SAFe® Case Study: EdgeVerve Systems

Finacle – The digital banking solution suite from EdgeVerve
Serving 16.5% of the world’s banked population

- 100 countries
- 1.05 Billion consumers
- 81,560 branches
- 1.3 Billion accounts

16.5% of the world’s adult banking population
In our journey, we have supported all digital transformation strategies

Digital transformation of incumbents

Comprehensive Digitization

Digital Bank in a Bank

Marcus by Goldman Sachs

Digital transformation partner

Digital born

Fintech disrupter

Non financial industry disrupters

Company name and logo is a trademark of the respective organizations.

Leading digital banks are powered by Finacle
Competitive positioning
Finacle is a leader in the industry across core banking and digital banking space


The Forrester Wave™: Digital Banking Engagement Platforms, Q3 2017

Our SAFe journey
Agile Business Transformation Team - that made the mission possible

Dr. Ronen Bar Nahor  Jasdeep Singh Kaler  Sarabjit Bakshi  Neeraj Bachani  Sandeep Bhavsar  Vasant Shembekar

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Before SAFe Implementation....

Releases every 6-12 months for various product lines

- Key opportunities identified
  - Reduce time-to-market
  - Enhance predictability
  - Improve alignment
  - Enhance quality
Why SAFe?
To improve our Business Agility

"Ability to respond to business changes in a controlled and effective way” - EV CEO

"Our mission is to adopt Agile mindset and practices, become a learning organization focused on continuous improvement to provide better value to our customers."
Dr. Ronen Bar Nahor,
Head of Agile Business Transformation, EdgeVerve

The transformation program was named as Mach 1 – a nod to importance of speed.

Where have we reached...

8 ARTs in 12 months

~ 800 persons
* 300 survey respondents

3 Value Streams

A new Program launch every six weeks
What was achieved in one year
Qualitative and Quantitative Results

Time to Market
• Time to Market (Release Delivery) reduced by 50%

Business Flexibility
• Planning cadence of 10 weeks - Ability to change scope with minimal cost

Feature Speed
• Feature Cycle Time reduced by >50%
• 89% team expressed that the trust & communication across different functions improved
• 85% team expressed agile helped resolve conflict and disagreements effectively

Efficiency
• Reduced cost per feature point by 8% in PI over PI
• 73% team expressed increase in productivity/throughput

Built in Quality
• Significant improvement in early detection of defects leading to reduction of escaped defects and increased customer satisfaction.

* Quotative results derived from teams’ survey of more than 300 people.

Our Implementation Manifesto for Business Agility

We are uncovering better ways of implementing scaled agile by doing it and helping others do it. Through this work we have come to value

Effectiveness – “building the right thing”
(Small batch, Early feedback, Acceptance Test Driven Dev.)

Over

Efficiency
(Team Agility - ceremonies)

Optimize Flow of Value
(Kanban-manage flow, Explicit Policies Integrate early, Deliver Fast)

Over

Local Optimization
(utilization thinking)

While there is value in the items on the right, we value the items on the left more.
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**Feature Thinking**
(Backlog, Pull, Cadence with Cross Domain Synch., Features metrics) Over **Release Thinking**

**Predictability** – no surprises
(Agile PMO and Metrics) Over **Visibility**

While there is value in the items on the right, we value the items on the left more.

Our Transformation Manifesto

Transformation is done not only by logic but also needs experimentation and a secure environment.

**Leads first**
(Hybrid model) Over **Teams First**

**Shu Ha Ri**
Over **Inventing the wheel**

**Incremental change**
Over **Big-Bang**

**Inspect & Adapt**
Over **Do It Right 1st Time or One Solution Fit All**
Our Implementation Principles

Faster value delivery

- Outcome based coaching
- Holistic approach to change
- Implementation by the book (Shuhari)
- Visualization & communication
- Data driven learning

Leadership support

Foundation - Leadership Support

- Sponsorship for the program
- Drive the vocabulary change
- Participation in planning and reviews
- Support to remove impediments
- Support to hold the principles when it matters
Building a Guiding Team That Gets the Vision Right

You need the right group of people with the right vision to start the change process.
- John Kotter, The Heart of Change

Pillar #1: Outcome based Coaching

Outcomes-based Coaching

Right People
- Hire the right coaches (Experience matters!)
- Common coaching approach. Work as a team.
- Build an empowered LACE team

Experience Learning
- Partner with managers to initiate change (Managers first)
- Coaches play role model
- Live through the constraints – e.g. Hybrid Model (ARTs + Non ARTs)

Push vs Pull
- At the start, more push and less pull
- When people start see value, share and move to pull…

Consistent
- Step wise consistent focus on metrics and goals for an ART
- Consistency in coaching and training across ARTs
- Standardized Implementation Methodology

Focus on Value Delivered
- Non ARTs – 3 Amigos with shared goal; Managers First
- Feature Testing within Scrum, System Testing part of Cycle Time
- Focus on feature cycle time and next PI readiness – flow of value
- ART Velocity in Feature Points (focus on Done Features)
Standardized Implementation Backlog

- Standardized consistent coaching across - Sharing and Learning within the agile transformation team.
- Manage transformation in Kanban

Our Holistic Approach to Change

Inspire
- Why change?
- Create a sense of urgency
- Focus on what’s in it for me (learning, role, relevance)

Focus
- Trainings and Certifications
- Hypothesis based experimentation
- Introduction of a new practice every PI based on data based learning (Feature Testing focus, WIP etc.)

Influence
- Executive workshop to kick off the change
- Active participation of leadership in all forums
- Walk the talk – Change the language

Respect and change
- Partner, Role model
- Clarity on what to implement
- In data we trust – show don’t just tell (Direct the Rider, Motivate the Elephant)

Alignment
- Strat with proven framework - SAFe
- Standardization of DevOps and Tooling Platform
- IBM RTC as common CLM tool that fully support SAFe (Single source of truth in all conversations)
- KPIs for SMs, RTE & Managers

Breaking Silos
- Organize teams in Value Streams (a Virtual Organization
- Co-location, F2F initial PI Planning
- Consistency across ARTs

Leadership

Functions and Teams

Change

Practices, Processes and Tool

People

Values and Believes

Learning

01

02

03

04

05

06
Pillar #3: Implementation by the book and pivot (Shu-Ha-Ri)

Kata – The SAFe framework

Shu-Ha-Ri

- **Shu** – In this beginning stage the student follows the teachings of one master precisely. He concentrates on how to do the task, without worrying too much about the underlying theory. If there are multiple variations on how to do the task, he concentrates on just the one way his master teaches him.

- **Ha** – At this point the student begins to branch out. With the basic practices working he now starts to learn the underlying principles and theory behind the technique. He also starts learning from other masters and integrates that learning into his practice.

- **Ri** – Now the student isn’t learning from other people, but from his own practice. He creates his own approaches and adapts what he’s learned to his own particular circumstances.

Source: Martin Fowler (https://martinfowler.com/bliki/ShuHaRi.html)
**Pillar #4: Visualization & Communication**

- Make things visible – visualize everything which is possible to visualize
- Consistent and regular communication - From CEO to line management to Teams

*The Stockdale Paradox:*
"Confront the brutal facts …… yet never lose faith "
- *Jim Collins: Good to Great*
Visualize the flow of work (Kanban in epic and feature level)
Make the process policies explicit and improve (Shu)

Analysis - Pull

Feature Grooming

1. Feature elaboration
2. Three Amigos alignment on MVF
3. High level UX work flow (VA)
4. Acceptance Criteria
5. WSJF

Feature Preplanning

1. Team/Team Rep review
2. Elaborate to User Stories with story points and acceptance criteria
3. UX WiFi/whiteboarding
4. Potential Spikes
5. Refine Feature Acceptance Criteria, Job Size, WSJF
6. Mark for NFRs/Architecture/UX/other conditions
7. Feature Testing strategy/automation

Build – Scrum/PI

Feature Implement

1. All stories done
2. Zero Open at Unit Test and Story Testing Defects

Feature Testing

1. Zero Open Defects
2. Acceptance by PM/UX

System Testing

1. System Flows
2. Business Acceptance Testing
3. Zero Open Defects

System level - Pull

Feature Closure (Done)

1. Performance Testing/Security
2. Testing/Doc+unmentation

Visualization

Decision Making based on Live data

- Strategy alignment (PPM)
  - Do our actual investments across value streams and ARTs aligned with strategic themes and planned budgeting?
- Backlog Readiness?
- Prediction –
  - Are we on Time?
  - Are we on Scope?
  - What scope in risk?
- On Flow?
  - CFD, Control Charts
  - Average cycle time, Bottlenecks
- On Quality?
- On Biz Value Delivery?
**Communication**

- **Communication to Entire Org**

- **Senior Management’s participation in PI planning’s**

- **Common across ARTs and Non Language ARTs**

- **Information cascading to entire Org on new ART Launch**

**Pillar #5 : Data driven Learning**

- **Redefine Metrics** – What we measure affects behaviors on ground
- **Backlog Readiness and Quality Measures** to help coaches with whom to work (pro-active coaching)
- **Focus on RTE and SM grooming cycle** – Team Metrics conveys SM effectives
- **Flow Management** – Focus on metrics that measure speed and breaking silos (e.g. cycle time, waiting time in feature states)
- **I & A workshop format** – data driven analysis in all level. Team, ART and solution. Summary report by coaching team every PI with analysis and observations.
- **Focus on prediction metrics based on features velocity**
The Roof: Faster Value delivery
Managers speak: Strategic Delivery project - faster, manageable with high quality

A flawless execution - Finacle Sales Leader in US

It has been one of smooth deliveries we have made Finacle Product Delivery manager

That one decision to commit to the spirit of agility along with the practices was key Head of Engineering

We could mature ourselves to more manageable adhoc activities Finacle Customer Delivery – Offshore Program Manager

Implementation Roadmap

Management buy-in (C level)
Mach1 Agile Transformation Team
Building coalition

ART launch “by the book” every 1.5 m

Hybrid Model with managers first – align entire solution on:
• 3 amigos focus on “speed of flow of value” – features!
• Central Backlog – Agile requirement management
• Agile PMO
  o Standard agile management tool (RTC)
  o Agile reports and metrics
• SAFe Cadence (iterations and program increments)
• Agile testing –
  o Feature testing into teams
  o System testing in pull mode (when feature ready), part of the avg. cycle time measure
• Program level ceremonies
  o PI planning (just managers for non-ART groups)
  o PI Demo for integrated solution
  o I&A + retrospective in all levels
Thank You

Finacle Powers

Banks across 100 countries

Over 1 billion consumers

More than 1.3 billion accounts

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