![Luxoft - A DXC Technology Company]

Can banking vendor solutions ever be Agile?

by Anton Dolgov, Global Offering Lead, Trading and Risk Solutions

"What if Agile just doesn't work for us?"

Time and again, we hear this question from banking and capital markets organizations around the world. Yes, they monitor trends and flirt with emerging methodologies, but when push comes to shove, they implement processes last deployed a decade earlier.

So, why does Agile seem so hard?

Luxoft automates firms' treasury and global markets business — an invisible service to retail customers. Vendor solutions have functional and technical limitations, too. For one thing, they're not agile.

Corporate clients expect providers to deliver financial market products in full scope with a maximum straight-through processing (STP) level, strict deadlines and complete control. The minimum viable product (MVP) concept does not work here.

Typically, we integrate our solutions with multiple internal systems within the bank, such as CRM, core banking, ERP, regulatory reporting platforms (some of which have a legacy technology stack), maintenance issues and expertise gaps — an explicit dependency for any project.

The market and community are trending with Agile transformation, MVP, user points, increments, etc. So, how do we make our project agile while honoring deadlines?

Unlock your Agile mindset

Agile is not a set of buzzwords or exclusive ceremonies. It's a mindset.

Therefore, we cultivate Agile principles throughout our teams, staying true to Agile values while considering project limitations and delivering better value for our clients. This takes in not only Agile training (provided by expert coaches at the Luxoft Training Center) but brown-bag lunchtimes and external conferences, as well as practicing Agile on our projects.

The same applies to clients, who quickly adopt the concept and seek our guidance on transforming team mindsets.

We maintain continuous client involvement in product delivery. Regular prototyping, providing clients with early access to sandbox and blueprint environments for early feedback, and demo sessions are just some of the measures used on our global projects.

We build cross-functional product teams comprised of business SMEs and systems experts able to deliver initiatives from start to finish. This could be a business team focused on the end-to-end delivery of a particular asset class, a core platform team, a quick wins team, etc.

Luxoft agile squads

Our experienced, well-trained, client-facing teams create immediate business value
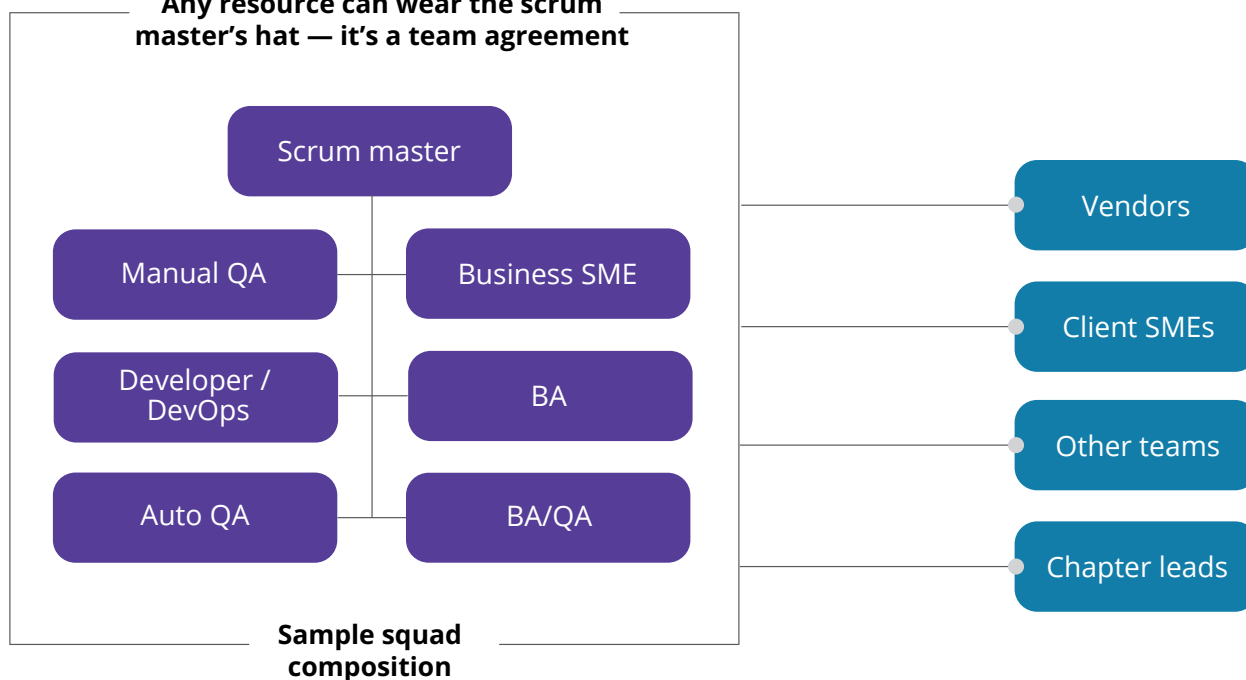
> Product teams with predefined structure and seniority
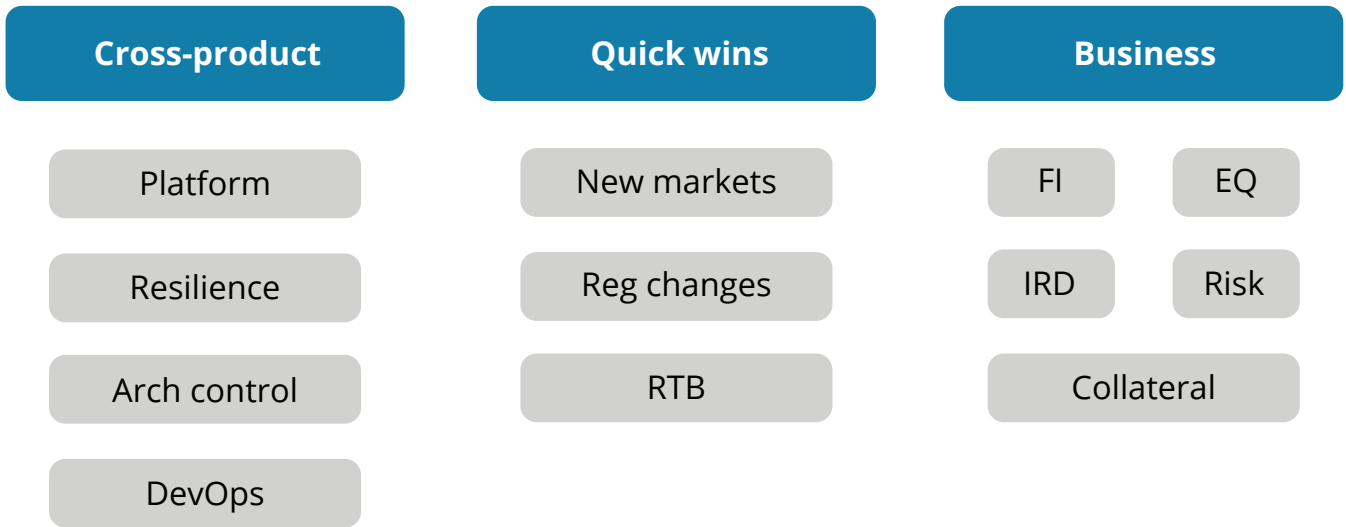>> Iteration-based delivery (monthly sprint) with all SDLC elements
>>> End-to-end scope delivery

Luxoft
A DXC Technology Company

Any resource can wear the scrum master's hat — it's a team agreement

- Scrum master
- Manual QA
- Business SME
- Developer / DevOps
- BA
- Auto QA
- BA/QA

- Vendors
- Client SMEs
- Other teams
- Chapter leads

Sample squad composition

Product teams sample structure

Cross-product

- Platform
- Resilience
- Arch control
- DevOps

Quick wins

- New markets
- Reg changes
- RTB

Business

- FI
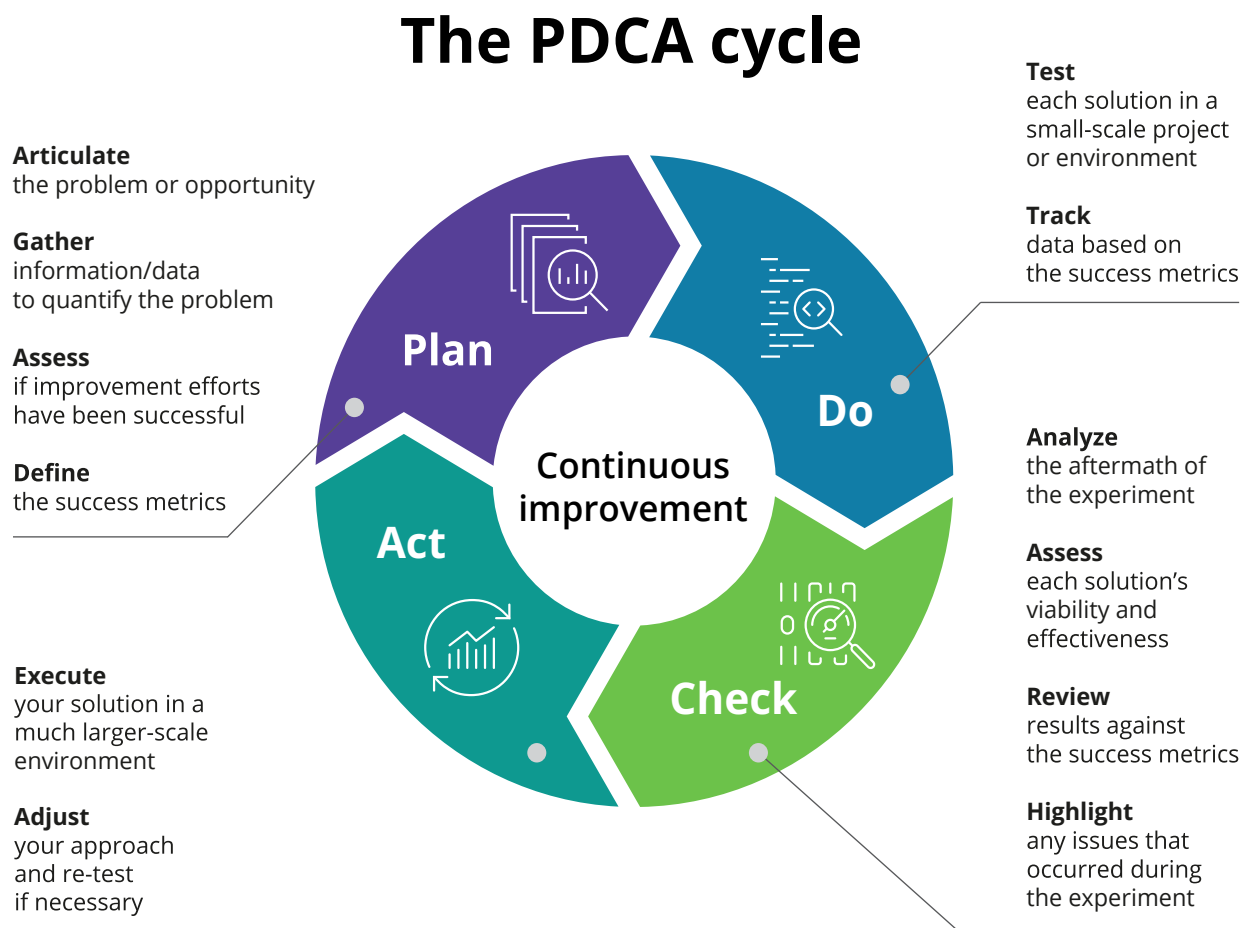- EQ
- IRD
- Risk
- Collateral

- Agile cross-functional product teams with defined structures facilitate shorter warm-up time

- Development process allows tighter alignment with other teams via joint backlog management

- Tooling for continuous integration, automated testing and development infra management for maximum efficiency (Jenkins/BitBucket/Sonar)

- Luxoft owns delivery of features within the product team. Client owns prioritization of features for Luxoft product teams

- Sync with other teams and cross-team functions (code review, architectural committees, etc.)

- Scrum ceremonies within the team

- Well-established business domain and professional trainings are always at the teams disposal

- Access to Luxoft Agile coaches for all members

We split business deliverables into functional drops to allow a better time to market (MVPs, aka "drops" as in our framework). Core functionality is delivered early in the project so clients can continue working on other functions that benefit from live products.

Embrace the change

The most sustainable way to benefit from Agile is to plan, practice, measure, adjust and then practice again. I use the PDCA flow chart to illustrate the cycle for our training center students.

The PDCA cycle

Articulate
the problem or opportunity

Gather
information/data
to quantify the problem

Assess
if improvement efforts
have been successful

Define
the success metrics

Plan

Act

Continuous improvement

Do

Check

Execute
your solution in a
much larger-scale
environment

Adjust
your approach
and re-test
if necessary

Test
each solution in a
small-scale project
or environment

Track
data based on
the success metrics

Analyze
the aftermath of
the experiment

Assess
each solution's
viability and
effectiveness

Review
results against
the success metrics

Highlight
any issues that
occurred during
the experiment

For example, some of our recent clients — new players in the digital banking market and corporate treasuries — like the idea of our Treasury Quick Start package. The package consists of front-to-back support of essential treasury products, delivered within a couple of months, and later expanded to structured products, enhanced risk control and banking-book balance-sheet management, etc.

We invest in packaging multiple solutions for clients to minimize dependencies, reduce TCO and help them focus on their core business. This gives us the agility to deliver faster and more consistently. For example, we offer treasury and assets and liabilities management (ALM) as a package, together with Treasury as-a-Service (TaaS), which combines treasury features with cloud deployment and Luxoft-managed support.

Agile power
with control

We cooperate with our software vendor partners. Strong governance and joint investment in DevOps, test automation and cloud enablement give us better control over project execution, reduce operational costs and provide an opportunity to deliver features with very high cadence and decent quality.

Finally, we focus on achieving client business values. Looking at problems from a customer standpoint creates space to develop opportunities, creative solutions and quick wins. Business process outsourcing (BPO) is a typical example of where we help customers reduce operational headaches by outsourcing their treasury back-office processes. Global delivery capabilities enable us to provide the necessary support in terms of timing, language, expertise (from pure IT professionals to business SMEs) and schedule (e.g., the Islamic calendar).

About **the author**

Anton Dolgov
Global Offering Lead, Trading and Risk Solutions

Anton's professional background covers 15 years in capital markets IT, amassing solid capital markets solutions experience in delivering global initiatives, including greenfield implementations, upgrades, performance tuning and cloud-solution rollouts. He advises several financial institutions on their capital markets transformation initiatives and provides training for Agile practitioners at the Luxoft Training Center. Anton holds PMP and PSPO certifications, and his teams actively practice Agile on client projects.

Get in touch

We believe vendor implementation can be made agile by combining the right mindset, tools, solutions and people. Visit **luxoft.com/capital-markets** or contact us at **financialservices@luxoft.com** if you'd like to know more — we'd be happy to discuss your situation and share further insights.