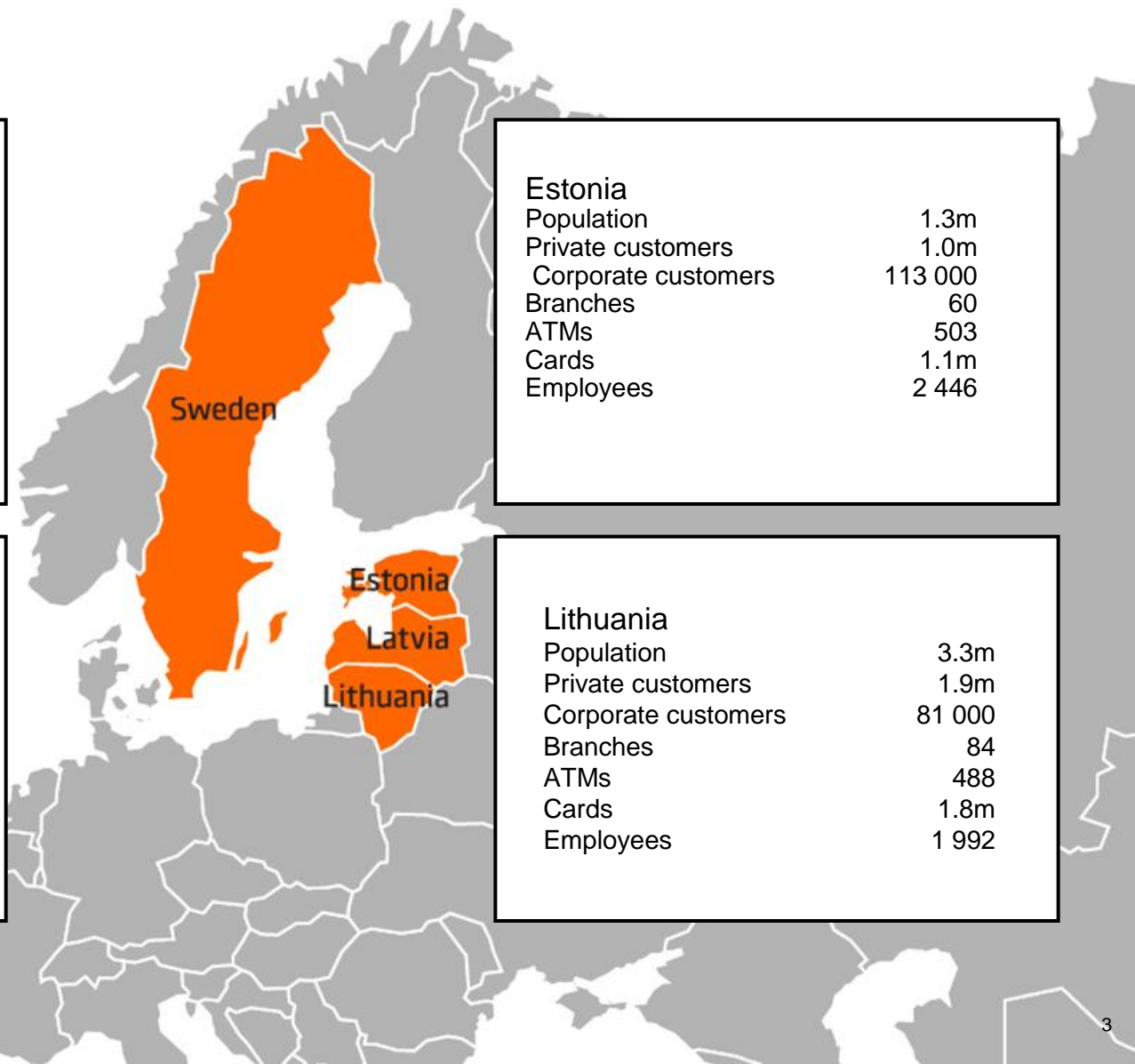
    - Linking processes to service delivery

Swedbank overview – home markets

Sweden
Population	9.3m
Private customers	4.0m
Corporate customers	263 000
Organizations	67 000
Branches	315
ATMs	658
Cards	3.8m
Employees	8 201

Estonia
Population	1.3m
Private customers	1.0m
Corporate customers	113 000
Branches	60
ATMs	503
Cards	1.1m
Employees	2 446

Latvia
Population	2.2m
Private customers	0.9m
Corporate customers	74 000
Branches	59
ATMs	394
Cards	0.9m
Employees	1 759

Lithuania
Population	3.3m
Private customers	1.9m
Corporate customers	81 000
Branches	84
ATMs	488
Cards	1.8m
Employees	1 992

Sweden
Estonia
Latvia
Lithuania

BPM and IT – working together

CMMI

ITIL

ISO 2000

COBIT

Culture practices and experience

8 Omega

Enterpr BPM

BPM CeX

6 sigma

Doing right things

Doing things right
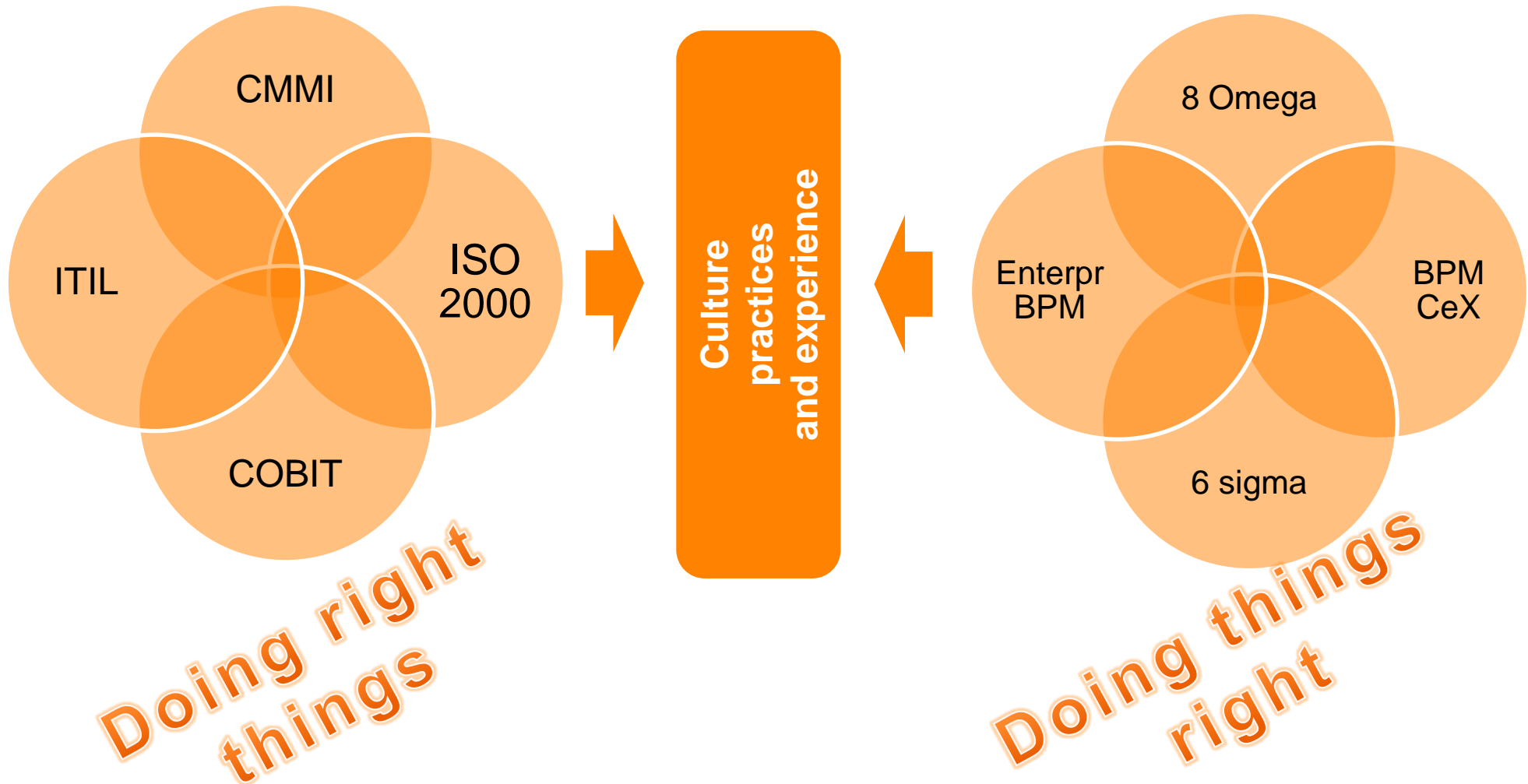
Swedbank IT process journey

- In the beginning(60-s to 90-s)
  - Process is a tool

- Beginning of the century
  - Process is a defense weapon

- Now
  - Processes is an armored tool

Results by 2010

- Lot of experience with process management
  - Distributed and centralised
  - 60+ processes in the list
- Sweden
  - Distributed
  - Constant 3-5% yearly operational cost decrease
- Baltics
  - Centalised
  - Strong cost cut (22.2 -> 18.7 IT cost/op cost)
  - Supporting for 50% development growth

Group Consolidation and Process Improvement Program

Swedbank

Purpose of the program is to implement consolidated Group IT processes in order to:

1. Enable Group IT consolidation and value realisation

2. Enable Group IT transformation to become Business Partner

3. Improve quality of delivered IT services
   - Delivery according to service targets
   - Stable service delivery (Reduced downtime, reduced number of incidents, etc.)

Business Partner Roadmap
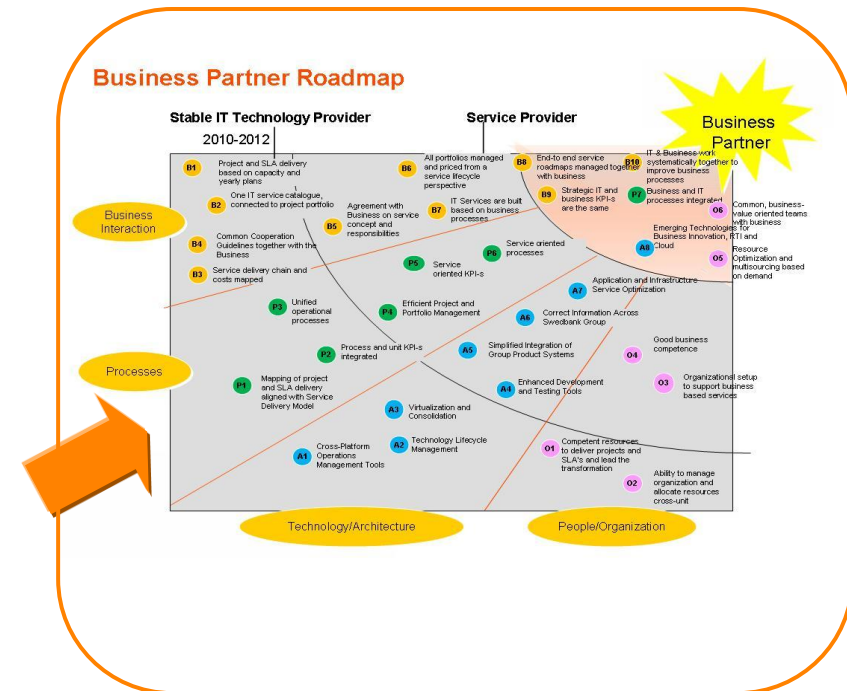
Process improvement – main driver for organisational improvement

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Process ownership – distributed or centralised?

1. Function-dominated

2. Process-dominated, centralised

3. Process-focused, distributed

4. Balanced matrix – future or dream?
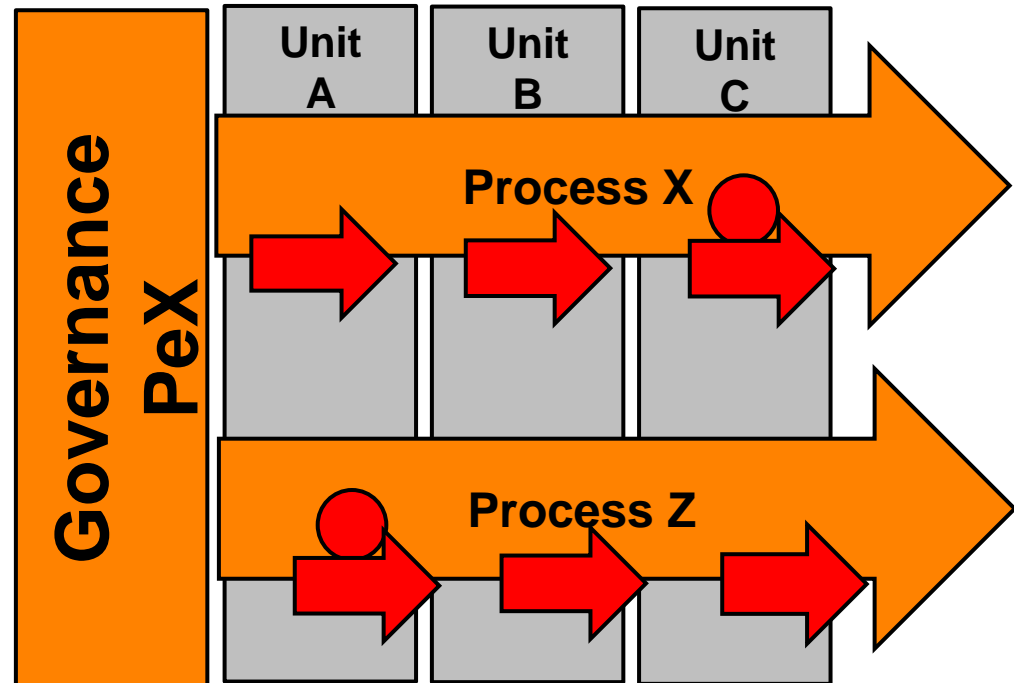
There's nothing more difficult than to take lead in the introduction of the new order of things
Machiavelli, The Prince

Process framework

- **Set of rules and standards to design, implement and manage IT Processes**
  - Purpose and goals, relations
  - Clear responsibilities
  - Process Ownership

- **…to ensure efficiency and effectiveness of IT through:**
  - Avoiding redundancy;
  - Transparency and optimization
  - Better process acceptance
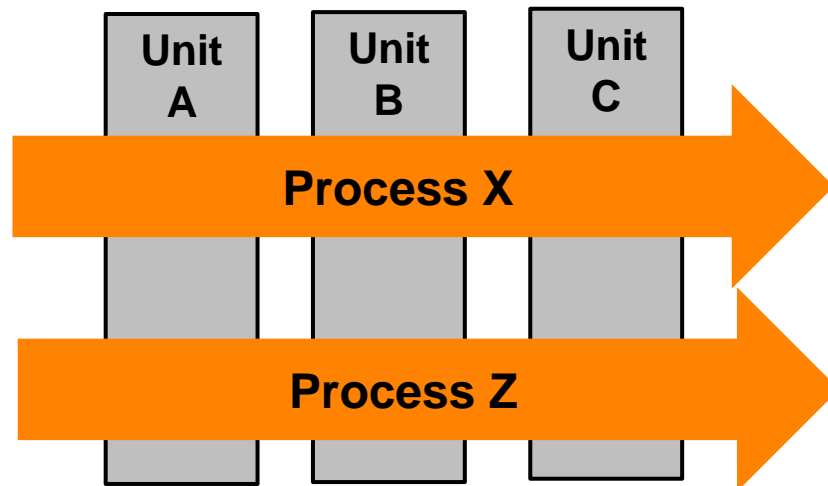
Governance

Ownership

Management

Main principles

- There is a Process Owner and a Process Manager for every Process

- Processes is way of working across units to deliver value (IT service) throughout IT Service Lifecycle
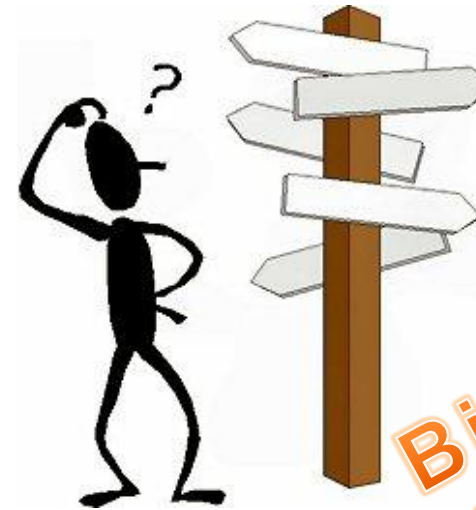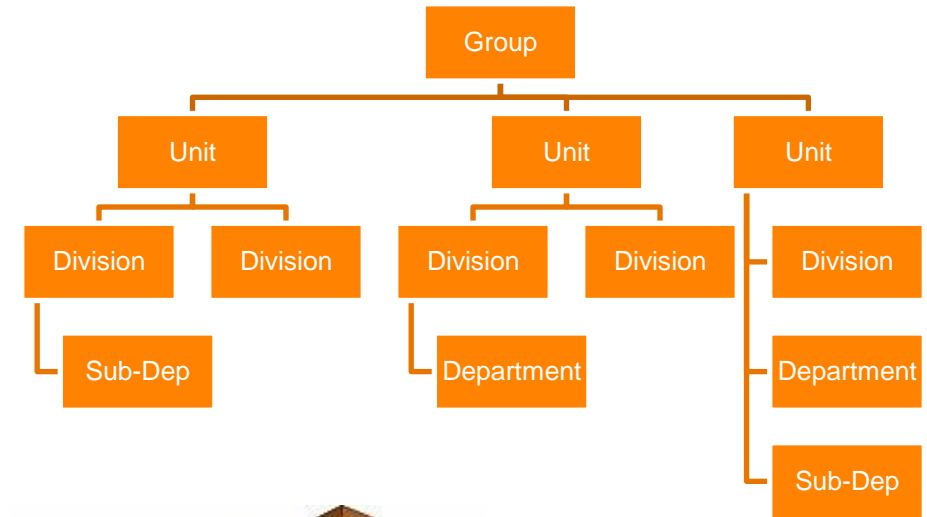
Unit A	Unit B	Unit C

Process X →

Process Z →

The most important thing gong forward is to break boundaries between people so we can operate as a single intelligence

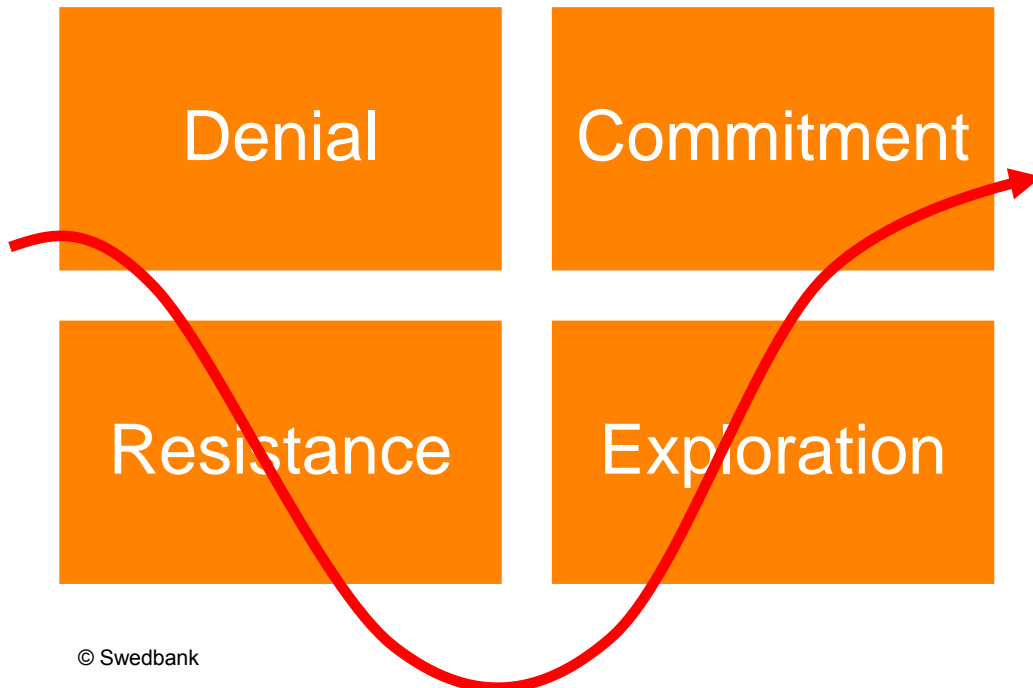*A. Einstein*

Linking processes to service delivery

~ 70 departments
~ 30 processes to manage

Process 1

Process 2

Process 3

Big change = Big resistance

Manage change: involvement and teams

Manage resistance	Increase Effort
No **understanding** x No **benefit** x No **trust** x Wrong **values**	**Resource** x **Commitment**

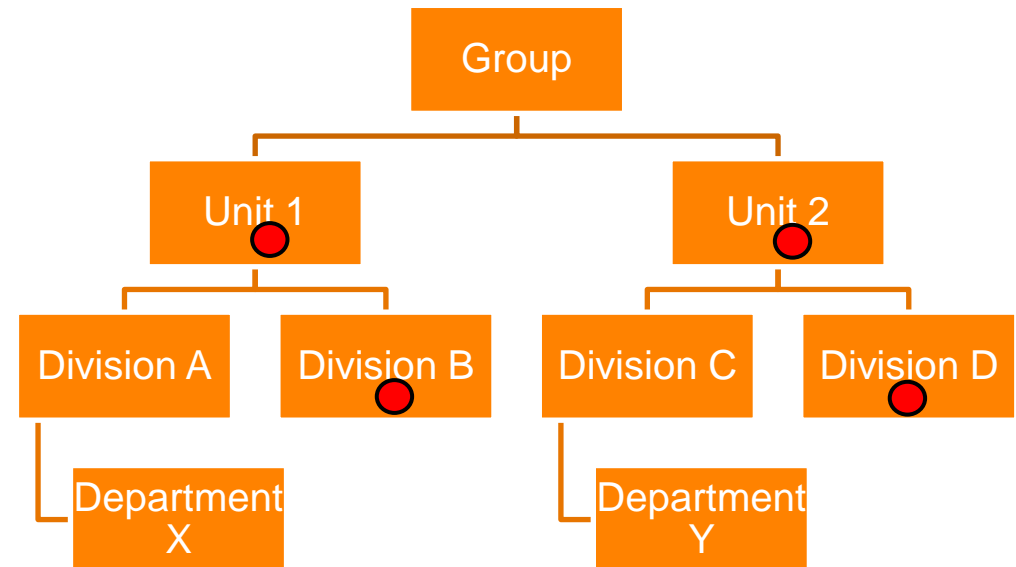| Denial	Commitment
Resistance	Exploration

People don't resist change,
They resist being changed
Peter Senge

Manage change: involvement and teams

Process Teams

Person A– 0,2 FTE
Person B – 0,1 FTE
Department C– 3 persons

Group

Unit 1

Unit 2

Division A

Division B

Division C

Division D

Department X

Department Y

Responsible for managing process in a unit, Measured by Process KPI

Conclusion - Process is an armoured tool!

- ## Centralize to establish, distribute to optimize

- ## Win people to manage change!

More questions?

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