Critical success factors for ING’s transition to Agile in Client Services organization of Wholesale Banking

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CERTIFICATION OF AUTHORSHIP:
I hereby certify that I am the sole author of this report. All assistance that has received from outside sources have been documented in the report, as well as, listed after the conclusion under “Annotated Bibliography.” Exclusively I, specifically for the course Graduation Training, at The Hague University, created this report.

Date: 08-06-2018
Signature:
Preface

This report is the final integrated project, as partial fulfillment of the BBA-degree of The Hague University of Applied Sciences. The research was done at host company ING and focuses on the transition of the Client Services organization (CS) of the Wholesale Banking division (WB) to Agile. Overall, the journey of this research has been very challenging, informative, and fulfilling. This research could not have been completed without the contribution of others. I would like to acknowledge all who have contributed time and effort in helping me complete this research.

First of all, a big thanks to my company supervisor, Johan Hoogeveen. I genuinely appreciate the effort and time invested in providing me with advice. I want to thank you for the encouraging words that kept me positive during this research process. Also, I would like to thank you for reviewing my entire thesis despite your extremely hectic schedule. Lastly, I want to thank you for challenging me to achieve my full potential, which led me to be able to conduct this research to this extent. A sincere appreciation and a special thanks go to Johan Hoogeveen.

I would also like to thank my coach, Jonathan Barnett. Thank you for your encouraging words when I was in a stage of feeling that it was almost impossible to complete this research in the given time frame. Thank you for guiding me and providing valuable insights from a change management perspective. Also, my thanks go to Richard van Houdt, for your willingness to advise and review the framework of my research.

Additionally, I want to thank the department Client Experience of WB for giving me the opportunity to perform this research for them. Also, I would like to thank the service organization of ING NL and ING BE, as well as CS NL of WB for your willingness to let people share their valuable lessons learned about the Agile transformation. This research could not have been conducted without the participants who contributed to this research. Thank you for your time and sharing your experience with the Agile transformation. It provided valuable insights helpful in answering sub-research questions.

Finally, I would like to thank my family and friends who provided me with support and encouragement to keep me motivated throughout this research journey.
Executive Summary

ING is a financial institution with a strong market position operating worldwide. To retain its strong competitive market position in today’s disruptive market, ING decided to become an Agile organization that can respond to change. The bank has launched a global transformation program, called the One Agile Way of Working (OAWOW), which will be implemented across all business lines worldwide. The focus of this research is the Client Services (CS) organization of ING’s Wholesale Banking (WB) division. For the Agile transition of its global service departments, ING WB faces three significant challenges. Firstly, Agile in a service environment is relatively unexplored in academic literature. Secondly, the WB environment is very complex, and thirdly ING’s Agile experience in the service organization is limited and cannot directly be copied to WB. This research aims to advise how the CS organization can transform to Agile based on the critical success factors explored. It answers the following question: What are the critical success factors for ING’s transition to Agile, within the CS organization of WB?

This research has been performed by a deductive approach wherein first desk research data has been collected, which was then tested by data from field research. This process led to different findings regarding the Agile transformation process. Before zooming into the success factors, the starting point is to understand where the CS organization is moving from, and to what future (Agile) organizational state it wants to transform. The most significant findings of the current and future organizational state analysis are summarized in the table below.

<table>
<thead>
<tr>
<th>Organizational Components</th>
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<th>Desired Future Situation (based on <em>new</em> OAWOW)</th>
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<td>Client Involvement</td>
<td>Minimal</td>
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<td>Serving Approach</td>
<td>Individualistic</td>
<td>Team-based</td>
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Figure 1 Situational Analysis ING CS Organization

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
Due to the vast organizational changes required on a global scale, transforming to Agile cannot merely be achieved overnight. When testing literature theories by conducted interviews and a questionnaire, this research concluded that a critical enabler to successfully transform ING’s CS organization is a well thought-through change management approach. Kotter’s revised model, called the XLR8 change model, is considered to be the most applicable change management model as it is written from an Agile perspective. Findings conclude that all of the eight change accelerators in this model are extremely useful in leading an Agile transformation. Furthermore, both desk research and field research discovered two other critical success factors that support the Agile transformation, chiefly effective leadership, and the right people. The crucial importance of these factors is explained by the fact that Agile is people-centric and the Agile way of working is all about empowerment of people. Therefore, having the right people with the right mindset and leaders that truly empower the team members will enable the Agile transformation.

In addition, ING must take into account the significant risks that can impact the success of CS’s Agile transformation. Key risk areas include people, leadership, cultural difference, business processes, and facility risks. The fundamental ways to mitigate these risk areas are first, the creation of a selection process for employees. Secondly, enough investments must be made in the following: Agile coaching, HR processes, external consultants, and Transformation Leads guiding the change, training, communication, and facilities such as building and Agile office supplies to successfully enable people to embrace Agile. Lastly, the financial factor is taken into consideration; the final enabler in place to successfully become Agile. This research found that the willingness to invest enough is critical as the Agile transformation process does not happen overnight. From a financial perspective, the outcome of the cost-benefit analysis has calculated that the total investment will be earned back within approximately five years under the assumption that other local CS offices will produce similar operational performance results like CS NL.

Summarizing, effective leadership, the right people, a wise change management strategy, and proper investment is the critical success factors to transform ING’s Client Service organization to Agile successfully. In addition, the associated risks need to be mitigated to ensure successful Agile transformation.
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What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
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1. Introduction

1.1 Company Description
ING is a global financial institution providing banking services worldwide to more than 35.8 million customers in more than 54 countries and is continuing to grow its global presence (ING Bank N.V.). To maintain its leading position in the market, ING faces a number of challenges. Today’s disruptive economy, characterized by a constant launch of innovations and instant service poses a possible threat. To survive in this environment, the ability to adapt to these rapid changes is crucial. Companies and organizations have incorporated ‘Agile’ to adapt. An ‘Agile organization’ is defined as a flexible organization that can respond to change to succeed in an uncertain and turbulent market (Fowler and Highsmith 28-35). To become an Agile organization, ING has taken this methodology and turned it into a program called the One Agile Way of Working, known as OAWOW. As part of its global strategy labeled, ‘Accelerate Think Forward’, ING aims to adopt this new way of working within all business lines. The OAWOW program helps ING to become an Agile organization that can quickly respond to change, faster delivery of products or services, and continuous improvement. As a forerunner in their field, ING is the first international bank to transition to an Agile organization on this wide of a company scale. Following ING’s Dutch retail organization, for 2018, ING has the ambition to transform the global Wholesale Banking (WB) division, which services large corporations and financial institutions, by implementing the OAWOW.

1.2 Research Setting and Scope
The aim of this research project is to advise the Client Services (later also: CS) organization of WB in their transition to Agile. The CS domain is responsible for the local CS offices within twenty European countries having in total 527 employees (Figure2). They provide the first line daily banking support related to WB clients for handling all incoming service requests related to payments, accounts, and channels.
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?

1.3 Problem Definition

Implementing the OAWOW within the CS organization of WB is quite challenging. For service organizations, transitioning to Agile is mainly unexplored, and the existence of the best practices are limited. A second challenge is caused by the nature and complexity of tailor-made WB products, as well as complex multinational clients and a global presence. As stated earlier, the company’s current experience with Agile transformation is mainly based on ING’s retail service organization based in the Netherlands (further in this research referred to as ING NL), where OAWOW has already been implemented. ING’s retail organization serves retail customers and SMEs with relatively simple and straightforward processes and banking products. The retail service organization was also part of this OAWOW implementation. However, their organizational blueprint and lessons learned during the adoption of Agile might be useful but cannot directly be copied and applied to the WB Service environment. Due to the extreme differences in the daily banking practices between these service environments.

Another experience to be built on is the Agile transformation within one local CS office of WB. Three years ago, CS in the Netherlands (further referred to as CS NL) adopted the OAWOW. As this was based on their initiative, they did not take in scope a uniform way of working across the entire CS European network, and therefore it cannot be directly copied to other locations.

Figure 2 Overview of the Global CS organization
All in all, the ING’s CS organization of WB lacks a clear transformation strategy to implement the OAWOW on a European wide scale. Therefore, it is essential to provide an advisory report, which defines the critical success factors for the OAWOW transition envisaged. This research will provide a credible answer to the central question: "What are the critical success factors for ING’s transition to Agile, within the Client Services organization of Wholesale Banking?" In June 2018, the outcome of this research will be presented to the Management Team of global CS.

1.4 Research Limitations

Due to time constraints, this research focuses on the overall Agile transformation of the European CS organization and will not narrow down to the specific characteristics of local CS business units. Both the current and future state analysis is based on the assumption that CS management and CS NL’s perception and experiences are representative for all other European local CS offices. Another effect of this time limitation is the limited selection of frameworks and models.

The second limitation is research and data availability. Although Agile has been a popular research area, academic research studies on Agile transformations in service organizations are hardly available. As a result of that, the majority of desk research findings are formed on Agile transformations written from software development perspective. To still provide an evidence-based answer, field research will be conducted internally at ING’s service organization to test whether desk research findings are applicable in this case. The data limitation also applies to the internal financial data, which is not (yet) available in detailed level such as reduction of overhead costs and averaged cost per CS employee per country. Since this is highly sensitive information, this has become classified. Because no generic CS model is defined, the analysis for all locations of the current state and future state is mainly founded upon interviewees’ opinion, which can be biased. Last but not least, the financial impact of successfully transforming to an Agile way of working will be based on the assumption that other local CS will experience the equal improved performance as CS NL.
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
2. Literature Review

Transforming to Agile has been a prevalent research area in recent years (Dingsøyr et al. 1214) (Gandomani et al. 2349). While various academic studies about Agile transformation in the field of software development have been developed, no previous research has been examined regarding Agile transitions for the service organization within the banking sector. This can be explained by the fact, that Agile philosophy was originally invented for IT and software development. Agile within the service domain is mainly unexplored (Dey 8). In order to define a successful Agile transformation strategy for ING’s CS organization, the literature section contains a critical review of the leading research on Agile transformation to identify relevant themes and models. Academic literature studies function as the framework for this research and are organized around the following categories: Agile, organizational transformation, organizational change management, benchmarking, and risk analysis, which will be discussed further in this chapter.

2.1 Agile

The Agile Manifesto has been developed in response to traditional business methods to deal with today’s disruptive economy (Boehm and Turner 1-8). The Agile methodology can be best defined as the ability to respond to change to succeed in an uncertain and turbulent market through the explicit Agile features of self-organizing and minimized hierarchy for their organizational setting (Fowler and Highsmith 28-35). Various leading companies Airbnb, Spotify, Google, Amazon, and Microsoft have moved to an Agile organizational model and thereby to the Agile way of working (Garton and Noble, “How to Make Agile Work for the C-Suite”). In recent years, multiple variants of working Agile have been developed, since Agile practices have different effects on different kind of organizations (Gandomani et al. 2345). As Agile comes in various forms, no uniform transformation strategy for Agile adoption exists (Gandomani and Nafchi 204). Gandomani’s study explains that for this reason, it is essential to define the Agile principles that apply to your particular organization (2345-2349). The Agile manifesto functions as a general reference model and the book ‘ Agile Methods’ written by Pritam Dey, are both beneficial in understanding the Agile principles, values, and methods that may be applicable for ING CS’ organization business case.
However, the shortcoming of these studies is that they are merely based on software development. Because of that, ING is developing an Agile reference model for its CS organization. Although this reference model is still in draft, it provides meaningful insights regarding how to translate the Agile principles to ING’s service organization in general and alignment with specific ING corporate culture.

2.2 Organizational Transformation

Becoming Agile is not achieved merely by implementing Agile methods, but an organizational transformation is required (Madore and Spayd, “Agile Transformations: Why Leaders must Lead”). From an organizational perspective, a transformation can be defined by changing an original state to a new state (Thiecke and Leeuwen 96). However, it turns out that an organization cannot successfully transform unless it understands where it is transforming from and why (Thienes and Brockhoff 52). Additionally, decision making in what needs to be changed is a critical aspect of transformation (Cawsey et al. 23). In more details, a sufficient current state analysis enables a good understanding of the starting point of the Agile journey, facilitates the introduction of Agile change imitative, and clarifies the scope of the change project (Korban). Korban also argued that the clarification of the current state and need for change enables this research to set out a path for improvements for the desired future state. The desired state, referred to as B, has to be formulated, because, without a visual of state B, transformation strategy to change from A to B cannot take place (Thiecke and Leeuwen 96). According to Thiecke and Leeuwen’s Systematic Transition Management book, a working definition of the desired state, allows a company to make this organizational change more easily.

2.2.1 Performance Measurement

For an effective state analysis, at least part of the analysis has to be fact-driven by means of performance measurement or defining deliverables to have a more accurate and reliable picture of the CS organization’s current situation, but also to avoid debate over conclusions (Villemez, Current State Analysis: More Important than You Think”). Fact-driven measurement of performances and deliverables is a critical element of a transformation because it impacts the direction, the change content, and the outcomes achieved by a change initiative (Fred 962-964). What gets measured impacts the way employees perform (Sureshchandra and Shrinivasavadhani 101).
2.2.2 Organizational Analysis

Research claims that a sufficient current and future state analysis is one that is broken down into specific organizational components and behaviors (Thiecke and Leeuwen 97-98). The various academic published literature used to identify the organizational elements to determine current and desired future states include Nerur’s, Boehm and Turner’s, and Gandomani’s research. Although these are written for Software Development companies, these studies provide invaluable insights into how to sketch the organizational framework in detail. The relevant descriptive organizational components for CS infrastructure are illustrated in the mind map below. These themes will be utilized for the analysis of the current and future state.

![Mind Map Descriptive Organizational Components](image)

2.3 Organizational Change Management

The organizational transformation in ING’s case is moving from the current situation to the new Agile based organization. However, an Agile transformation is a complex process, because a vast organizational change in culture, behavior, and mindset is required (Sahota 3-4). This change in culture is argued to be the most challenging part of the transformation, which has to be applied at all three different levels: the individual employee, team or department, and the organization as a whole (Walker and Soule 2) (Cawsey et al. 63). Generally speaking, change initiatives are accompanied by resistance, which makes it an extremely difficult process to
perform the organizational change (Kotter and Cohen 80). Only a few organizations can transform to Agile in a short period of time. In most cases, a radical organizational change takes many years (Qumer and Henderson-Sellers 1899). For this transformation, a thorough change management strategy is required to make this change initiative stick (Gandomani et al. 2349) (Fuller, “Leading Agile Change”). Just implementing this organizational change by training and coaching would not suffice. In general, it is advisable to use proven organizational change frameworks as guidance to manage long-term change initiatives as it increases the ability to successfully implement the organizational change (Cawsey et al. 58) (Fuller, “Leading Agile Change”).

2.3.1 Appropriate Change Management Approach

To determine ING’s recommended change management approach for this Agile transformation, Cawsey’s “Organizational Change action-oriented toolkit“ was studied. This study book focuses on appropriate frameworks for creating effective change. Chapter two elaborates on different change management models, which include but are not limited to Lewin’s change model, Cawsey’s Change Path Model, and Kotter’s eight-stage change process. Although all of these models are proven models, guiding the required organizational change, they have been reviewed to determine the most appropriate model for ING’s case.

First of all, Lewin’s three-stage change model including an unfreeze, change, and refreeze stage claims that organizational change in culture cannot be changed unless it is first unfrozen (Lewin 63-65). This model is perceived as useful, because of its simplicity. However, Lewin’s model is not applicable for Agile in this change initiative, because it assumes changes are linear and ending up in the final stage, called the refreeze stage. Given the fact that the Agile is about continuous improvements and capable of adapting to disruptive environments, it is therefore never in a refreeze stage. Secondly, a more detailed change management strategy is Cawsey's four-step change path model, consisting of awaking, mobilization, acceleration and institutionalization stage. Although it is in more detail than Lewin’s model, it still oversimplifies the challenges of change and thereby fails to have sufficient instructions. Also, it fails to cover the cultural aspect of change (Cawsey et al. 55-78). By contrast, the third change strategy that overcomes the problems of the simplification of the previously mentioned models is Kotter’s change model (Cawsey et al. 66). According to Freedman, his model states eight specific organizational actions must be acted upon to achieve sustained organizational change.
illustrated in Figure 4. Kotter's model is one of the most widely used models for organizational transformations. (J.Pollack and R.Pollack 51). Compared to previous models, this change model also considers cultural and human aspects of change that occur during Agile transformations (Freedman 14). A central focus in all the eight stages is the challenge of changing people’s behavior and focusing on the shifts in mindset required. Instead of limiting to Cawsey’s description of how to apply this change model, different books of Kotter’s including ‘Leading Change,’ ‘The Heart of Change,’ but also his recent work ‘Accelerate’ will be studied for an improved understanding of this change management model during this research study. Also, Freeman’s book ‘The Agile Consultant’ will be studied in detail because of qualitative findings demonstrating how the eight components are aligned with the Agile way of thinking.

![Figure 4 Kotter’s 8-Step Change Process](image)

### 2.4 Benchmarking

Benchmarking became a recognized strategy to gain credible insights of the best practices among Agile transformations (Underdown and Talluri 278-280). Benchmarking is defined as evaluating products, services, and the working processes of other organizations which are acknowledged for representing the best practices in aiming for organizational improvement (Spendolini). Research claims that benchmarking is a powerful tool that leads to a better result (Ashford 50-57). Therefore, this research project will make use of benchmarking to ensure an improved understanding of the Agile transformation.

#### 2.4.1 Best Practices

The best practices studied in this context are case studies of transformations where Agile has been truly embraced throughout the organization. Relevant case studies for this research are selected based on business characteristics, similar to ING’s CS organization, such as...
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?

internationality, financial sector related, or service organization. As part of the benchmark, the case studies from Cisco Systems, a multinational technology corporation, and the Wipro Technologies service organization, both provide qualitative findings how they managed to transition to an Agile organization. Besides their significance of business similarity, both cases present their lessons learned particularly on how they made the mindset shift to Agile, which proves to be one of the most challenging parts of becoming Agile (Chen, Ravichandar, and Proctor 635-644) (Suresshchandra and Shrinivasavadhani 97-101). The last case study with invaluable insights is written by INSEAD, the best MBA institution according to Financial Times, in collaboration with ING Retail Banking Netherlands about ING’s journey to Agile. Three relevant parts of this case study include The Blueprint for Change, Becoming Agile, and A Coordination Challenge. The case studies explain how this organizational change within ING NL has been implemented. Additionally, an informative interview between two senior executives of ING and McKinsey provides qualitative findings of their experience with their Agile transformation (Jacobs et al. “ING’s Agile Transformation”). The significance of this article is explained with invaluable “do’s and don’ts” in bringing Agile successfully into practice.

2.4.2 Common Failure Factors

According to Kotter’s research, 70% of all organizational change initiatives fail (Kotter, “Leading Change”). Therefore, it is also important to have a clear understanding of the common failure factors within an Agile transformation (Abdalhamid and Mishra 416-421). Steve Chihos, researched the most common failure factors of organizational change, which can be reduced into two types: lack of planning and lack of communication. The significance of this study is that it can be used as a practical guideline to avoid common pitfalls. The best practices and failure factors presented will be studied to determine to what extent they apply to ING’s CS case. Together all sources provide a better understanding of what leads to a successful Agile transformation and what does not.

2.5 Risk Analysis

The risk analysis is a critical element of defining successful transformation strategy, as associated risks imposes major threat on the success of a transformation (Gollenia). The huge organizational change required to become Agile, imposes various risks and barriers, which can
highly affect the success of the Agile transformation (Gandomani and Nafchi 204). Without a risk analysis for defining and how to mitigate these risks, less value of Agile could be achieved and could lead to higher amount of effort and costs to successfully become Agile. Certain risk can even cause failure of the Agile transformation (Gandomani et al. 2345). Therefore, to ensure a successful Agile transformation at ING’s CS organization, a risk analysis will be performed including determination of certain Agile transformation facilitators to mitigate the risk areas.

Different academic research will be studied to identify critical risk areas for ING’s CS Agile transformation. Firstly, an academic study by Nerur that developed analysis of major challenges to transform to Agile. This study categorized most significant issues in risk areas including management, organizational, people, process, and technological (Nerur et al. 73-78). These issues will be studied to determine whether they also impact success ING’s CS of WB’s Agile transformation. Next to this, another academic research by Shrivastava and Rathod which developed extensive risk management framework will be studied. The risk categories identified in this study include organization and management, people, process, and technology and tools risks. These identified risk factors are invaluable for determining critical associated risks areas impact Agile transformation of CS organization of ING. Next to the identification of the risk, Gollenia’s risk analysis model will be utilized to understand the relative significance of the identified risks in terms of the likelihood that these risks will occur and evaluating the risks’ potential impact by assessing them on different categories, which is illustrated in the picture below. Once the risks have been evaluated for their impact and likelihood, they can be ranked to determine their priority as presented in the matrix below (Gollenia).
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?

Figure 5 Risk Analysis Model
3. Research Questions

The OAWOW has been incorporated by ING WB’s global strategy. However, the CS domain lacks a clear understanding of how it can become Agile in all of the local European CS offices in twenty countries. The desire to successfully transform ING’s European CS organization to Agile has led to the establishment of the following central research question: **What are the critical success factors for ING’s transition to Agile in the Client Services organization of Wholesale Banking?** This research is divided into six sub-research questions that have been deducted based on the findings from the literature studies to provide a credible and useful answer for ING.

1. **What is the current way of working and its main challenges?**

When defining a successful transformation strategy, the starting point is to determine the current state and need for change, as Thienes and Brockhoff told us. The overall purpose of this research question is to understand how ING CS currently works and why they are taking steps to transform. Within ING the ‘way of working,’ (or: WOW) is used as a standard to describe the method of working, organizational structure, and the service and collaboration model. The current organizational state will be defined based on organizational components mentioned in the literature (see 2.2.2) which explore the main challenges leading to the need of undergoing this transformation in the first place. This detailed description of ING’s CS current state will be used as a path set out for defining the desired future state.

2. **What will the future CS organization look like after successfully implementing Agile?**

In addition to the current state, the visualization of the desired state is a critical element in enabling a successful transformation, as Thiecke and Leeuwen stated. This sub research topic aims to identify in detail to which state CS wants to transform. In other words, the appearance of the future state of the Agile-based CS organization will be comprised of the organizational components. It also defines success measurements, which according to Fred are vital to the success of any change initiative. This question clarifies to what extent Agile values, principles, and method will apply to ING CS.
3. What is the recommended change management approach to transform ING’s CS organization to the new Agile-based organization?

A thought-through change management approach is required to ensure that the Agile transformation will endure, as specified by Fuller. Therefore, the purpose of this question is to provide guidelines in how to transform the CS organization’s current situation to the desired Agile CS organization in a structured way based on a proven change management framework.

4. What best practices can be identified both externally and internally concerning Agile transformations?

To provide practical advice for ING, this question makes use of benchmarking off of other organizations that have undergone an Agile transformation. Best practices from various yet similar case studies of both external and internal departments that have successfully moved to Agile will be elaborated. Common failure factors will be studied as well to avoid pitfalls of an Agile organization.

5. What are the main associated risks in the Agile transformation process and how to mitigate these?

Literature proves that becoming Agile is quite challenging for organizations as it requires huge changes, but a thorough risk analysis improves the chance of success as stated by Gandomani. This research question identifies the main associated risks during the Agile transformation. It also explains how the obstacles identified can be best mitigated, taking into account the critical transformation components found in the previous sub research question.

6. What are the financial consequences when implementing the OAWOW?

The final sub research question aims to visualize the financial impact of the OAWOW implementation in all local CS. It links and translates findings from previous research sub-research questions into costs and benefits from a financial perspective. This cost-benefit analysis is performed to measure to the financial factors required to transform the entire European CS Organization successfully and to what extent this investment will be earned back related to the performance metrics of previous sub-research questions one and two.
4. Research Methodology

4.1 Nature of Research
The nature of this research is a combination of exploratory and descriptive research. First, exploratory research is conducted by literature reviews and interviews with employees involved in the Agile transformation to gather background information about this research topic. Secondly, the descriptive stage, which describes the structure of the organization, different risks associated, lessons learned, and the critical components for a successful Agile transformation based on participants experiences who are involved in the Agile transformation. This approach has been aligned and validated with ING’s OAWOW program team to ensure consistency and added value for the overall transition program.

4.2 Data Collection

4.2.1 Desk Research and Field Research
To complete this research both desk and field research has been conducted. In general, this research is based on a deductive approach, where first desk research was performed to get familiar with the research topic: Agile transformation and its relevant themes. This data will be further analyzed and used as input for new insights (Saunders et al. 124-129). The desk research is based on internal and external sources. Internal data sources include reference model and internal communications about Agile. External data for literature, case studies, and reports was mainly collected online using the following databases: Business Source Elite, EBSCOhost, IEEE, Elsevier, and Science Direct. Secondly, field research was used to collect primary data, also called raw data. This includes collecting the findings from ING’s retail banking service domain and CS NL’s department regarding their Agile transformation. This data was collected by in-depth interviews, semi-structured interviews, and by a questionnaire. Different people from across the organization were interviewed such as Agile coaches and managers involved in the Agile transformation in the service organization of ING. All field research has been sampled on people from service departments.
The different data collection methods used per sub research topic are illustrated above. For the determination of the current and future state, both primary and secondary research was conducted. Secondary research identifies different perspectives and themes to describe the organizational state. Which, allows for a systematic description of the current and future situation of the CS organization from different organizational angles. Also, it functions as a framework for primary research when conducting in-depth interviews. These in-depth interviews focused on a deeper understanding of the current and future state by asking specific probing questions. A rich set of data was collected by conducting different interviews with higher CS management including the Head of the entire CS organization, Regional Head CS, Head of CS NL, and various other managers at the functional level. Another characteristic of the organizational analysis is measuring operational performance data through quantitative and qualitative metrics sampled on CS NL, which have already transformed into Agile. This fact-driven state analysis is critical to help overcome debates over certain conclusions (Villemez, Current State Analysis: More Important than You Think”).

For the determination of a recommended change management model, best practices, and associated risk analysis, both primary and secondary data have been collected. The secondary research data collection is based on a variety of authoritative literature sources to help select the most appropriate change management model, summarize the best practices, and to identify associated risks and transition facilitators to mitigate them. This is followed by a
collection of primary data utilizing in-depth interviews and structured interviews to test secondary research findings and to collect additional information regarding each sub research topic. It also tests how this applies to the service organization of ING based on respondents’ experiences within ING. Finally, the sixth sub research question regarding financial impact will collect internal ‘operational’ performance data.

4.2.3 Research Design

As mentioned above, 'multiple methods mixed method research design' will be applied to collect a richer set of data which leads to a more credible answer to the central research question (Saunders et al. 151-154). Both qualitative and quantitative research methods were combined including in-depth interviews, semi-structured interviews, and an internet-mediated questionnaire. To quantify findings, a questionnaire made use of target groups from different levels, such as Agile Coach, Managerial Role, and team members. To ensure a representative sample, random sampling of ING’s service organization has been applied. To minimize bias and increase the reliability, different types of questions were included such as open-, closed-, list-, category-, matrix-, and ranking questions. The questionnaire can be found in Appendix VII.

4.3 Data Analysis

The collected qualitative and quantitative data provided the input for the data analysis. Each data category has been analyzed differently. Firstly, the qualitative data analysis was based again on a deductive approach, meaning that the collected data derived from the desk research, functions as existing theories, which were tested in the in-depth and semi-structured interviews. All interviews are summarized and are analyzed and categorized in themes based on color coding, which can be found in the Appendix of this report. The quantitative data analysis consists of numeric and descriptive data, which was analyzed by statistics and trends (Saunders et al. 164-172). For an advanced statistical analysis, the raw data collected was analyzed with the usage of the software program SPSS (Appendix VIII).
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
5. Research Findings and Analysis

5.1: What is the Current Way of Working and its Challenges?

To successfully transform to Agile, first, an organization must understand from what state it is transforming from and the reason for the change, as specified in the literature (Thiecke and Leeuwen 94-95). The descriptive organizational elements identified from the literature described in paragraph 2.2.2 are used as input for the current state analysis ING CS organization’s traditional way of working.

5.1.1 Internal Business Environment

Regarding the organizational structure, The CS business outlook is based on a matrix organization, where people report both to the Local Country Head and the Head of CS (Interviewee II). ING already recognized that the traditional organization consists of too many layers (Guadalupe et al. 3: 1-2). This is in line with the main findings from the interviews, where vast the majority of the interviewees acknowledged that ING WB’s hierarchical organizational structure consists of too many management levels. To illustrate, one of the managers of the already transformed CS NL claimed, “Within the traditional service organization was characterized by heavy management with more than thirteen manager, which was not very efficient“. Generally speaking, also the size of teams are quite large between ten to fifteen people, directed by a manager, who is actively part of the team. “In this historical way of working Manager’s role was to direct and steer the team based on a command and control management style”, argued by another manager of CS NL, Interviewee V. Related to managers’ directive role, the decision-making is based on a top-down approach from the strategic level to functional levels with formal communication.

Because of lack of data, most decision-making is rather based on assumptions than fact-based. Regarding knowledge management, on the conclusions from the interviews is that the passive knowledge in people’s minds about local markets, local clients, and local products is one of the main challenges of the current way of working. “All client knowledge was in people’s head because nothing was registered” (Interviewee V). Another important characteristic is explained by one of the CS management members, who stated, “People were used doing their own thing
without being transparent”. This deficiency has been resolved by the introduction of the track and trace system, called IBS. This improved the documentation at local CS offices, but the collected data is not heavily used yet, and therefore the performance measurement is still rather limited.

Regarding ING’s organizational culture, in 2014, the bank introduced its distinctive corporate culture, called the Orange Code, illustrated in Figure 7 below (Kuhlmann and Philp). A vital element of this culture is the behavior to help others to be successful. From the interviews, the conclusion can be drawn, that this new corporate culture has not been rooted yet.

![The Orange Code](image)

To illustrate, Interviewee V claimed, “Before the OAWOW within teams it was not common to help each other out in hectic times. The team’s mindset was still very individual-based and process-driven to fulfill your own tasks law-abidingly”. Due to the lack of transparency and individual mindset, the work pressure was unevenly distributed at CS NL as some client portfolios initiated many service requests, while others barely any. Also from a higher management level, the current way of working is perceived as minimum collaboration between local CS to handle cross-country service requests. Planning-wise, the goal-setting is based on five years planning including quarterly reviews and updates.

### 5.1.2 Client Approach

Clients were served by a dedicated account manager or team of two people. Although clients love the fact they of having a dedicated person, this individual-based serving model results in high dependency rates. As no client data was registered, but in people’s head, the service was influenced when the dedicated was not available. “When these people were absented or not in the office, service requests were left untouched” (Interviewee V). Because of this individual client service approach, there are many handovers to handle services requests, which leads to
long duration to handle service requests. Another limitation of this current approach, is the minimum involvement of client feedback.

5.1.3 Performance Measurement

Performance measurement is stated to be a very significant component, because it influences people pay attention to and leads to better results (Sureshchandra and Shrinivasavadhani 101). The performance metrics of ING’s CS organization include customer satisfaction, employee engagement, and efficiency (Finkielstajn et al. 27). Firstly, Client satisfaction is measured by the Net Promoter Score, called NPS, a recognized measure of customer satisfaction in financial service sector. This customer satisfaction score is based on the question how likely it is for customers to recommend the company, product, service to a friend or colleague (Guadalupe et al. 3: 8). This NPS is still not fully implemented in the CS organization and data has not collected in a consisted way.

Secondly, employee satisfaction is measured by its metric Winning Performance Culture, known as WPC. This metric focuses on topics such as people management, compliance, diversity, and teamwork and efficiency (Nihot and Hillenius 27). Other examples are illustrated in the picture below. Regarding the WPC score, for CS NL the observation can be made that the teamwork and efficiency scores were very low when they were not Agile yet. However, employee engagement using WPC metrics are only measured in local CS NL, the rest of the CS offices WPC is not measured yet (Interviewee I).

Thirdly, efficiency is measured in Through-put Time, known as TpT, which is the time in working days it takes from moment a service request comes in to the moment the service request is handled. A remarkable finding of the interviews was that before January 2017, no track and trace system for service request not available and therefore no measurement could take place. There was a lack of insight of the amount of service requests coming, team’s capacity, and the average duration for handling service requests. The introduction of IBS system and the KPI of having 100% registration rate allowed to measure the operational performance of TpTs. Because there are more than 1500 different type of service requests the averaged TpT in working days will be calculated of all different service requests.
The findings from the efficiency metric of the traditional way of working per country are illustrated below. The figure clearly shows there is a huge variety in TpTs of closing service requests between the local CS offices. Overall, the conclusion can be drawn that because measurements are in place, teams can better steer on output and fact-based continuous improvement.

“Figure has been excluded from this paper due to confidentially reasons”

5.1.4 Current Challenges

Only a few interviewees perceive the ‘traditional’ way of working within the CS organization as a benefit rather than a shortcoming. The majority believes that critical challenges of the current way of working threatens ING CS’s success over the long-run. The main challenge observed are the different service standards applied across locations. “Generally speaking, we have different teams in different countries working in different ways and setting different priorities. Having heart for the client is common, but there is no cohesion how they work together across these countries“, claimed Interviewee I. The collaboration could be improved between the local CS desks and creating a uniform way of working could be a big help. Challenges perceived on local level include the lack of tooling, lack of client data, and lack of transparency. Also many layers within the service organization led to slowed-down decision-making. “The bank can do much better by having more fact-based data about the client and operational performances”. This results in poor expectation management, inefficient business processes, and the fact that people are not feeling fully empowered to help the clients. At this stage the service to clients could be provided much more efficient.

5.1.5 Need for Change

Findings from the literature predict that 40 percent of Fortune 500 organizations of 2014 will not exist by 2024, as result of disruptive landscape and rise of new entrants that keeps continuing. (Villemez 17). According to ING NL’s case study by INSEAD, the market is changing fast and on several fronts such as Changing customer expectations and increasing competition...
by introduction of FinTechs competitors and large tech players (Guadalupe et al. 1: 1-2). This is in line with results from the interview, “The competitive landscape is changing. ING’s main competitors used to be other banks within the financial service sector. Now we are experiencing competition from FinTechs”. This is illustrated in the Figure10 below where ING is the elephant, and the greyhounds are the new competitors such as FinTechs or large tech players such as google, apple etc. “Although we are still in head of the race, ING has to transform to keep winning that race, because the traditional way of working ING is definitely not able to react to this rapidly changing market”. This is in line with Kotter’s study, which states that to survive in today’s economy, organizations have to be flexible as markets have become very disruptive with increasingly fluctuating demands (Kotter, “Leading Change” 4). Another important aspect to win the race is the availability of data. Interviewee IV, one of the ambassadors of the CS NL’s Agile transformation claimed, “We had need to seek for solutions”. As one of the interviewees stated concisely, “We need to change our culture in order to be able to respond to the rapid changing environment around us, so we can deliver value to our customers faster”. According to one of the Agile transformation Lead, “With the new One Agile Way of Working we are way more capable of doing that.”
5.2 What will the future CS organization look like after implementing OAWOW?

5.2.1 Agile Principles and Practices

Having the current state in place, it also necessary to have the desire state ING is moving to in place to define the Agile transformation strategy. To define the future state, literature argued that each organization must determine Agile principles that are applicable to their organization (Gandomani et al. 2345-2349). The fundamental principles introduced by the Agile manifesto includes twelve principles, as shown in Figure 12.

![Figure 10 Agile Principles by Agile Manifesto](image)

Due to the nature of Agile, not all Agile principles, values, and methods are always applicable and can be ignored (Mahanti). It is essential to define the values of what Agile will bring to your organization (Salo and Abrahamsson 81-100). Having that in mind, ING translated the Agile principles of the Agile Manifesto into their organization, which have led to the following Agile Principles of OAWOW (Figure 13). These fundamental principles function as a uniform guideline for the global Agile organization and symbolize the desired state for ING’s OAWOW (Finkielsztajn et al. 12-13).

![Figure 11 OAWOW Principles](image)
Regarding Agile practices, the development of numerous different Agile practices has been exploded during the last ten years (Abrahamsson et al. 244-254). As specified in the literature review, the reason for this is because Agile practices have different effects on different kind of organizations (Gandomani et al. 2345). Agile practices need to be customized to suit needs of different organizational settings (Cao et al. 332-343). In other words, self-organizing teams need to apply those Agile practices, relevant for their particular organizational setting (and Highsmith, 28-35). For ING’s service organization, Agile is less predominant than in other departments. “We are doing Agile but not 100% of our time because we are customer-driven, so if customer requests comes in we have to handle that, which takes 80% of our time. But the other 20% is dedicated to Agile practices and continuous improvement” (Interviewee X). Because of the nature of the service organization being constantly in contact with clients, it is harder for a team to find time with your colleagues to become a real high performing Agile team as not everyone can put aside their work for half an hour. The Agile practices for the service organization are defined by the OAWOW Centre of Expertise, and are fixed. These Agile practices are the blueprint for the rest of the CS organization and can be found in Appendix I (Hopmans et al.) Another significant deviation is that the service organization does not work with sprints and squads, because of daily operations with client contact. “We did not fully implement Agile methodology, but took parts Agile methods that worked for our CS organization”, claimed Interviewee IV. The main Agile focus for ING’s service organization is about the self-organizing teams and performance dialogues. More practical, it is about making people multi-skilled and really empower them to work end to end to decrease the number of handovers (Interviewee II). Next to this, data component is very important in the new OAWOW to create to visualize performance dialogue of handling service requests. “The new Agile way of working is all about fact-based and really making transparent what you are working one”, as pointed out by Interviewee I.

5.2.2 Defining Future-State

It is difficult to precisely define when the Agile transformation is actually successful. Based on interviews, the conclusion can be drawn that multiple terminologies exist of a successful Agile transformation at ING, which makes it hard to define the exact future Agile-based CS organization (Appendix V). Besides that, 45 percent of respondents claim that within Agile the final end state cannot be defined at all, while 32 percent have the opinion that it will only be
possible to determine this along the road of continuous improvement by feedback and respond to the demands of clients.

Overall, it can be stated that the ideal Agile-based organization tends towards an organization where people feel empowered to take the responsibility and come up with customer solutions themselves. Furthermore, it is about continuous improvement of client experience, intrinsic motivation, and rooted Agile culture where people like to work. From interviews, it turned out that it is more important to focus on what you want to achieve, where the OAWOW functions more as mean to achieve that. A senior Agile Coach mentioned, “You always need a certain end state, even though it is never the end as departments need to have a purpose. Continuous adjusting can be included to get there or may even adjust the goal itself. The end state determined helps to avoid not having a clue about what you are doing”. Therefore the main characteristics of the desired Agile organizational outlook will be elaborated below.

5.2.3 Internal Business Environment

The future Agile-based organization is first of all about recognizing that people are the primary driver within your organization instead of processes (Cockburn and Highsmith 131-133) (McHugh, Conboy and Lang 503-516) (Sutharshan 48) (Paasivaara and Lassenius 109-113). One of the main ideas behind Agile Manifesto is that people are valued over processes and tools. “People are everything”, claimed by a management member of CS (Interviewee II). The future OAWOW, will be based on a people-centric approach focusing much more on employees and customer-driven processes.

From an organizational perspective, Agile transformations are often coupled with transforming hierarchical organizational structure to a flat organization. This is because Agile practices and agility cannot be reached in hierarchical organizations but work much better in flat organizations (Boehm and Turner, 1-8). Coinciding with the literature, findings from the interviews confirmed that CS ING’s Agile transformation is paired with moving to fewer managers, and making the organization flatter with less layers and more reporting lines to each individual. However, according to Interviewee VII, Lead OAWOW department, an Agile transformation is not necessarily about cutting FTE, but depends on your business strategy what you want to achieve moving to Agile.
The outlook of the future organizational structure will be based on the type of interaction units have with the bank’s customers and stakeholders (Finkielsztajn et al. 17-19). To illustrate, in BusinessDeliveryOperation-Departments, known as BusDevOps, teams are known so-called tribes and squads, while in the service organizations teams are organized in circles and customer loyalty teams, known as CLTs. These teams consist of only 7-11 CLT-members instead of the current teams up to 15 people. CLTs with the same interest form a circle, which is facilitated by the Circle Lead as illustrated in the picture below (Finkielsztajn et al. 17-19). A more detailed description of the roles can be found in Appendix I.

One of the Super Circle Leads of CS NL pointed during interviews that leading four to five CLTs results in taking more distance because all these people cannot be steered by one person and therefore automatically results in more room for team responsibility. “Managerial directing is replaced by collaborative leadership” pointed out by Interviewee IV. This is fully in line with literature, which states that in Agile transformations, traditional command-and-control management style is replaced by facilitating leadership with collaborative efforts (Nerur et al. 76). Managers have to develop new behaviors (Yang et al, 184) “Top-down structure, we don’t do that anymore, but have self-organizing team where Lead and super circle lead are more facilitators. Within this OAWOW, a bottom-up approach is created where, decision power lies more in functional teams. The goals are defined from strategic level, but the how part is up to the teams” (Interviewee X). In short, functional levels have full autonomy to decide how they best fulfill their purpose and address customers’ needs. This is also in line with literature findings, which state that decision power is decentralized in Agile-based organizations (Nerur et al. 75-76). This new way of working also affects communication, which will be more informal by means of an open atmosphere (Jacobs et al. "ING’s Agile Transformation"). Also the planning of Agile based organization will be much different. Instead of having annual objectives, objectives are breaking down into smaller targets for every two weeks. From the interviews, it
became clear that for both planning and decision-making the availability of data is one its main prerequisites. “With working Agile, more data-led decision-making know much more about clients from the systems rather than from people’s head”, stated by Regional Head CS.

From a documentation perspective, research claims that the Agile way of working knowledge is mainly tacit within the heads of team members and limited documented (Levy and Hazzan, 2009). This is not in line with gathered data from the conducted interviews where open knowledge management is perceived as critical because WB client knowledge is essential to be able to serve them well and efficiently. One of the Circle Lead’s at CS NL stated, “At the new situation instead of having knowledge management in one person’s head, the entire team serves the client and obtain client data in their head, but also is registered. More team knowledge management instead of individual level”. In other words, the knowledge is taken out of people’s heads and is distributed it as much as possible through the teams to ensure any CLT-member, who picks up the phone can serve the client.

As pointed out in the literature review, to truly become Agile, it is not just about a new way of working but about a new mindset which must be embedded in the company’s culture (Guadalupe et al. a. 2: 5). This is acknowledged by the management member of CS NL, Interviewee III, “The biggest change of this Agile way of working is the mindset”. Characteristics of truly Agile culture are trust, initiative, openness, continuous improvement, learning environment, and strong team participation (Whitworth and Biddle 26-36). Throughout primary research, the observation can be made that ING’s definition of an Agile mindset is about collaboration, empowerment, team responsibility, trust and a culture of fun where people really like to work. This OAWOW, requires more in-depth expertise and craftsmanship from people working in the service organization so they can take an end-to-end responsibility (Finkielsztajn et al. 15). People need to embrace this culture to become ambassadors of the new way of working. A new culture also leads to new rituals, which include frequent meetings with intent to increase transparency, stimulate communication, openly discuss performance and continuous improvement by providing each other feedback (Guadalupe et al. 3: 2-6). This is in line with findings from interviews which explains that this new culture is all about transparency, collaboration to work together, and an open environment of trust. Setting goals and solving issues as a team, but also giving and receiving feedback on a daily basis are the fundamentals of this future OAWOW. Embracing this new culture, there is no need for ING to develop a new
orange code to facilitate because it already fits the purpose for that. However, it is stated in the
terviews that by just having it on paper while you do not live, this Agile culture will not
happen.

Figure 13 ING’s Agile Culture

5.2.4 Client Approach

ING’s Agile reference model for service argued that an important element of working Agile is
the client centricity, where it focuses on an end-to-end customer journey in a uniform way
(Finkielstajn et al. 37). It is stated that by working Agile, working customer collaboration is
valued over contract negotiation by highly selecting collaborative customers to constantly work
within two-week sprints (Nerur et al. 74-78). Based on the interviews, this is not the case within
CS organization, the client engagement is limited to involve client feedback on a quarterly basis
to continuously improve. Another finding from the interviews is that the contact point will
change. The client is served by a dedicated CLT rather than a single individual.

5.2.5 Performance Measurement

Research claims that Agile methods lead to increased ability to respond to dynamic market
changes (Kettunen 408-422). It also allows continuous improvement with short iterations for
rapid improvement, fast feedback, and time to market (Salo and Abrahamsson 81-100).
Translating this to the service organization, following the OAWOW principles, the new Agile
organization should include the creation of a uniform customer experience model, improved
client experience, enabling people to work end-to-end by reducing handovers, shorter TpT time
of handling service requests, and allow people to really flourish and empower themselves
(Finkielstajn et al. 12). From the gathered data from the interviews, these benefits can be
divided into three categories: improved efficiency, customer satisfaction, and employee satisfaction.
Description of each performance metrics can be

Figure 14 Benefits of the OAWOW

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
When asking the Regional Head of CS regarding future deliverables and KPI’s with OAWOW, he indicated that no measures, targets or KPI’s are set yet due to the many organizational changes are happening at this moment. Regarding measurement of investment, he believes that by implementing the AWOW will improve the productivity and Client Experience, but this measurement will be part of the future KPIs. “It is more important to first to make sure the organization and the design principles are in place, but also understanding how this work central and in the countries. After that, we can actually talk about establishing performance KPI’s and its success rates”.

Looking to data available, the conclusion is that only for the efficiency part measurement is possible. Regarding the client satisfaction results, although interviewee indicated that NPS-score has increased from 6.5 to a 7.6, no accurate comparison can be made between the data sets from the period before and after the implementation of OAWOW, because NPS-survey is neither consistently nor systematically collected. Therefore the conclusion of improved client satisfaction cannot be verified. The employee engagement of CS NL is expected coming quarter, therefore, no conclusions can be drawn yet. The metric that can be measured is the TpT to measure efficiency. Because no other process changes were made, the conclusion can be drawn that the OAWOW significantly improved the TpT by 31.5 percent. This can be explained by the fact that serving clients has become a team effort instead of an individualistic approach, resulting in end-to-end responsibilities with less handovers. This outcome will be discussed in more detail in the financial analysis.

![Figure 15 Improved TpT](image)
5.3 What is the recommended change management approach to transform ING’s current CS organization to the new Agile-based organization?

5.3.1 Desk Research Findings

To become Agile is a complex transformation process, therefore a thought-through change management strategy is essential to successfully lead this change (Fuller, “Leading Agile Change”) (Sahota 3-4) (Qumer and Henderson-Sellers 1899-1919). Kotter’s change model is a proved method to achieve sustained organizational change (Freedman 13). Recently, Kotter’s has revised his eight-step model to a concurrent model, instead of having sequenced steps (Kotter, “XLR8: Accelerate”). The content of Kotter’s eight change components did not change that much, but the intent of eight components is now aligned with the Agile way of thinking (Freedman 14). His revised model, called the XLR8 model is illustrated in Figure 19. An interesting finding is that a lot of Kotter’s change accelerators of change management models are actually embedded in Agile transformations. Some organizations use these change accelerators without realizing they are actually successfully implementing some of the concepts within change management (Fuller, “Leading Agile Change”). Because of the significant detail behind all eight components will be shortly explained.

Create a sense of urgency around a single big opportunity

According to Kotter, sufficient urgency around an organizational change initiative and the emotionally exciting opportunity is the base upon which all else is built (Kotter, “Accelerate!”). This is in line with Sinek’s theory of his book ‘Start with Why’ (Sinek, “Start with Why”). First, people have to understand the reason for Agile is necessary and what the broader purpose is, but also what is expected from people. (Thiecke and Leeuwen 94-98) (Jacobs et al. “ING’s Agile
Transformation”). This sense of urgency should not limit to only focus on the threats and the vulnerability if the company does not change, but it also needs to be built around the big opportunity of in this case ‘Agility’ (Kotter, “Accelerate!”). Without urgency, transformations usually go nowhere, because people are not ready to move (Kotter and Cohen 26).

Build and maintain a guiding coalition
Core for any change process is building a steering transformation team, with enough power to guide the change (Kotter, “Leading Change”, 133). Professional change leaders form together a guiding coalition with all relevant knowledge, skills, reputations, and formal authority to ensure the change stays on course and that the organization transition is iteratively managed change (Kotter, “Accelerate!”). The representatives of the guiding team need to be cross-function of different respected roles (Freedman 14) to increase creditability of change initiative that will formulate the direction of the change and produces it (Kotter and Cohen 48).

Strategic vision and develop change initiatives designed to capitalize on the big opportunity
To help people understand the overarching dream of the desired outlook of the Agile-based organization, the change of vision should be explained (Cawsey et al. 66) This new strategic vision should create a common desire of the organization and focusing taking advantage of the big opportunity. It should be clear, easy to communicate, and flexible enough to allow localization of that vision in specific departments. Furthermore, a well formulated vision should be both emotionally appealing and statically smart (Kotter, “Accelerate!”). Important is that not only the new vision is stated, but also a strategy how to achieve this vision of agility (Freedman 15).

Communicate the change vision (enlist volunteer army)
Communication of the change vision to all employees is perceived as one of the two most important accelerators of the change’s success (Ansari and Bell 139-167). Before making any changes, first the desired future state and how this new Agile way of working has to be communicated first to get more commitment (Walker and Soule 2-6) (Kotter and Cohen 83-85). Multiple channels should be used such as conferences, town halls, intranet updates and other recurring presentations to capture the hearts of organizational members to complete this change (Cawsey et al. 66). Repetition is crucial (Kotter and Cohen 4). From this point, more
employees will experience high urgency, which automatically develops a volunteer army, who support and bring energy, commitment and enthusiasm to change initiative (Kotter, XLR8: Accelerate 35).

Accelerate movement toward the vision by ensuring that the network removes barriers
As traditional culture and behaviors in an organization have been set in years, those cannot be instantly changed. Even though a sense of urgency, right vision, and clear communication is established, various obstacles can still block the change, such as inflexible employees and deep-rooted traditional business processes (Freedman 15). This change accelerator aims to encourage innovative ideas broad base employees and empower them to act upon the change vision (Kotter, “Leading Change” 11). By letting employees develop own ideas how this change vision can be achieved and embraced, barriers and remaining skepticism of other organizational members can be decreased (Kotter, “Accelerate!”). Engaging people is important as they are more willing to collaborate when they have a stake in creating the change(Walker and Soule 5).

Celebrate visible, significant short-term wins
As organizational changes are a long and challenging process, it is critical to define short-term milestones and make the process feasible (Kotter, “Accelerate!”). A change strategy will not endure without regular confirmation that changes actually benefit the company as skepticism might arise (Kotter, “Accelerate!”). It is important to make the progress visible and create momentum, otherwise, why would employees and the organization continue without seeing progress (Freedman15). In another article in Harvard Business Review, Kotter claimed that short-term wins not only create creditability and prevent to loss of momentum but also enlist more employees to join the volunteer army, ‘Success breeds success’ (Kotter, “Accelerate!”).

Never give up. Keep learning from experience. Don’t declare victory too soon
Given the fact that an organizational change takes a long time to be part of organization’s DNA, many organizations stop too early (Cawsey et al. 66). Kotter argues that it is important not to declare the victory too soon as regression may follow (Kotter, “Leading Change”13). In contrast, an organization must strive for continuous improvement of their newfound skills and enhance
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their ability to accomplish the change objective successfully. To sustain acceleration in the change initiative, an organization must build upon its short-term successes.

Institutionalize strategic changes in the culture
No change initiative is complete until it is fully embedded into organization’s cultural norms and values and becomes part of the organization’s personality (Cawsey et al. 67) (Freedman 16). The new direction or way of working must sink into the traditional culture of the organization. Leads throughout the organization should nurture the new culture to avoid that a great deal of work will be blown away by traditional habits. According to Kotter, right promotions, new profile orientation, and recurring events make a huge difference (Kotter, “Accelerate!”).

5.3.2 Field Research Findings
One significant observation from the conducted interviews was that overall no change management model had been utilized for their Agile transformation according to with different managers across the ING’s Dutch service organization overall. This was supported by findings from the questionnaire where only fifteen percent acknowledged that a change management model was used. On the other hand, Kotter’s change drivers still score relative high as actually being used during the Agile transformation (Figure20).

![Figure 17 Change Components Applied](image)

Remarkable is that communication of change vision has the highest score of appliance, where from an Agile Coach perspective the communication of the change vision was perceived as a
point of improvement. “*What it would be good is to explain people how transition works or transformation. We didn’t give people enough context*” (Interviewee VIII). This finding is not in line with survey participants Figure21. By contrast, the accelerator ‘guiding coalition’ scored relative low. This can be explained by the fact that in the Dutch service organization that the Agile transformation was deliberately fully based upon a bottom-up approach. As Interviewee IV, “*Creating ground floor with people before starting the change project. We really ask the people how they would change the traditional way of working*”.

![Figure 18 Change Components paid more attention to](image)

Nevertheless, the outcome of the survey indicates that employee empowerment has the highest score accelerators that could have paid more attention to. Change accelerator that has the lowest score for this category is ‘celebrating short-term wins’. This contradicts with findings from conducted interviews, where it was most frequently mentioned as shortcoming. Overall other change accelerators are distributed relatively evenly.

![Change Accelerators](image)

Looking at the importance of Kotter’s change accelerators, 70 percent of the survey respondents perceive the sense of urgency very to most important change accelerator. Besides,
the development of change vision and communication is perceived as important, which is in line with findings of conducted interviews which claims that it is helping tremendously if organization explains what it aims to achieve. A more detailed overview of the descriptive statistics can be found in Appendix VIII.

5.3.3 Research Analysis

An interesting finding is that although the majority of the respondents do not recognize a change management approach used, a lot of Kotter’s change accelerators are actually embedded in ING’s Agile transformation. Although Kotter does not distinguish the importance of the different change accelerators, within the service organization of ING the sense of urgency, the creation of change vision, communication, and empowerment of people to remove barriers are perceived as most important. Analyzing the rest of the results it turned out that components, where have paid less attention to, are less recalled. This is for example seen in celebrating short-terms stated as less important, while in interviews it is mentioned as something that could pay more attention to. Studies show that if you want to move to Agile you have to go ‘all in’.
5.4. What best practices can be identified both externally and internally concerning Agile transformations?

5.4.1 Desk Research Findings

Studying best practices are very useful for a deep understanding of a successful Agile transformation (Underdown and Talluri 278-292). From case and literature studies specified in the theoretical framework, various relevant lessons learned as well as common failure factors are categorized below. However, it is important to note that these best practices are not self-contained. These are only ‘tips and tricks’ to support the implementation of OAWOW that should be based on the fundamental principles how to become Agile (Finkielsztajn et al. 12).

Time Investment in change in Culture
To become Agile, a cultural change is required as specified earlier in the literature review. This is quite challenging as it is difficult for both business managers and teams to give up their historical mindset, behavior, and corporate culture (Chen et al. 637). One of the main lessons learned within ING Netherlands is that it was well worth the enormous amount of energy invested to adjust the business behavior on significant elements of the Agile culture, such as ownership, empowerment, customer approach and change of leadership. One example of that is the revised on-boarding program inspired by Zappos Case with the aim to root the culture activities undertaken throughout the organization. (Jacobs et al. "ING’s Agile Transformation").

Fostering Mindset Shift
At employee level, a mindset shift is required to fully embrace Agile (Chen et al. 637-638). The organization change process does not automatically change the traditional way of thinking of the people. Cisco achieved this by starting with training sessions Agile methods and its fundamentals, followed by an introduction of Agile coaches for the rest of the transformation to help teams to become Agile (Chen et al. 638-639). To help to make this mindset shift to Agile, it is advised to engage Agile coach in the daily Agile practices like stand-ups and discussions of moods; is also ensures effective meetings from the start of the transition (Sureshchandra and Shrinivasavadhani 101). Teams need to be reminded to constantly keep their progress and impediments visible (Rigby et al. 41-50). Besides, extended training and education help people
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understand the specific practices, but also the philosophy behind it (Wang and Wan 1131). An important element is that an organization creates a learning environment where people are allowed to make mistakes and learn from them. The positive result will be an organization ready to face any challenge (Jacobs et al. "ING’s Agile Transformation").

Change of Leadership Style

To get the maximum value out of your workforce, also good leadership with the right mindset is crucial. Moving to Agile, an organization must ensure that leadership adopts the Agile approach. First of all, leaders must have the willingness to give up the traditional way of working including traditional hierarchy, formal meetings, detailed planning and focus on input steering (Guadalupe et al 2: 5). This need careful coaching and training for your leadership as a change in leadership style is required. Managers are less asked for control and be more open-minded and to rely on trust. Leaders need to learn to let go their previous management style and rely on their teams’ capability to perform more autonomous. A company like Spotify underlines this in their organization by introducing it as a business principle, called “loosely coupled and tightly aligned,” and Google transformed by broad spans of control to embrace the Agile concepts. These behavioral changes is within reach of all open-minded and talented executives. (Garton and Noble). To help leaders in this transformation, meeting peers who already experienced the Agile transition to learn from their experience can be very supportive (Chen et al. 638).

Selection of the Right Profiles

From ING NL we can learn that a change in the workforce might be appropriate and even crucial to transform the organization to Agile (Guadalupe et al. 2: 2-4). To do so, ING went for a re-selection process, entirely based on capacities needed within an Agile team-based structure. Each person had to re-apply to become part of this new Agile organization. A valuable lesson learned is that Agile Is not suited for everyone, which implies that people who do not fit in the Agile culture had to leave the bank, regardless their experience and their capabilities. For the Agile way of working people need to be able to collaborate closely with each other and other teams (Guadalupe et al. 3:2).
Self-Organizing Teams

One of the Agile fundamentals is that teams indeed become self-organizing and self-autonomous. From the ING NL Retail Banking case, we acknowledge that the Agile coach plays an important role in this. The importance of the Agile coach is to protect the autonomy of the teams and guide teams in collaborative decision-making (Guadalupe et al. 2: 5). Within the team, the key is to establish a learning environment based on the practices to build continuous improvement culture. Cisco’s study case highlighted that it is important for an Agile coach to understand team’s motivation what they want to achieve by transforming to Agile (Chen et al. 638). As stated by Spotify, aligned autonomy is a crucial starting point in the new Agile way of Working (Figure23). During feedback sessions ING’s management, having the impressions of being very Agile, discovered that team members perceived it as “You tell us we empower you, but you still steer us” (Guadalupe et al. 3: 3).

Other Lessons learned

It is essential to provide supportive tools to help teams and individuals in their transition process of becoming Agile. Cisco for example, created standardized transition documents and an internal website with all relevant information how to adopt Agile according to the industry quality standard but also invested in tools enabling community building (Chen et al. 639). Also the physical environment can be supportive. Having people working in more open spaces, enough room for daily stand-ups and whiteboards everywhere creates an informal office that invites a more collaborative, transparent and flexible way of working. Because of that, the headquarters building of ING Domestic bank has been completely redesigned. Additionally, acquiring suitable technology, tools and equipment is needed to get the Agile capacity (Sharifi 19-22). This is also proven by the twelve principles of Agile Manifesto, which highlights that attention should be paid to match the right and excellent technology and applications for client management (Dey 33-43).
Also, a careful selection of an adequate measurement tool for the Agile transformation is advisable because this impacts the way people perform tasks in a positive way (Sureshchandra and Shrinivasavadhani 101). To assess how well teams are embracing and adopting Agile, ING CS NL of ING created the Agile Maturity Model based on Tuckman’s, Hersey and Blanchard model. ING’s Agile Maturity Model consists of the stages forming, storming, norming, performing, and adjourning, which is illustrated in Figure 22 below and further explained in Appendix II. The Centre of Expertise department claimed that based on these insights of this model, a team could identify focus areas and actions they need to take upon.

Figure 20 ING’s Agile Maturity Model

Failure Factors
Even though every organizational change is unique literature states that common factors of failure of the organizational change management can be identified (Chihos). These include: a lack of transformation plan, no clear rational defined for the change, ignoring cultural aspect in this organizational change, poor follow-through by guiding coalition and to less investment in resources for the change initiatives (Chihos). Additionally, research states that poor communication of the change vision, absence of having feedback sessions, stating success too early and ignoring to reinforce change efforts contribute to transformation failure (Chihos). If people do not understand Agile, and its broader purpose, the Agile transformation will not work (Wong). Looking back, ING NL draw the conclusion that they should have spent more time on communicating and explaining the why of Agile. Instead of people having meetings because they are supposed to, the emphasis why it is needed should be more in place. Regarding Agile transformation in specific, one of the main failure factors is failing to understand Agile as a
system of culture and values (Freedman 12). Agile transformation is undergoing radical change where people have to let go of existing organizational structure. When Agile way of Working only is formally embraced, the whole purpose and Agile values are setback and will create more frustration will be (Jacobs et al. "ING’s Agile Transformation").

5.4.2 Field Research Findings

From interviews conducted with Agile Coaches, Managers, and CLT members who have undergone or are undergoing the Agile transformation, several lessons learned have been identified. One they lessons is that an Agile transformation takes time. Out of all survey respondents, 91 percent agreed with the statement that Agile transformation does not happen overnight. The overall duration to successfully adopt Agile takes approximately 1.5 years according to the survey respondents, but to have it really embedded in the culture of the organization and fully have the Agile mindset fully incorporated, the expectation is that it will takes up to seven years.

Based on interview sessions, the conclusion can be drawn that ING really highly focuses on the necessity of making the mindset shift. This is because Agile is for 90 percent mindset (Interviewee VII). “For me what is very important in this transformation is the culture and the shift in mindset”, claimed by Interviewee VI, Program Manager of the Agile implementation. The Mindset shift is perceived as the most difficult thing to achieve and far more important than changing the physical things. She further explained this by saying, “The technical things of how you organize it is only the beginning. The Whole mindset thing, what it really asks from people, both CLT members and managers is something that a lot of people underestimate”. Further training people in the Agile principles helps people understand the OAWOW. A special onboarding program is recommend especially after redeployment of CLT members and Leads, because everybody has different backgrounds (Interviewee VI). Other components perceived as helpful to make this mindset shift include feedback session, but also individual coaching and team coaching to understand in which phase of maturity in self-organizing they were, using the Agile maturity model and what they would need to make the next steps. According to one of the senior Agile Coaches, the importance of the role of the managers must not been underestimated. “The Agile mindset shift can only be made by constantly telling them, giving them examples, guidance employees. 80 percent has to do with leadership, practice what you preach” (Interviewee VIII). Also what appears to be very important is that leaders show their
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vulnerability that it is also new for them and ask CLT members to give feedback them feedback if they are falling back in their traditional behaviors. And even more important, their managerial role changes in becoming a facilitator. The importance of having Agile Coaches on board was underlined in a lot of interviews. More specifically, Agile Coaches are perceived as crucial to learn how to provide each other with feedback in an Agile way. And thereby raise the maturity level of teams. It is even stated that the role of Agile coaches never (Interviewee III). CS NL started the transformation without having Agile Coach, but acknowledged that the main factor that our transformation was missing, was an Agile Coach. “Today we are where we should have been with the start of this Agile transition. The pace could have been much higher if the tooling and the enablers and Agile Coaches were there” (Interviewee IV).

The tool that was mentioned quite often in interviewees was the Agile Maturity Model, AMM, which is perceived as very helpful to keep track of the process of becoming Agile consisting of five milestones. The majority of the surveyed population also acknowledged the AMM is used as a tool in their transformation. “In the end, you have to live through the Agile transition anyway. We went through certain tough stages, other teams will go through them as well. You cannot really prevent it. People need to go through stages of team performances themselves” (Interviewee III). Regarding employee satisfaction, the higher Agile maturity within the team, the amount of satisfaction among team members increase.

In Belgium And Netherlands, piloting was included to successfully go life. “I would recommend always to pilot, even if you know what the way of working will be”, claimed by Ms. Interviewee VI. Although she acknowledged that with piloting it is difficult that the rest of the organization still works in the traditional way, piloting has a lot of advantages, which include learning about changed authorization, how long it takes for employees to get to know each other, and adapt your journey. Also, you experience things you did not think of before. And you create a group of Agile ambassadors, who experiment how the OAWOW works. “Piloting was an important part to successfully transform to Agile. However, you shouldn’t do a pilot to implement Agile successfully right away, but you should do a pilot to learn from it”.

Another important lessons learned is that you need to be prepared to invest money to make this change happen. According to Ms. Interviewee VI, an organization must invest in the new environment, in different ways of communication, onboarding of employees, and to root the
new Agile culture. “All these things cost money, it is really important that you realize this from at the beginning. If you don’t want to invest, in my opinion, should not even start”. For service organization it is even more expensive as when people are in training you need to other people covering for their work, because customers should not wait because employees are on training “When you are doing a transformation especially in customer service, make sure you are overstaffed so that the client does not suffer” (IntervieweeVII). To cover the workload, it is recommended to investing a kind of migration pool making sure you do not start with a backlog after your Agile transformation process to avoid losing a lot of time in the beginning (Interviewee VI). Regarding the facility investment, Interviewee VI indicated that it is difficult that people are not willing to innovate in buildings that are not future-proof. Because of that, in Belgium, no radical building investment has been taken place, only the Agile basics were created making sure people had whiteboards, meeting rooms and other office supplies that allow people to work Agile. “Agile can work in an old-fashioned building, as long you have the room where people in high performing team are sitting together and other departments they have to cooperate with share the same floor. For me, it is all about creating the environment to build trust, high performing teams, but also to enable people who share the same purpose to know each other” (IntervieweeVII). Next to the ING NL, also at ING BE, every single employee had to reapply for their positions. The rehiring and selection process was at all levels ensure the right mindset was incorporated throughout the entire organization.

Another important lesson learned is that within your change management approach you should make sure you interact with all levels from the organization include CLT member level’s perspective as well. Ms. Interviewee VI pointed out that this is extremely importantly, especially in hierarchical-driven countries where people are not used to speak up. She claimed that it is very useful to have also a connection with people from functional levels to have open and honest conversations about things that go well and more important what can be improved.

5.4.3 Analysis

From an analysis perspective, the best practices found within ING strongly comply with the best practices from the field research. These include main focus the mindset and culture change, changed role of the manager and selection of the right people. Also, the crucial role of Agile Coaches to support this mindset shift and self-organizing teams is found both in desk and field
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research. Specific lesson learned from field research is the huge effort of creating trainings, onboarding programs and a migration pool for not starting with a backlog. Next to this investing in facilities like building and tools contributes to a successful Agile transformation. However, from interviewees’ perspective we know that it is not always needed to completely restyle your building. The Agile Maturity Model is a practical tool to keep track of the process of becoming Agile consisting of five milestones. A difference between the theory and ING’s experiences found is about piloting. While this is not a lesson learned from literature claiming that piloting will form a bottleneck and frustrations in relation to surrounding departments that are not supporting Agile approach yet (Rigby et al. 41-50).
5.5 What are the main associated risks that impact the success of the Agile transformation process and how to mitigate?

5.5.1 Desk Research Findings

The Agile transformation process is not without any risk, because of the huge change required as described in previous chapters. One of the main challenges is that historical business values, norms, practices, and corporate culture are reinforced over time and are part of company’s way of working routine (Shrivastava and Rathod 13-14) (Boehm and Turner, “Balancing Agility and Discipline”). To make the mindset shift and root the Agile culture in an organization is not an easy process (Ghanam, Maurer and Abrahamsson 968-984). These challenges impose various risks that can highly affect the success of the Agile transformation including the amount of effort and costs to be invested (Gandomani et al. 620-625). Therefore, a risk analysis is a critical element in the transformation strategy as specified in the literature (Gollenia). Without a robust risk analysis, the value of Agile could be less than expected and may even end up in failure (Gandomani et al. 620-625). Based on various literature studies, the risk factors can be categorized into different risk areas.

People risk

As specified earlier, Agile is people-driven instead of process-driven (Nerur et al. 75-76). Research claims that the success of Agile is built around motivated individuals (Dey 9). This makes the people aspect one of the most critical factors for successful Agile transformation (Whitworth and Biddle 26-36). ‘Agile is for people, but are people prepared for Agile?’ (Adolph 20-28). In most Agile transformations, human aspect acts as an obstacle to Agile adoption because if they are not willing to change, Agile will never work (Tolfo et al. 423-441). If people are inflexible and unwilling to adopt Agile, it is best not to have these people involved in your organization (Sureshchandra and Shrinivasavadhani 101). To hedge this risk, several mitigations can be applied. From ING’s business case we can learn that, peer-to-peer hiring and internal selection process is very useful to ensure you have the right people on board (Jacobs et al. "ING’s Agile Transformation"). Another way to mitigate is to train the current workforce by providing the right learning.
environment in your organization (McHugh et al. 503-516). What is also important to mitigate this risk, is Agile coaching to let people make this culture shift (Sureshchandra and Shrinivasavadhani 101).

Leadership and Management Risk
Because the top-down approach will be replaced by a bottom-up approach as specified earlier, it is critical for managers to develop new behaviors wherein command-and-control management will be replaced by leadership and collaboration (Yang et al. 184). Leaders must fully embrace this Agile mindset and lead by example as explained in the previous chapter. According to Kotter, successful organizational change is 80 percent about leadership (Kotter, “Leading change”). Business processes do not turn people into good performers, but people turn people into good performers (Misra et al. 25-28). Ineffective leadership poses a critical risk of team’s ability to successfully become self-autonomous and self-organizing (Pikkarainen, Salo and Kuusela 675-702). The core problem is that not all managers can relinquish their previously enjoyed authority (Nerur et al. 76). This put a high risk on the success of Agile because Individual team members cannot feel empowered to become more autonomous (Paasivaara and Lassenius 109-113). To mitigate this risk, a selection process or rehiring should ensure having effective leadership with the right mindset to truly empower members to make it work (Jacobs et al. "ING’s Agile Transformation"). Besides, Agile onboarding, training, and coaching programs help managers to lead by example instead of becoming a bottleneck (Pikkarainen, Salo and Kuusela 675-702).

Cultural Differences
Within multi-international businesses, cultural differences are stated as one of the significant barriers to successfully become an Agile organization in cross-country offices (Summers 333-338) (Tolfo et al. 423-441). These cultural differences profoundly impact the local organization culture regarding team behavior, authority, hierarchy, and decision-making process (Krishna et al. 62-66). For the mitigation of this risk area, the use of cultural dimension model has been proven to be helpful. As part of this desk research, Hofstede’s five cultural dimension model is advised to be used because of its simplicity and practicability that applies to all twenty European CS countries. The model provides an overview on cultural differences per country
divided into five cross-cultural dimensions (Soares et al. 277-284). The cultural dimension index gains clear insights for which cultural aspects need to pay extra attention to on local level to let the Agile transformation succeed in all twenty countries. This cultural analysis for CS organization becoming Agile has been performed as part of this research and can be found in (Appendix III). Based upon these outcomes, country-specific mitigation actions can be in place. This is needed because cultural differences highly impact the way Agile methods are used and implemented (Cho 416-421) (Ingalls and Frever 119-124) (Strode et al. 1-9).

Business Process Risk
One of the most critical factors leading to Agile transformation failure is the absence of the right Agile practices applied within your organization (Abdalhamid and Mishra 416-421). Based on the general Agile values, the Agile practices come in an infinitive range of forms concerning different priority setting, key activities, team size, improvement session (Nerur et al. 77). As there is no unified Agile approach, an organization has to determine its effective Agile practices instead of using a standardized methods (Boehm and Turner, “Balancing Agility and Discipline”). Therefore it is necessary to tailor Agile methods for your organization (Dikert et al. 101). The wrong selection of Agile methods, imposes a risk of resulting higher costs, and may even cause failure of Agile transformation (Gandomani et al. 620-625). The risk of using inappropriate Agile practices, can be mitigated by an Agile coach should direct a team to select Agile methods that apply to their experience (Sureshchandra and Shrinivasavadhani 101). Besides, it is essential to have right external or internal consultants to define the appropriate tailored Agile methods for your organization (Conboy and Fitzgerald 2).

Facility Risks
Finally, a smaller issue that imposes a risk area is related to the inappropriate working environment such as not having the right workplace and technical toolset. Tools play a critical role in successfully implementing Agile way of working in an organization (Nerur et al. 77). An organization should be aware that non-flexible tooling forms a barrier in successfully moving to Agile. To mitigate this risk, the right tooling should be a prerequisite before starting to transform as well as training how to use them correctly (Gandomani et al. 620-625) (Nerur et
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5.5.2 Field Research Findings

The perceived risk areas during the Agile transformation by the surveyed population are in line with the main risk areas discovered from literature. Based on the quantitative survey data, the ‘people’ and ‘leadership’ were indicated as the most significant risk factors. From the conducted interviews regarding the transformation of the entire CS organization we can learn, that again the ‘people’ and ‘leadership’ are also expected as main risk areas with the highest impact. This further supported by the following quote, “The key to Agile’s success also lies in if you as a manager do really empower the team or do you stick to your old management style but expect the team to own more ownership?” (Interviewee III). However, it is not only about empowerment, the risk also lies in people itself, as they may not want to be empowered, but search for guidance (Interviewee II). Also, cultural differences were often mentioned as a significant risk in the conducted interviews, especially for countries with higher authority levels, but the surveyed population ranked the probability of occurrence and impact of this risk only as medium.

Figure 21 Perceived risks during Agile Transformation

Figure 22 Risk analysis
The questionnaire results that are in line with interviews include medium ‘facility’ and ‘business process’ risk, which probability of occurrence are perceived as unlikely. A possible explanation is that ING already proved to be willing to invest in the building. The unlikeliness of not having the right Agile practices can be explained by the fact that ING has already different fixed Agile practices for different domains of the bank. However, both risks do have an impact on Agile’s success, resulting in medium risk levels.

![Figure 23 Mitigations for risks areas](image)

A significant observation is that 63 percent of the surveyed respondents supports the literature finding that the risk of ‘not having the right people with the right mindset’ can be mitigated by recruiting and selection process. This mitigation is claimed to be even more important in CS offices with a strong hierarchical and individualistic culture. However, Interviewee I mentioned that the CS organization will only perform selection process for managerial levels. According to
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Interview findings, this increases the probability of occurrence of having people on board that are intrinsically not motivated and thereby impacting the pace of becoming Agile. On top of the mitigations illustrated above, additional ways to mitigate are found in the conducted interviews, such as creating a sense of urgency on every functional level, over-communicate, and include performance measurement of Agility to stay in control. A significant finding from interviews is that countries cannot forced to reach same level of Agility and that there is room for localization in that sense. “You probably will see that local CS will get to different stages of Agile and that we just have to learn to live with that. No country is the same” (Interviewee 1). However, among these countries, the Agile practices are identical. This business process risk is mitigated by Agile transformation lead who localized Agile practices in service organization. Also external consultants have been hired to draw suitable organizational structure to ensure a suitable OAWOW is in place. More important Agile coaches has the highest overall score to mitigate risk areas, which make their role crucial.

5.5.3 Analysis

Analyzing the data it can be argued that people and leadership are one of the most significant risk factors. Overall, the identified ways to mitigate these risks in literature study are in line with findings from the questionnaire except for the selection and rehiring process which will only be in place for managerial levels and not the rest of the organization. Another contradicting finding is that remark cultural difference is remarked as medium risk, while in interviews it is perceived as high risk. Only 26 percent believes that a selection and hiring process one of the ways to mitigate this risk, while from interviewee’s experience this is absolutely required in high hierarchical countries to mitigate this risk. The main ways to mitigate the risks include investing enough in Agile coaching, training, communication, facilities such as building and tooling, consultants, and in localizing Agile with help of Agile coach and team empowerment.
Part III

Financial Analysis

- Costs
- Benefits
- ROI

“This section has been left out due to confidentially reasons “.

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
6. Conclusion

There is no debate about whether the ING’s CS organization is going to move to the One Agile Way of Working, as this has already been part of the bank’s broader strategy. The challenge is how the European CS organization can become Agile successfully. All conclusions from this study have been based on literature findings from desk and field research findings.

Overall the current CS organization has a hierarchical structure with relatively large teams. The current way of working is characterized by a rather individualistic service approach and is guided by a 'command-and-control' management style and top-down decision-making. Other characteristics are the limited use of client feedback and tacit knowledge. The main challenges in this current way of working are a lack of a uniform service model across the CS network and limited fact-based decision-making and transparency. From desk research, the conclusion can be drawn to be able to survive over the long-run in this disruptive environment, organizations must radically change their traditional way of working in respect to organizational structure, team collaboration, and flexibility. This need for change is acknowledged by the CS organization, as well as a more unified Agile way of working.

In becoming Agile, the desired future end-state cannot be precisely described. However, it is important to have a confident outlook of the new Agile-based organization to have an idea where the business is desiring to move. Overall, the future state will be a flat and people-driven organization that is operating in small teams. Key to this new Agile organization is the collectivistic working culture where people are empowered and as a team strive for continuous improvement, thereby giving each other feedback on a daily basis. A prerequisite for this new OAWOW is a collaborative leadership style and bottom-up fact-based decision-making. Therefore, managing client knowledge is very important as well as sharing of this knowledge within the team. There is an emergence of business culture with increased transparency where people are more in control of their destiny. This leads to improved efficiency, client satisfaction, and employee engagement. However, at this moment this can only be proven for the efficiency part, as the metrics for improved client and employee satisfaction are not yet in place.
A thorough change management strategy is required to move successfully to the new Agile-based organization. The most applicable change management approach to guide this change, is Kotter’s revised change tool, the XLR8 Model. The value-add of this model is that this is aligned with the Agile way of thinking and focuses on achieving sustainable organizational change. Within the service organization of ING, Kotter’s different change accelerators are all recognized. Four of them are perceived as more important. These include creating a sense of urgency, developing a change vision, communicating the change vision, and removing barriers by empowering the employees. The risk is that the change accelerators perceived as less important may be fully neglected. The interviews support this finding, wherein especially the less essential accelerators such as celebrating short-term wins were mentioned as a point of improvement. Therefore, it is essential to have all eight change accelerators included in the change management model.

From case studies and best practices within ING, it can be concluded that a change in culture and mindset is the most challenging part of the Agile transformation and will take a long time. Based on ING’s experience, the averaged implementation time of the OAWOW takes a year and a half and to embed the Agile culture throughout the organization, is expected to take seven years. The role of an Agile Coach is crucial in making this mindset shift, as well as dedicated training programs, and having a migration pool to be overstaffed during the transformation. These three elements are observed as highly supportive in the transformation process. Effective leadership is perceived as best practice in successfully becoming Agile. Another significant lesson learned is the importance of an Agile Transformation Lead who connects with people from all levels, in particular, the functional level. This practice, in particular, needs to be applied in countries with a hierarchical culture wherein honest conversations with the functional level concerning the things that go well and what can be improved upon are essential. The last best practice is piloting. Although piloting is perceived in literature as less effective, findings from the interviews conclude in both ING BE and ING NL that piloting is very meaningful. Piloting provides insights into what works and what does not work on the local level, it creates ambassadors for the OAWOW, and it removes barriers and empowers
employees. One of Kotter’s change accelerators, removing barriers and empowering employees, can be achieved by the implementation of pilots.

A risk analysis has been performed to identify the different risk areas that can impact the success of the Agile transformation within ING’s CS organization. A finding from both desk and field research is ‘people’ and ‘leadership’ risks have the highest impact. Since the OAWOW is people-driven, leadership must be willing to let go of previously enjoyed authority to empower people truly. To mitigate these risks, the research found that a selection and rehiring process for all employees ensures that the right profiles are on board. However, ING CS decided only to apply this practice on a managerial level. Their decision poses a critical risk as it impacts the success of the Agile transformation by increasing the probability of the occurrence of the ‘people’ risk. Other tools to mitigate the risk of ‘people’ and ‘leadership’ include dedicated Agile coaching, training, and getting people on board. The third risk is related to cultural differences. In countries where the culture has more echelons in society, the higher levels of authority are not used to embracing the Agile culture. Therefore, the level of Agile maturity will differ among countries. To mitigate this risk, extra time and a guided change management approach are needed.

The probability of occurrence of the other risk areas ‘facility’ and ‘business process,’ is relatively unlikely. A possible explanation for the unlikeliness of these risks is ING has already proven to be willing to invest in facilities and have localized Agile practices for the service organization. Overall, the primary ways to mitigate all five of these risks include the willingness to invest in Agile coaching, training, communication, facilities, external consultants, and a Transformation Lead. As part of facilities are concerned, it is not required to completely restyle the building as long as it complies with the minimum requirements to work Agile. The total investment of the Agile transformation is estimated to be earned back in 5.07 years.

In conclusion, based on all findings above an answer can be provided on the central research question, "What are the critical success factors for ING’s transition to Agile within the Client Services organization of Wholesale Banking?" The Agile transformation requires a vast organizational change in culture, behavior, and mindset. The first critical factor to success is effective leadership, which genuinely empowers people. The second critical factor is the right people with the right profile on board as Agile is entirely built around motivated individuals.
Third, a thought-through change management strategy including all change accelerators from Kotter’s XLR8 model will be a critical transformation enabler. Fourthly, the willingness to invest is critical to moving to Agile successfully. This financial factor is about investing in Agile coaches, communication, HR, consultants, and facilities. Answering the question in short: effective leadership, the right people, a thought-through change management strategy, and proper investments are the critical success factors to transform the CS organization of ING to Agile.
7. Recommendations

The study of the current and future state analysis has been performed on the entire CS organization. Further research is required to have a more detailed and complete overview of the regional CS level as local differences can be of impact. The situational analysis model can be used as a template for this. Additionally, this report has only investigated the organizational elements that are required to change; it did not assess the business practices that are already going well in the traditional way of working that can be factored into the transition. It is recommended that the beneficial business practices at the regional level be assessed. From an Agile-based organizational perspective, although it is not Agile to speak about the final end-state, it is advised to provide people with direction and purpose. The future state analysis described in this research needs to be communicated to the rest of the CS organization and elaborated on at the regional level to give them a view of the direction they are going.

It is advisable for the CS organization to take action upon improving the performance measurements of employee engagement and client satisfaction. Measuring and tracking performance optimizes performance. After having the Agile design for the CS organization of WB properly in place, it is advised to put KPI’s on the different performance metrics such as NPS, WPC, and TpT to gather a uniform client experience. Furthermore, it is recommended to track the Agile maturity of teams with ING’s Agile Maturity Model.

From a change management perspective, it is highly recommended not to skip one of Kotter’s change accelerators, but to pay attention to all eight to properly guide this organizational transformation to Agile. The organization should communicate its change management approach to the broad-based organization for a better understanding of the change processes on all levels. As part of the change management strategy, this research recommends translating the 'big why' or the reason for change into a 'smaller why' for underlying departments to create a compelling burning platform.

Looking at the Agile transformation process, it is advisable to start with leadership and thereby ensure that right people are in the right places, who embrace Agile and genuinely empower teams to make it work. Looking at the rest of the CS organization, leaving the people as is would pose a risk on the pace of Agile development. Especially in more hierarchical countries, it is
recommended to reconsider the selection and rehiring process. Because the Agile mindset is not something one can force upon people, it is highly advised to invest in explaining the ‘why’ and the benefits of Agile when all people are given the opportunity to join the transformation. If people are given a choice to leave voluntarily or to join the transformation, it is highly recommended to track the progress of becoming Agile with the use of the Agile Maturity Model. Also, this can be used to ‘say goodbye’ in a proper way to people who really cannot become Agile. However, it highly significant not to confuse people who are critical of Agile with people who are unwilling to become Agile. In fact, one needs critical people and even frustrated people to help improve Agile to make it even better.

Furthermore, it is recommended not to have a strict and tight schedule, but to take enough time and provide enough room for people to move and assess progress. Additionally, it is advisable, to evenly distribute people who are more or less mature in Agile among the teams. Last but not least, make sure perceived improvements can be measured to know if the organization is on the right track.
Part V Bibliography & Appendices

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What are the critical success factors for ING’s transition to Agile within the CS organization of WB?


What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
9. Appendices

Appendix I Agile-Based organization

Agile Practices and routines in CS NL
The common Agile practices applied at CS Netherlands include daily CLT stand-ups, daily CLT pit-stop, bi-weekly CLT Retrospectives, weekly Circle performance and temporary initiative meetings for in the beginning. A description and purpose of these meaning is further described in the picture below.

Figure 24 Agile Practices and routines in CS NL

Organizational Agile Structure

Figure 25 CS NL Organizational Chart Agile driven

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
Roles within the new OAWOW

By creating Agile working environment within the Client Services (CS) organization, new functions were created or existing functions were renamed differently. To illustrate, a new function created is the Agile Coach, but also Circle lead who replaced manager’s role. Next to this members were renamed differently as Client Loyalty Team Member, or known as CLT-member.

Circle Lead
- Defines a clear purpose for the circle
- Creates high performing teams (together with Agile Coach)
- Facilitative leadership: set frameworks and objectives – the WHAT
- HR responsibilities
- (Facilitates) Planning, Coaching & Appraisal cycle
- Helps to increase knowledge
- Stakeholder management
- Orchestrator role between different Tribes and value chains
- Client escalations / incident management
- Client feedback calls and client meetings
- Participate in projects
- Improve and manage collaboration with Frontoffice

CLT Member
- End-to-end responsible for (daily banking) servicing clients
- Jointly responsible for CLT goals
- Knowledge of clients, products and processes
- Determines the HOW together
- Client meetings
- Feedback sessions
- Discuss progress in daily stand-up / pit stop
- Collaborate with sector teams
- Continuous improvement initiatives
- Manage capacity of the team
- Recruitment
- Participate in projects (Delivery)
- Provides input on planning / coaching
- Key competences: flexibility & cooperation

Agile Coach
- Explain what agile is
- Creates high performing teams (together with Circle Lead)
- Implements and facilitates agile routines (incl. feedback sessions)
- Develops way of working continuously
- Coach individuals and teams on behaviour (not content)
- Implement visual management

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**ING’s (Agile) culture and Mindset**

The translation of the Orange Code and Agile culture into desirable and undesirable behaviors is displayed in the picture below. The new culture is defined to support the new One Agile Way of Working, which describes which culture is expected from people.

**Figure 26 ING’s Culture – desirable and undesirable behaviors**

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Appendix II Agile Maturity Model

As explained previously, the Agile Maturity Model, known as AMM helps teams gain insight into their progress in adopting the One Agile Way of Working. The insight of this model can visualize focus areas and actions that need to take upon. The model illustrates different milestones in order to reach the stage of being Agile. An important side note is that the AMM is not intended as tool to enable other to compare team.

Figure 27 ING’s Agile Maturity Model

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
Appendix III Cultural Differences Analysis

For cultural differences analysis previous cultural researchers such as Erin Meyer and Geert Hofstede are studied to identify relevant cultural dimensions that have a direct relationship with Agile transformation. A recent developed model to navigate through complexities of cross cultural differences include the Culture Map by Erin Meyer, which focus on cultural differences by usage of more detailed eight-cross cultural dimension approach. Unfortunately, Meyer’s Culture Map cannot be applied in this research as it did not analyze the countries Bulgaria, Luxembourg, Slovakia part of ING’s European CS Network included in his research. Therefore, another widely used model will be applied for this research, which Hofstede’s model. Hofstede developed simple, but practicable 5 cultural dimension framework for research related to culture and cross-cultural issues (Soares, Farhangmehr and Sho).

Three of the five Hofstede’s cultural dimensions are directly related to Agile transformation. Firstly, Individualism versus collectivism is relevant because Agile methodology requires a team approach rather than individualistic client and this dimension focus on human togetherness. Secondly, Power distance index is critical as the current authority level highly impacts the change to autonomous teams. Thirdly, Uncertainty Avoidance is relevant because it indicates countries overall tolerance for change. The results of all twenty cultures are shown in charts below.

*Interpretation Cultural Dimensions*

According to Hofstede, a culture with high individualism rate prefer individual authority and achievement, whether collectivisms is focusing more integrated team approach and focus on a team approach and the well-being of a team rather than focus on individual performance. From authority perspective, countries with higher power distance rate are fearful of disagreeing with managers, and accept inequality, and may impact Agile’s success of self-organizing teams. Countries scoring high on uncertainty avoidance, experience high level stress or anxiety when they have to deal with deal with uncertainty. This indicate that Client Service teams in this country prefer employment stability.
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Appendix IV Interviews

All interviews are conducted with internal personnel of ING, who are working in the service organization of the bank. All interviewees for this research are either from the service organization of Retail Banking (RB) or Wholesale Banking (WB). Both service organizations are handling service requests of customers, but the target group differs. Therefore different names of service organizations are applied. For the Wholesale Banking, the service organization is referred as Client Services (CS) plus country code such as CS NL, while the service organization of Retail Banking is called ZappING that is named after the company Zappos, which inspired ING to move to Agile. In contrast with the rest of the CS Network, both CS NL and ZappING have already been transformed or are already moving to Agile. It is important to take into consideration that the terms such as historical or traditional way of working refers to current way of working of other local CS.

From research methodology perspective, as specified in the research methodology, all interviews have been summarized and analyzed by making use of color coding. The themes for the color coding are listed below.

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<th>Color Coding</th>
<th>Theme</th>
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<td>Current State</td>
<td>Internal business process</td>
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<td></td>
<td>Client Perspective</td>
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<td></td>
<td>Challenges</td>
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<td>Future State</td>
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What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
INTERVIEW NO 1
Date: 04 April 2018
Interviewee: Interviewee I
Function: Management member of CS of WB

In regard of the bigger purpose, Res1 pointed out, “We need to change our culture in order to be able to respond to the rapid changing environment around us, so we can deliver value to our customers faster”. Although the Res1 believes that ING is very well appreciated by the clients, the bank can do better by having more fact-based data, such as frequency of calling of client, channels used, when are they happy and when are they not happy. She explained that other CS offices that have not transformed to the OAWOW, do not use nor share client information of cross-countries requests. According to her there is a lack of data. According to her one of the main reasons for change is closely related to the need for a uniform way of working. She explained the challenges of the current situation as follows “Generally speaking, we have different teams in different countries working in different ways and setting different priorities. Having heart for the client is common, but there is no cohesion how they work together across these countries”. Some clients expect local CS desks to solve problems in another country, which local desk cannot do. So, one desk has actually to call the other desk to solve it for them. She claimed, “If there was better collaboration between the desks and uniform way of working, we can maybe have the client call just one number”. It is just the people who have to find each other to solve problems but it is not by design. There is no general service model in European CS network because it differs per country. The current way of working differs per country, per management.

From internal organizational outlook perspective, ING’s CS historical WOW can be described of having a top-down approach, from higher management, but also applied on country level. She indicated that at this moment international clients are served based on decision-making by higher management such as local heads within the country itself. Regarding performance measurement, Res1 pointed out that employee engagement using WPC metrics is not yet measured in the CS organization except for CS NL, but only in CS NL. When she visits local CS offices, the local heads claim to be happy but are concerned about unhappy clients, lack of tooling, lack of client data, and lack of transparency. The Head of CS explains that employee engagement scores indicate how happy people are to help the client, happy to be close to the client. However, she acknowledges that at this stage people are not feeling fully empowered to help the clients. This is explained by cross border service request. When it goes out of the countries, the people cannot control it anymore and do not have the tooling to help the client properly. At this moment it is even the case that when a client asks how long this process going to take, they cannot answer that, which make them feel helpless or not being in control. Performances translated into financial perspective of these local CS offices is not measured. Res1 indicated that this is up to the local heads themselves. They only have to indicate how many FTE, which are amount of people they need. There is no financial measurement, but offices just try to be more efficient per location by improve ING processes and try to provide for tooling. However, she pointed out that until now it has been quite hard, and it is up to the locations to become more efficient. With
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The introduction of the new internal track and trace system, IBS start getting in motion how many service requests are actually coming in or are handled. Before that time, there was no clue. Therefore KPI has been defined that per January 2017 all income service requests had to be registered. From that moment they started measuring, but documentation and measurement is still very limited. This explains why one of the main challenges of ING’s CS historical way of working is the lack of transparency and collaboration of different CS offices in the countries. Head Client Services wants to make local CS offices happier that they feel they can control their destiny. Now it feels like they cannot do anything. So hopefully they can make them feel they can do anything and improve.

Challenges

Performance

Current State

Future State

The reason for implementing the One Agile Way of Working is because Agile has to do with data. In more details, Res1 explained “The new Agile way of working is all about fact-based and really making transparent what you are working one”. She has explained this further by saying “If you are presenting during the stand-up this is the first list you have to solve today, you need to have this first list”. “If you don’t have the data, it is very hard to move to Agile”. Therefore, the data component is very important. Secondly, she pointed out that the empowerment part is one of the reasons to move to Agile. “Happy people, is happy clients” said by the Head CS. This means that if people are more in control of their destiny, more steered to give each other feedback, and be resourceful in how to solve their own problems, they become happier people and happier people is happier clients. A third reason to move to Agile is because of ING’s CS organization presence in twenty countries that would make it very effective to work all in the same way. To illustrate, it is easier to collaborate where you use the same practices, standards, tooling, and measurements. This also enables CS Network to have more transparent collaboration with each other and central contact point such as mailboxes that can be aligned. This will increase the ease for multi-national clients to do banking.

Performance

Although the way of working is different among countries, the business processes themselves are the same for handling a particular service request. To illustrate, the process ‘account opening’ is in each country the same regardless the country. Therefore, you can start measure and track the averaged time, as well as the amount of service requests. However, at this stage with traditional way of working, different tools and working methods are applied. With Agile there is same tool, same forms, same method of working, how it is handled and for everyone it is very transparent how it works. This allows teams to clean up unnecessary handovers, extra route backs, and correction measures because it is just transparent. Instead of losing a lot of time on administration, people can put more value on client interaction instead of administration. Currently a lot of time is lost in administration tasks in terms of finding right service request, finding out what to do, getting lost in communication with other countries. The need for change is a clearer way of working between countries. It is automatically easier for cooperation among the countries themselves in what the client likes and act upon that.

As mentioned earlier, another characteristic of the new One Agile way of working is that it will be much more data based compared to traditional way of working. Res1 indicates that the goal setting will change dramatically. Next
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to the fact it will be more data-driven, goals will be set for short-run instead of the long-run. To illustrate, it will be more about how many issues did we solve today, but also cultural element in it such as feedback, mindset, client focused goals instead of looking at annual objectives set by the management.

Internal business process Current State Future State

Regarding Agile adoption, Res1 claims “The technical enablers must be the same in terms of data, tooling, how you do staff. However, for mindset enablers, of course mindset has to be there, but there is room for localized Agile adoption how people like it”. This localization of Agile practices is even seen within CS NL between different CLTs on functional level. This can be sector based that some clients prefer this or that. “Next to functional adoption, there should definitely be room left for local adoption, or even between CLT teams within a country can be different based on the team’s needs, but the tooling has to be the same unless we learn in a year that it should different. But especially with multi-international clients we should limit this as much as possible”. Agile Transformation

In CS Network in Europe, she has seen cultural differences. There are some countries more hierarchical with different levels of authority. Res1 believes that this is the place where different forms of Agile may come in. Because you cannot force people, if they are really uncomfortable with it. When it is this case for example, according to her, ING can find another way to provide and receive feedback. “You cannot force every country to do it in the same matter, that will not work”, said by Head CS. She further explained this by saying, “You probably will see that local CS will get to different stages of Agile and that we just have to learn to live with that. No country is the same”. Agile Transformation Risks

According to Res1, to become Agile, two things have to be changed. Firstly, management has to change. They must give people room and empowerment to make their own decisions. Secondly within the teams you have to work together by collaborating, giving each other feedback, but also accept feedback and learn from that. “What we have learned from CS NL is that people totally accept collaboration and understand that you cannot do anything just yourself anymore” stated by Res1. Previously it was safe, but here you have to open up and especially in the beginning this is quite challenging. To sum, from management perspective there have to change something, but also personal perspective has to change. Agile Transformation Lessons Learned Future State

According Res1, the OAWOW is successful when transparency in what work we do, what clients calls for, happy employees, engaged employees, and that you see the happiness of the impact of clients are all in place. Try to baseline what clients think now and what they think of us within a year and see if we really improve. To create financial impact, you need more than just Agile. To make the true difference of financial impact you have to give more than just Agile. Agile Transformation Success
Res2, the Regional Head CS Europe, indicates currently matrix organization is applied for CS organization, which basically means there is a regional steering line with lead country management pursuing global client experience objectives but also objectives of local office and market. The local CS offices have same track and trace systems, but have local IT solutions and local process, depending on specifics of local market.

Current State

When asking him regarding pain points and challenges, he stated “The current way of working is a benefit rather than a short coming”. On the other hand, he explained that there are some main challenges influencing ING CS organization success over the long-run. One is the passive knowledge in people’s minds about local markets, local clients, and local products, which is difficult to write it down and not easily transferable as it is just the wisdom and experience they have from bank. This makes onboarding of new people more difficult and time consuming. Additionally, central steering projects such as digitalization and centralization of daily banking activities linked to first line support is sometimes difficult because it requires to write down on paperwork exactly what these people do. Res2 pointed out that this is also something they try to fix globally with Agile by means of more data led decision making. Where people know much more about clients from the systems rather than from people’s head.

Another main challenge is the cross-border operations; between countries different standards are hit within daily banking experience. This is because currently service standards across locations are very different. Res2 acknowledged that they are different because of different business models ran within the countries. He explained that the position of ING within these countries is different. He claimed that in some places ING WB has leading market share, while in other places ING WB is small. This means that ING has to adapt to local market practices. Although these differences exist, Regional Head of CS of WB claimed “We are an international business, which means that we want to be MAC Donald’s for Wholesale Banking. We want to do business exactly the same way in every country”. However, he indicated that the cultural difference may play a role and have to be taken into account such as hierarchical levels.

Current State

When asking him about need for Change he stated that it is important for the service organization to decrease the number of handovers to make daily client experience better. By creating teams that are being able to handle customer journeys end to end, without giving it to someone else to solve, it increases the transparency, and that improves processes time, which improves client experience. Furthermore, he indicates that he wants to make teams more self-steering and more autonomous, meaning people decide themselves how they will do things as long as they are united with common purpose. Employees are responsible of making their work more transparent but decide themselves how to distribute the workload, work on backblock issues, and continuously improve client experience.
experience. Last but not least, employee engagement. “I think you can really make it fun part of your work if you give people more power how to do things and how to deliver the output”, Res2 believes that to engage the workforce in decision-making will lead to high performing teams and lead to better client experience.

Current State | Need for Change | Future State | Internal business process | Success

Res2 furthermore stated that risk lies in managers if they actually empower people to have more responsibility. Even if people are empowered, the risk is that people don’t want to do it themselves as some people look for guidance. You give people freedom, but some people don’t know what to do with it. So eventually it may lead to the situation where people don’t feel themselves fit for the job, because of the transformation. People are used by working instructions or better say used to instructions by their manager what to do and look up to their manager to see if they are doing right or wrong. People is everything. If you have the right people at the right place doing the right jobs, it is already 50% or not more of your success. Implementing the Agile way of working is not only about technical things in how you use whiteboard and techniques of agility, using Agile manifesto, but it is also about actual boxes of your organization. Compared to the historical way of working, within the new One Agile Way of working, CS organization is moving to less managers. This results in the fact that the organization will become flatter. Less layers and more reporting lines to each individual. To make it a really square organization, but also increase the transparency of what these people are. So, each one is more vulnerable, and each manager of the countries will be more vulnerable because he or she will be more visible. Hopefully this will lead to more accountability, better understanding of what profiles service organization need in the countries and selecting the right people. This is not going to happen overnight.

He indicated that with this new way of working the client should be noticed and the internal organization should be highly beneficial. He pointed out “It is all about internal stuff, but today we have client as our major stakeholder. Client should notice more automation and easier service, clients should have better digital experience, and the digital part will have to be developed”. Furthermore, he acknowledged that at the same time, the service organization should continue to offer the human touch. To illustrate, he explains that people who contact the service organization with questions by phone call, should speak to a real person. More important, Res2 claims that what the client should be noticing as positive experience is, irrespective of who picks up the phone is able to answer the question. That is something agility can provide, if you take the knowledge out of people’s heads and distribute it as much as possible. Although he acknowledges that this is difficult, he believes it is possible to go from personal approach of account manager services, to more team servicing. The reason behind it is explained by the fact that team services allows more capability and allows of knowledge sharing according to Res2.

Res2 indicated that with this new Agile way of working, many things will be improved such as response time, but also throughput time. Another important point of improvement is the predictability. Regional Head of CS explains this by stating that promises to deliver something in a particular time, the CS organization must deliver upon it. When asking the regional Head of CS regarding deliverables and KPI’s put on certain performance, he indicated

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that no measures, targets or KPI’s are put upon this yet due to the many changes are happening at this moment. However, he claims that by fully implementing the Agile way of working productivity and Client Experience will be improved. Regarding measurement of investment and return on invest, according to the Regional head CS, this is also part of the future KPIs. he believes that it is more important to first make sure the organization and the design principles are in place, but also understanding how this work central and in the countries. After that, he claims that there can be actually talk about establishing performance KPI’s but also success rate KPIs. The regional head indicated that his dream vision is to be able to measure cost per service request and cost per service a particular client per country. The client should notice positive development. From client experience side, he claimed that there are many metrics you can deploy. He explained that the most classical one is the Net Promote Score (NPS). The metric has to be monitored per year, because it is not a static snap shot.

Regarding the risks that influence the success of transforming to the new One Agile Way of Working, he indicated that people risk has to be taken into consideration. The Regional Head of CS claimed, “Generally speaking people make it work and people make it fail. It is all about picking the right people from the change part, picking the right people who are doing the job”. Furthermore, he explained that the second most significant risk is related to CS multi country organization where Agile will be implemented. All these nineteen cases are country specific Agile teams. “The question is can we make Agile work across borders?” claimed by regional head of CS. He indicated that to make Agile work across borders, CS management has to steer up upon this. Although local flexibility is an option, certain non-negotiable factors are in place as well. With good exceptions and reasons behind them, certain parts can be localized. But overall, Res2 argued, “To make it really work, ING’s CS organization needs to stick by the book”.

According to the regional head, the Agile transformation is successfully achieved when it is shown in internal service health indexes, where people acknowledge at certain point that they like doing this and think that ING is doing this well. Secondly, the Agile transformation is successful when Client satisfaction scores and productivity rates become better than it is today.
INTERVIEW NO 3

Date: 11 April 2018

Interviewee: Interviewee III

Function: Management member CS NL of WB. The department consist of 155 CS employees, who are in day to day contact with clients.

Res3, explained that they have applied a Lean Six Sigma scan three years ago, because they noticed there was lack of insight regarding data of client services. At the same time, they also visit another services organization which worked in self-steering Super Seven teams. Based on the Lean scan and also being inspired with what was happening at Domestic Banking that adopted Agile, CSNL decided to start a pilot where they were working in self-steering teams.

The historical way of working was where the account manager had his own client portfolio and uses his own mailbox. “When the person was ill, the client has to wait another day”. This was individual client servicing. Furthermore she claimed, “People were used to do their own thing without being transparent”. Only one person was in contact with the client. To overcome this issue, CS NL transformed first with a pilot team to test if it works to give the team full team responsibility and having a number of client portfolios together. In these client portfolios the client could call any team member, but also a central mailbox was used, and all service requests were registered. To make the way of working more efficient, CS NL Management want to give employees as much end-to-end responsibilities with less handovers between front office manager, account manager, and Back Office Employees. This pilot was created to see if this way of working would be effective and based on that pilot CS NL decided to go for it.

The Head of CS NL indicated that as the people were used to do their own thing without being transparent, it was a big step for people to visualize how many service requests they could solve in one day, but also the duration of how long it takes to handle service requests on average. Also, the contact point changed, people were no longer the only contact point of the client. The transparency, the operational steering information, was already a big step. Secondly, the high dependency on each other was rate was changed. When someone is not there anymore tomorrow, someone else needs to pick up the request the other person is working on. “Therefore, to make this Client Services work, you really need to collaborate well”, claimed by the Head of CS NL, “The only way to make it work as a team if you are jointly responsible is the fact to give feedback to make it work”. She explained that sometimes it will clash because you know much more about team members’ performances if people are much faster or slower, and many more insights”.

Important to take into consideration is that both team members and managers came from an organization that was hierarchical driven, it was a big change. In contrast with historical organization, where managers told team

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members what to do, now they are supposed to create an environment where the team is empowered to take as much responsibility. However, she stated, “It sounds fantastic self-driven teams that get more responsibility, but it is in practice it is quite difficult, because team members are so used to get told what to do”. Next to this, Res3 elaborated on difficulty of managers to decide and to give all teams the freedom to sort things out how to become self-driven. “Where do you step in and where do you don’t step in? That is quite difficult, but also very interesting” claimed by Res3.

The whole routine of daily stand up, pit stop in the afternoon, performance dialogue by looking how are we doing, but goal setting on daily basis. “The biggest change of this Agile way of working is the mindset”. “The technical things of how you organize it is only the beginning. The Whole mindset thing, what it really asks from people, both CLT members and managers is something that a lot of people underestimate”, claimed by the Head of CS NL. What CS NL did to support and help this transformation process, the program was installed with external coaches because at that time there were not Agile Coaches because they were first department of Wholesale Banking. In this program, group sessions to get to know each other, the real drivers behind this change, but also strengths and drivers of people. Different sessions about giving feedback, receiving feedback, but also individual team coaching where manager or lead was not there, but where team was trying to understand in which phase of maturity in self-steering they were and what they would need to make the next steps. To access at which stage teams were, but also to decide for themselves what their goal was for next months, and at which stage they wanted to be and what was needed to get there. This stage looks how they work together, it is mindset, but also how the team works in practice. Scan to see which stage they are. Res3 stated, “To make this mindset shift different components were included such as feedback session, coaching, and a driver analysis of the persons”.

Res3 indicate that there different reasons to move to Agile. Firstly, the reason for change was because there were many handovers, and the impression that service to clients could be provided much more efficient. The second driver was related to the client feedback that could be improved. Although the feedback was not negative, but customer experience could be improved. Next to this, CS NL became aware that they know so much client data, but did not do anything with this data, because of always being too busy. Next to this, there was a lack of focus on what gets in on that day, the inability of planning ahead, but more important CS NL did with the traditional way of working, teams did not have the data to provide the client the advice to empower clients and make smarter better financial decisions. Therefore, this was a huge opportunity to do more with data of the client. Another driver was the low reliability scores of durations of handling service request varied critically. There was a huge variability of how long it takes to handle service requests.

Within CS NL transformation to Agile, some content of traditional jobs changed in terms of roles, expected behavior, and flexibility, which became increasingly important with this new OAWOW. Res3 explained that under strict guidelines of HR, for those I jobs where its elements had to change a lot, they had to re-apply for their function again. The majority of the positions such as team members, and account manager assistants only mindset

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and some behavior needed to change where no rehiring and selection process was applied. However, some functions were named differently such as introduction of Client Loyalty Team Member, also known as CLT member, teams were called Client Loyalty Team (CLT), and manager role was replaced by Lead. Regarding the suitability of working Agile, Res3 claimed, “Some persons have Agile more in them than others. Although people have it in them, it takes time to get the values out of it”. Within OAWOW at CS NL, team members are allowed to divide the work among each other. Overall the Lead decides on the what and the team decides on the how. For some people this was very difficult because they were not used to it but also, they became the ones responsible to make sure there was enough capacity and if a team member wants to take a day off, when already three people are on holiday it is up to the team members to decide. Previously manager solved these issues.

The transformation was extra challenging for a Lead, because of the much bigger spam of control. In the beginning of this Agile transformation it was really challenging. This is explained before the manager managed 3 teams consisting of 20 people and now 30 people. For these leads it is much more difficult to see the individual performance within the team. At the same time, compared to two years ago, the team now is responsible for the planning, coaching, and appraisal. The team decides in the end on the scoring of the performance. Another significant change in teams was that formal communication was replaced by informal communication. When asking about the associated risk influencing success of Agile transformation, Res3 argued, “You always run a risk that in the end some people do not like to work Agile. In that case it is better for both groups not to continue working within CS offices”. Also, the whole principle of this teams is that they are interchangeable, different skill levels based on capabilities and knowledge.

In regard to transformation process itself, she indicated that within CS NL a first pilot was prepared and adjusted along the way. Request for advice to describe new roles, implementation plan, discussions with work council, debate selection process or not in implementation stage. According to Res3, “You always need a certain end state, even though it is never the end as departments need to have a purpose. Continuous adjusting can be included to get there or may even adjust the goal itself. The end state determined helps to avoid not having a clue of what you are doing”. She further illustrated this by the example of the teams regarding work division. In the beginning CLT members were used to have their own client portfolio and knew a lot about the clients. Especially for WB client knowledge is very important to be able to service them well, but also to service them efficiently. Res3 indicated that in the beginning people were really complaining that it took a lot of time to answer clients’ questions in the beginning, because they did not know the client, the setup, and the main goal of reporting for this client. Although teams are responsible as CLT as a whole, they decided to have sub teams to serve certain clients focusing each one on one third of the total team client portfolio. By focusing only on one third of the client, they were able to get to know the client. The funny thing is that now they have let go the sub teams, because they came to the same level of knowledge that make it unnecessary. Another example is that employees need to gain a lot of knowledge to became all-round CLT member and at same time, had a lot of flex employees, but because this is quite knowledge intensive, it is difficult to explain, build up that knowledge and take someone by the hand. The time
spend on that, you cannot spend on incoming client requests. Then for a certain period of time, all easy tasks of each CLT in one were grouped in one team where we mostly have flex workers, because it is easy to learn, and they could be quite quickly of relevance in the end they were getting production levels up, and avoid backlogs, and long waiting times. But then after a while, Res3 indicated that CLT members became better in respect of production the workload was there. In the end CS NL got rid of that temporary teams again. She concluded, “The goal have to be there, but just the way how to get there differs and during the road you can decide to adapt and make changes”. *Future State Current State Internal business process*

In regard to Res3 experience of her experience with Agile transformation, she said, “In the end you have live through the Agile transition anyway. We went through certain tough stages, other teams will go through them as well. You cannot really prevent it. People need to go through stages of team performances themselves”. In regard to lessons learned, Res3 pointed out key things people should not underestimate. Firstly, is that you need data, because otherwise you do not have operational performance dialogue including, dash boarding that is key, which much departments don’t have. Agile coach’s role is crucial to get it going. The third thing that people underestimate is the role of the manager. Furthermore, Res3 claimed, “The key to success lies also in if you as manager do really empower the team or do you stick to your old management style but expect the team to own more ownership? That component is much more important for Lead of Manager than it was before. Are you really capable to empower people or do you want to decide itself? The lead is much more on the what than the how, but can you let go of the how? Manager really have to let go the content and let people figure it out”. According to Res3, the role of Agile coaches never ends, the teams are further developing, but may have a setback due to high workload or because people are leaving. Another part is that the team does do the recruiting themselves instead of manager. They do the interviews and decide if person can join the team. *Risks Agile Transformation Success*

Lessons Learned

Regarding the question if Agile can be applied everywhere is hard to describe. She claimed “However, cultural wise it will be a challenge, because of cultural differences. It will be challenging, but if you are really engaging the top. It starts with the top in the end. It can definitely can work, but in one country than another it will be a bigger challenge”.

*Risks Agile Transformation*

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Res4 indicated several drivers to move to Agile. "One of the drivers was that management of CS NL was too large. "Within the traditional service organization was characterized by heavy management with more than thirteen manager, which was not very efficient Some And not all people were sitting on the right place, because people were not getting the energy from their function they were putted in", stated by Res4. Therefore, they were started with brainstorming how they could change this. Furthermore, there was inconsistency between functions (where it did end and where did the next function start. Also results of employee satisfaction were very low. Res4 claims, “Given the fact, clarity of roles and responsibility had to be created, gain efficiency, also lack of expectation management experienced by clients, we had need to seek for solutions”. Therefore, they start to look at other companies who already had implemented 1.0 version of Agile working, known as the super seven. “Based on the Lean six sigma scan, insights we gain and the ambitions we had, we started to work in super seven teams” he claimed, “In this super seven teams, the first entry point of clients was the team instead of one individual. Team was required to have knowledge upon the client, so clients should not have to wait when a specific employee was not in”. He argued that the Agile way of working was introduced to create better experience in expectation management, but he also stated that it brought CS NL improved efficiency.

Res4 argues that “ Agile is also about delayering. Because everywhere you put managers in between, permafrost non-permanent frozen where message does not come true. The more managers you put in between, it slows down decision-making and to fail fast”. Fail fast is explained by quick learning environment where making mistakes is allowed as long as you learn from them. Regarding the reorganization, Res 4 shared that he also had to go job obligation procedure. Despite this he claimed he was pulling the re-organization. This is closely linked to the need for change bringing message across via management layer did not always help to preliminary bring the message. Steering of the organization was not efficient. This was one of the primary reasons. He claimed “In the end we realized that get rid of 5 to 6 managers including himself. Asking us to think beyond people. Had to put new organization in place, which was mainly focused on improve client experience, realizing efficiency, and also focusing on outcomes of WPC, which is the feedback of our people”. Res4 explained that with introduction of OAWOW, new organizational structure was introduced where in-between layers were cut out. Another important change what is was explaining was “Managerial directing is replaced by collaborative leadership”. For functional levels or individuals there was no change in jobs but change in profile of employees because of different mindset is required compared to traditional disciplined mindset in the historical WOW. Only for higher level restructuring and selection process took place.
In the beginning of the Agile transformation at CS NL, people were quite hesitant of implementing Agile in Client Service organization NL, because the main examples were predominately IT examples, while we obviously in client service organization. In regard to adopting Agile practices, he states that “We did not fully implement what others did but took parts Agile methods that worked for our client service organization”. CSNL took advantage of the opportunity of bringing in Blackbelts expertise to determine what they want to have improved in terms of current way of working. What Res4 also states was “Important part of this Agile transition was finding common ground floor with the people. They were making sure they justified the choice made afterwards, but also including the opinion of the employees within the process”. In this process also feedback from clients was included, because management of expectations was one of the improvement points. The client was served by a dedicated individual or direct deal team consisting out of 2 people, who directly served the clients. When these people were not there and given the fact that nothing was registered. Within Agile way of working good working system is applied where you can lock specific contents you have with the client to make sure that if the client rings and that person is not there, they could follow up on the request. That was something that was hampering with historical way of working where clients loved the fact they had a dedicated person, but they hated the fact that had to postpone question when that person was not in the office and others did not know anything about the client. Previously, it was individual servicing, now the client is served by a dedicated team rather than one individual. The client was not fully engaged but were called by service calls to ask for feedback because specific reasons for the transformation; realizing efficiency, improve client satisfaction level, improve employee engagement, give clients the right attention, and deviation amongst clients that do really matter or are less important.

To make Agile work within CS NL, the management together stated that putting the right people at the right place in order to improve client experience, improve employee experience, and efficiency, was were the sense of urgency lied. Res4 perceived the change initiative as a big opportunity for the organization. “Although my job was uncertain and I had to reapply, but I stood behind the rationales, because if we would continue the traditional way of working at CS NL, we might have been in a situation losing the momentum to really make the change”. An important transformation enabler was that the management was communicated as open as possible. “Transparent communication is really important. Creating ground floor with people before starting the change project. We really ask the people how they would change the traditional way of working”. Different illustrations provided how CS NL handled this was: putting more specific tasks in people’s hand, create more responsibilities, and give clients the right attention. Furthermore, team members were invited as volunteers how this change could be achieved. Within CS NL Agile transformation, there was no guiding coalition for CS NL transformation, they transformed based on bottom up approach. Because CS NL was the first team in WB, there was no guiding coalition nor Agile coaches. Therefore, they hired Blackbelts and other consultants, because they were familiar with these self-steering teams. They also made use of benchmarking and went to Domestic Bank divisions working Agile, to find more substance how this Agile indeed was working well. However, Res4 claimed, “It is actually very important to have a sponsor, who is really believing in Agile, preaching Agile, having intrinsic motivation, but also finding ground floor and have people think along how this way of working would help them”. Next to this, CS NL formulated change
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“We also formulated specific goals. Each initiative going forward should contribute Agile. This vision was communicated by presentations for all teams, sense of urgency, the opportunity, what is expected to be change” claimed by Res4. Other communication channels were the video and town halls, the Head of CS NL presented as well. Next to the communication, also, people’s contributions were expressed needed to make this change.

Although Res4 assumed they did celebrate overall short-term wins, he could not recall one, because Short-term wins were not really celebrated. On the other hand, what they did was organizing specific events around start of Agile. However, in the end Res4 claimed, “Short-term wins could have been celebrated more”. In regard to make teams self-steering teams, Res4 “It was very interesting to see, boundaries where set by management, but within the boundaries teams could define the how they designed it. This is continuous improvement process where teams allow to develop their own best practices”. In the beginning it was quite difficult making operational performance data visible, but CS NL lesson from this was that the importance of data needs to be explained. “First people we were hesitant, and it felt were controlling their work. Now they got to know the value of data to better service their client”. Next to the mindset enablers, the technical enabler to work Agile was the track and trace system according Res4. Unfortunately, for CS NL transition of the program came too late. The features of this tooling were lacking capabilities to really have qualitative data support “Today we are where we should have been with the start of this Agile transition. The pace could have been much higher if the tooling and the enablers and Agile Coaches were there”. Lessons Learned Agile Transformation Success Change Accelerators

Res4 explained that the process of Agile transformation of its teams were measured by Agile Maturity Model based on Tuckman’s four change model consisting of five milestones measuring maturity of Agile. Next to this there was a program launched called, Let connect with LEF”, where each team was assigned a personal coach. This was a professional coach, who discussed what they want to gain from one-on-one coaching. A lot of teams used this to learn how to provide each other with feedback in order to raise the maturity level of teams. These were external Coaches no Agile coaches. Res4 pointed out, “The main factor that our transformation was missing, was an Agile Coach. CS NL did the entire Agile transformation by themselves and external Blackbelts or coaches. Fresh set of brains would have helped them, Agile coaches are good in highlighting why are we doing this, why do we do this always”. Lessons Learned Agile Transformation

To become Agile, one important element is making this Agile mindset shift. Res 4 argues, “One of the main Agile transformation enablers was sending people on Training for Agile courses to understand the principles”. Within CSNL’s transition, a lot of external expertise was used. He believes that at this stage in 2018, Agile is much hyped, more Agile coaches are out there, which would have helped CS NL. When asking him how he would describe the Agile mindset, he stated that it is about making sure that people trust you, knowing that you are allowed to make mistakes as long you learn from your mistakes, and act upon ING’s Agile principles. All in all, Res4, claims “By trainings and coaching we made this mindset shift. Based on limited tools and knowledge they had at that time, CS NL did quite well in Agile transformation. There is still a lot to gain”. Lessons Learned Agile Transformation
INTERVIEW NO 5

Date: 09 April 2018
Interviewee: Interviewee V
Function: Team Manager of CS NL of Wholesale Banking

As introduction, Res5 indicates that within the service organization teams are organized around CLT teams that apply self-steering principles. Other Agile methods, such as squads, can be found more in development departments and projects. To sketch the organizational outlook, Res5 states, “The historical way of working, team consist of 10 to 15 persons where manager was actively part of the team and involved with team meetings. “In this historical way of working Manager’s role was to direct and steer the team based on a command and control management style.” “While with the OAWOW, more distance only establishes of frameworks and higher objectives. The team is now called a circle consisting of 4 to 5 Client Loyalty Teams and consist in total of 35 people”. This larger group of people, requires the manger or Lead to take more distance, because all these people cannot be steered by one person. With OAWOW more room for team responsibility. Directing is replaced by self-steering teams. Each Client loyalty team, called CLT consists of 7-11 people. Smaller teams, because they have to make decisions together. If team size is too big, the efficiency is not achieved because everyone has to be aligned, has an opinion, decision-making takes longer time. Decision making before was top-down approach this is replaced by bottom up approach where team decides. Formal communication was replaced by more informal communication. Furthermore, regarding goal setting, in the historical way of working there was a waterfall approach and based over the long-run such as quarterly business reviews. Res 5 says “At this moment, the end state is not clearly defined yet, but we just continue working and by doing we continuously improve through means of feedback to respond to the needs and demands of clients”. Regarding knowledge management, Res5 explained that in the previous situation the account manager or assistant account manager had own client portfolio. “All client knowledge was in people’s head, because nothing was registered. At the new situation instead of having knowledge management in one person’s head, the entire team serves the client and obtain client data in their head, but also is registered. More team knowledge management instead of individual level”. However, client information and specific knowledge are tacit by not written down. Regarding communication top down approach, this also bottom up. Through cross-pollination and by working on each other’s team, four CLTs together form a circle. These four Client Loyalty Teams exchange knowledge or go temporary on work placements with each other’s teams in order to exchange knowledge. But sometimes teams help each other out if there is incident or employee shortage due to absenteeism or extremely hectic weeks in one teams or communication problems, they ask other teams for help.

Current State Future State Internal business process

From client perspective, Res5 describes the historical way of working one where the client was served by one single person. She states, “When these people were absented or not in the office, service requests were left untouched” “Next to this the time to handle service request (TpT) were long due to many handovers to handle the service request”. Due to team serving in the new way of working, the TpT improved. Clients were a bit worried,
because previously they had one dedicated person who knew everything, how will this work if I have every time another person who does not have previous knowledge etc. To overcome this obstacle, CS NL introduced a stage in between with sub teams which were serving each one third of the clients. In the service calls with clients, clients indicated they were skeptical because they were used to one dedicated person. Now it does not matter, as long as the client is served well. The client engagement, has been slightly changed. Before client feedback was limited to non-existing. With this new Agile way of working client feedback is crucial. Now, service calls to ask how the experience of handling service requests is perceived. Clients are much more engaged with daily work activities. Client Feedback is really used and applied as base to continuously improve. This is done ones per quarter. It turns out that clients are open to provide feedback.

In regard to performance measurement, Res 5 claims “It is hard to say to what extend Agile really improved business performances, because at the time when Agile was introduced, nothing was registered. There was no tracking tool as IBS. At January 2017, everything became registered. As management, we did not know or understand how busy people actually were. But after January 2017, we definitely Agile maturity was improved, which was seen in improved productivity, efficiency, and the reduced time it took to have these team meetings within OAWOW”. The conclusion can be drawn that compared to the historical way of working, performances have significantly improved. Although at that time in March 2016 NPS score and operational performance data was not completely measured. Res5 indicated, “Trough means of AWOw we have periodical feedback loops included. First year around 6 and 7. While this year the averaged NPS score is 7.6. Performance measurement, significantly contribute to performances. Before it was more a feeling and perception if client was satisfied or not, but now with Agile with all feedback, performances are expressed in numbers. The insights and indexes give better insights”. Next to measurement already affecting the performance, according to Res5 the improvements can be even higher by linking them to KPIs. An example provided by Res5 is a KPI that NPS of 7 has to be increased to 7.5. Regarding productivity performances, it is difficult to measure because more than 1500 different service requests with different TpT times. However, Res 5 states “the averaged TpT, time that it takes from the moment the service requests come in to when service requests in handled is improved after implementing Agile. Although TpT were not measured only from January 2017, it can be stated that there is correlation between implementation of OAWOW and improved TpT, because of reduced handovers and that clients are much quicker served because team serving approach rather than a single individual.

Next to this Res5 indicated that previously targets were set on the long-run for the year. With new OAWOW there are short-term objectives in two weeks, in two sprints. Within the short run, we evaluate did we achieve, or did we not? Res5 emphasized “It is important to be aware that in a service organization does not work with sprints and squads, because of the daily operations with client contact. The Agile part is the self-steering teams and the performance dialogue. Every two-week looking forward and back. These Agile aspects are seen at the Agile service organization, but in these sprints, there are not worked on product development. Every two week is used as review to look at past performances of last two weeks, and plan for the coming two weeks ahead. If team members have improvement initiatives on business process such as the portal or other tools, which they have to act upon”. From
employee perspective, Res5 indicated that with historical way of working there was more hierarchy within a team. Some functions were at level 7, 8, or 9 and team manager was above that. The 9 was the principle of that team, who was responsible for schedule, asking permission for free days etc. This principle had different task compared to its team members. With the OAWOW everyone is hierarchical even, despite the level at 7, 8, or 9. Same level, but different scales to give people opportunity to grow further. Previously, it was process based, now this is a people driven process.

Additionally Res5 described the historical way of working as one where the work pressure was not evenly distributed. Some clients initiated many service requests where other client portfolios were not requesting any service. “Before the OAWOW within teams it was not common to help each other out in hectic times. The team’s mindset was still very individual-based and process driven to fulfil your own tasks law-abidingly”, she explained. With the Agile way of working clients are served by team based and business process is customer driven. Res5 further explained this by, “With the new One Agile Way of Working clients are faster served and team members are empowered how to achieve certain objectives. People’s capacity is fully enjoyed, but also within the team, members are deployed based on their qualities, such as the complex service requests. But this should be limited to hectic times, otherwise you are falling back in standard routine, that one person is doing one specific request. Therefore, it must be rotated”. “Important factor we noticed that we had to be more flexible in order to be able to respond to needs and demands of clients”.

Res5 believes that *Agile is appropriate for everyone. But if we look into the network of CS with different European countries with higher levels of authorities, you cannot directly move to the OAWOW within a month and expect people to give managers feedback. Each country has to determine to what extend Agile could be applied. However, the drive for continuous improvement and rather team than individual interest. Also, empowerment of employees, but in countries this can be done differently. Agile is for everyone, but for some countries different Agile methods and values will be localized*. Res5 elaborated on the culture aspect by providing an example of one her team members who is from Pakistan, where people are more sensitive for authority. She said, “Although the team is responsible now for decision-making, team organization, and personnel matters, she still comes to the manager to inform her about it as well. It is in the culture, norms and values. You cannot completely change this”.

**Lessons Learned**

**Risks**

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When asking her about to elaborate on the Agile transformation of ZappING, the service domain of Domestic Banking, she explained that they were inspired by Zappos, an American shoe company, who implemented Agile in the service organization. To see whether the hypothesis of working in self-organizing teams would also work at ING, they started a pilot of 30 people. After the first pilot, another pilot was introduced with 60 people to ensure becoming Agile is the right way forward. She also mentioned that the pilot was used to test how much responsibility could be given to employees, but also to test the new way of working, the new environment, how to go beyond the customer expectations, how it would work to combine call and operations in one team, how fast it would go before people understand each other’s work, the onboarding, and finally to test the means to feel confident to start working Agile. All in all, the piloted was intended to test a lot of things and learn from this.

Although they gain a lot of experience in the Netherlands by the piloting, she explained that even in Belgium piloting was included as well to successfully go live in October. “I would recommended always to pilot, even if you know what the way of working will be”, she claimed. This is further explained by Res6 that pilots enable you to learn a lot about authorization, or how long it would take for employees to get to know each other, or that you have to adapt your journey, if it works or doesn’t work. Although Res6 acknowledged that with piloting it is difficult that the rest of the organization still works in the traditional way, piloting has a lot of advantages, which include learning a lot of things about things you did not think of before going into of the transformation, but also you create a group of Agile ambassadors, who experiment how the OAWOW works. Res6 claimed, “Piloting was an important part to successfully transform to Agile” “However, you shouldn’t do a pilot to be successful at that time, but you should do a pilot to learn from it”. When asking her about when this Agile transformation is actually successful she claimed that it is important to focus on what you want to achieve. The OAWOW is more the mean to achieve the happier customers and happier employees.

Resp6 explained that what was in both ING NL and ING BE, every single employee had to reapply for their positions. The rehiring and selection process was on all levels having people with the right mindset. Regarding this mindset,
Res6 claimed, “What is important if you want people to believe in this change, tell them that the world of tomorrow is different than the world today. Things need to feel different, creating a more creative family in open atmosphere, informal management that does not have their own offices any more, it is open environment”. She explained that in communication is also getting rid of all old school words teams, operations, management, calls. Even in communication customer is central, customer interaction via call instead of using the word call. Making sure in everything what you do there is a difference and that there is difference in culture. “The ideal Agile world is about people taking responsibility and are not afraid to do so, but feel empowered to take the responsibility to come up with customer solutions themselves. Furthermore, it is about constantly improvement. Make sure CLT members sees what he or she can do to make the change happen and giving them the room to do so. Also, is about a real change in behavior, listening to people, make sure they feel trusted. Next to this it is a culture of fun where people really like to work. A culture that is about team spirit where it is not about individual responsibility, but rather team responsibility”.  

When asking here how to make this culture shift, Res6 claimed that this is something that does not happen overnight. Here Res6 sees a huge difference between this countries. Culturally Belgium is quite hierarchical that is not used to change. This makes it even more difficult. To mitigate this risk of having cultural differences that are not used to embrace this Agile culture is to make sure that the worlds feels different than it was used to be, that it takes a lot of time and practice. Also what is very important that leaders show their vulnerability that it is also new for them and ask CLT members to give feedback them feedback if they are falling back in their traditional behaviors. “Everything is new for everyone, don’t expect that the change will be right from the beginning, it takes time”. When asking her about the instruments used to make that support people to make this mindset shift she indicated “What is really important to make this culture shift is the use of an onboarding after the redeployment of the CLT members and Leads. Because everybody has different backgrounds, you need to make sure that in onboarding people in new CLT get to know each other, the OAWOW, and let them practice with the OAWOW”. In Belgium everybody had a three-day onboarding program to let them find out what this OAWOW is, how it works. Next to this extensive individual training was developed on someone’s background, to get into their new role before they went life. This was either on call listening if they had operation background, or learning customer processes if they had call background. She claimed, “Something that is very important, based on being involved in Agile transformation in Belgium and Netherlands, is that you need to invest a lot of money to make this happen. This is especially the case for service because when people are in training you need to other people to cover for their work, because customers should not wait because employees are on training”. “You should invest in a kind of migration pool, making sure you do not start with a backlog when you are starting with the Agile transformation”. Next to this the Agile coaches helped ING BE to help people move to Agile mindset. She summarized this by saying, “You have to invest in the new environment, in different ways of communication, onboarding of employees, and to root the new Agile culture. All these things cost money, it is really important that you realize this from the beginning. If you don’t want to invest, in my opinion, should not even start”. However regarding the buildings, she indicated “A difficult thing is that people are not willing to innovate in buildings that are not future-proof.” In the Netherlands there was a lot invested in the building, but in Belgium this is significantly less because they will move to new
building in two years. In the time between a road in the middle was developed, where money was invested a bit and the basics were created make sure people had whiteboards, meeting rooms and other office supplies that allow people to work Agile. As changing the mindset, changing the building is an important element of this, because people are here physically every day. In Headquarters of ING Domestic open environment was created with stairs connecting different floors, but also created room to have informal meetings, such as coffee bar, and even fun environment with air hockey, table tennis, chess boards, barbecues etc. Agile Transformation Lessons Learned Risks Financial Perspective

When comparing the Agile transformation of ING Netherlands and Belgium, Res6 claimed that the main differences between Belgium and the Netherlands is that in Belgium, Wholesale Banking is integrated in the retail bank and in ING Netherlands, the Wholesale Banking is a separate entity. Due to this reason the organizational structure and outlook of the Agile organization differs. Regarding the transformation process itself in the Netherlands it was more Big Bang approach, while in Belgium it is a more guide transformation that is done by step and step. What I have learned is that Within Belgium everything is taking a bit more time compared to Netherlands, but as the OAWOW reaches the same things of empowerment and customers are happy. “Even though the level of Agility is not identical to that of the Netherlands, I am still happy because it is not about the mean but about the goal of being flexible and achieve this improvements”, she explained. However, the OAWOW is identical because the same Agile methods are used, but phase and the level of Agile maturity is different. In other words, the Agile practices are the same but Agile maturity is different in terms of level of giving and receiving feedback. “Due to the cultural differences that are not used to this Agile culture, it takes more time to implement the new OAWOW”. When asking Res6 if Agile could work in every country, she answered “I do believe that Agile can work everywhere, but I don’t believe it can work with all the same people. People really do have to have the right mindset”. “For countries with high cultural difference risk, a selection process is required”. When selection or rehiring process is in this case not in place, you need to invest even more, because Agile is not something you can force upon people”. In this case you really need to explain the why, the benefits, let people practice, and communicate about four hundred times to before they feel the difference. You need to let people experience with it. They will go through the change curve in of storming, norming etc. They need to feel the difference”. “The difficulty is not in the people but in the leadership”. However on the other had she claimed, it would be too easy to say, ‘we are a different country with different culture we can’t work Agile’, but you shouldn’t take this an argument. Of course there are cultural differences, but then it is important to realize what are the differences en also not to be afraid to make some bold moves than they are used to in order to show that the world is changing and that it is different today than it was yesterday. According to her it is highly advisable to not to solder, don’t meet in the middle too much, because then you will end up with having nothing. Agile Transformation Lessons Learned Risks

From lessons learned, Res6 pointed out that they have learned that an organization should realize the impact it will have. You need to have enough training, realizing this in advance, create a migration pool, to create the room and the space for people to train and to get used to new OAWOW without hurting customers. She further

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explained this this means to have up staffing a bit in the beginning and downgrading a little bit more in the end. This is a very important learning, because if you go life without having this in place you lose a lot of time in the beginning. People are not as predictive as usually when they are not in their old organization. Another lesson learned is that it is extremely important to invest enough in culture to change the environment. It also important to make sure your leadership is onboard and let them show vulnerability and it is perfectly clear what is Agile leadership and what is expected from leaders. Also the high gene factors of Agile need to be in place as well such as right level of authorizations, that people are able to work Agile, and all things needed to create end-to-end customer journeys without having many handovers, obviously all these things has to be arranged as well. She believes that the success factors having the right people, leadership, enough investment, and organizational support with communication, establish sense of urgency etc. “You can’t explain the ‘Why’ enough”. Agile Transformation Lessons Learned Risks

What Res6 would do differently was explained by her saying “When it is about different cultures and different countries, next time I would make surer you interact with all levels from the organization include CLT member level’s perspective as well. This is something what I did not enough in Belgium, and also that is extremely important if you are going to transform an organization in a country that is very hierarchical, people are very afraid to speak up, it is very useful to know people from all levels, have a connection with them so that they are honest about the things that go well and do not go well. It is crucial to have open and honest conversations about these themes because you do not always hear the right things bottom up and things got sometimes lost in the different layers in the organization. This is what I would do differently. Agile Transformation Lessons Learned

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INTERVIEW NO 7

Date: 16 April 2018

Interviewee: Interviewee VII
Function: Lead Service and Sales of Global Centre of Expertise OAWOW. Currently Res7 is creating the Agile reference model for service and sales organization, but also helps service units in their transition to Agile.

Res7 claimed, “I am a believer, but you must be a believer, because if you are not, you can better stop. You need either to do it or leave the bank”. “I truly believe that by mobilizing or empowering people, you can achieve more”. In that sense he furthermore claimed “It is an important enabler to realize ING’s vision to build the next generation digital bank. In order to do that, you need to be digital, it needs to become easy. Easy for customers but also for internal people. According to him, to stand out, it is all about differentiating customer experience. This is where the competitive edge is. On how to achieve that, he stated, “You need to unlock the potential of the people. Otherwise you would not get there”. Res7 believes that if you want to improve time to market, it lies in your people. You need to make your people multi-skilled and really empower them to work end to end. It is the easiest route to increase time to volume, according to Res7 compared to changing processes and systems, which take a longer time to adjust. “All in all, I believe the OAWOW is a critical enabler to survive over the long-run.” When asking him about what it means to have Agile in service organization he claimed “It took us two years to come up with this answer, because Agile is since 2011 for software. Since two years we have a bit of internal experience”. However, what Res7 also pointed out is that Agile is sometimes confused with scrum. Within the service organization, it mainly does not work in sprints, because you cannot tell daily contact with customers that their request will be handled in the next sprint. Only for internal improvements sprints are used in service environment. This is the same with fail fast, this is not applicable with service environment. He concluded by saying “In Service organization, Agile is something else. It is about truly empowering our people to work end-to-end in high performing teams”. “It is much more about the goals you want to achieve than enabling the methodologies”. He explained that in an Agile context service organizations want to minimize formal structures, but that in the beginning it would be foolish to get rid of your formal structures and just rely on culture and the natural behavior of people that everyone shares the same purpose and everything goes smoothly. That is not the case. “When you have different areas (circles) that interact with customers, you also want to have a consistent customer experience. The complexity of this is that you still have different circles that organize themselves”. Res7 illustrated different solutions. The MBA solution to create a consistent customer experience, is to assign an area lead or another function that is responsible for doing that. Another solution could be to tell both Circle Leads that it is in their purpose is to deliver a consistent customer experience and they have to organize their circles to deliver upon that. He mentioned that the second option is according the Agile way of working. However he claimed “If you are in the middle of a transition, it is ridiculous to ask that from day 1 of your organization”. According to Res7, a solution in between could be to have these two circle leads, and instead of making two functions, you give one of the two circle leads the role to be responsible
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Of taking the lead for consistency, but this role will be dissolved within the next two years as your organization grows. So this is not a function but a role. This is just a one example. **Future State**

Res7 claimed, “**Agile is for 90% mindset. That takes time**”. It is also about being vulnerable and opening up another type of relationship with your colleagues. This really takes time, this cannot be done overnight, which take around two years or so. This mindset shift is done through training people on the OAWOW theory to help people understand what it is. He claimed, “**It is important to link it to your business goals. The ‘why’ is one of the most important things. The big why is stated by Ralph Hamers and the OAWOW global center of expertise, but according to Res7, you need to translate this in the small why**”.

**Agile Transformation** **Change Accelerators**

“Everyone has their own transition. Some people need more structure, some need more practical examples. Other ones just need a good book. You just need to make sure all sources are available and that you help teams to make this transition”. Regarding cultural change, Res7 believes that you do not need to develop a new orange code to facilitate the Agile transformation, because it fits the purpose for that. According to him you can have it on paper, but you if do not live it, it will not happen. When asking him if he believes some people are better suited than others to work Agile, he completely agreed by saying “**Some people are more suited than others. We have seen that in different transformations**”. He explained that there are two approaches. 1) Revolution approach is you throw everyone out of the organization, then let them reapply on their position and then select people based on culture and mindset. The pro of this that you make a boost of selection of people, you are going to make the difference with. On the other hand you lose a lot of good people, it brings a lot anxiety, and also comes with a big bag of money. 2) The Evolutionary approach you give everybody the opportunity to join the transformation. Some percentage of the people between 10 to 15 people are not fit for this purpose. Some people will leave out themselves, but some not. Res7 stated, “**At the evolutionary approach, it is really important to focus on performance measurement and appraisals that you also reward good behaviors, but also that you are willing to use that tool to say goodbye to people who really can’t or won’t do it**”. In other words, in this case people either can leave voluntary or you take your performance process in order to say goodbye to them in a proper way. According to him this puts a strong burden on teams you are having, because if you don’t fire people until 2020, it also means that for two years people who are intrinsically not motivated are part of your team. This reduce the chance of having a high performing team in this case. He believes that this is part of the organizational culture change and both approaches do have pros and cons. “**Culture is THE important component of the OAWOW**”. When asking him about another important aspect, he believes that the ‘end-to-end’ mindset from customer point of view is another crucial building block. Regarding another enabler such as building or surroundings, he claimed, “**Agile can work in an old-fashioned building, as long you have the room where people in high performing team are sitting together and other departments they have to cooperate with share the same floor. These are the underlying requirements, whether you want to do it fashion style like Headquarters of Domestic Banking and rebuild it, it is up to your opinion. For me it is all about creating the environment to build trust, high performing teams, but also to enable people who share the same purpose to know each other**”.
When asking him about the main best practices he experienced within Agile transformation, he illustrated that in ZappING the main learning was that this transformation was overshot on efficiency. First they threw 30% out, but when people where in the middle of the transformation reinventing themselves, they were really understaffed, which threw them back in their development one or two years. Res7 claimed, “When you are doing a transformation especially in customer service, make sure you are overstaffed so that the client does not suffer”. According to him, Agile transformation is not necessarily about cutting FTE. However, FTE reduction can be combined with Agile transformation, but it depends on your business strategy what you want to achieve. The percentage of Real time work, which is the time you have available to answer clients who contact you, determines how hard it is to transform to Agile. The higher the percentage of real time work, the harder it is to become Agile. If you have to be constantly on the phone with clients, it is harder for your team to find time with your colleagues to become a real high performing team and embrace Agile. If everyone can put aside their work for half an hour, it is much easier to create time for the team to develop itself. Furthermore he claimed, “Next to this, the size of company also has a big impact. The bigger the organization, the harder it is to move to Agile”. According to him, it is really about how we can make sure we deliver the right customer service, how can we contribute to the strategy Head Wholesale Banking has rolled out. When asking him how he would define a successful Agile transformation, he stated, “An Agile transformation is actually successful when teams are motivated and moving to the continuous improvement state”. Although the maturity of Agile, is measured with the Agile maturity model he acknowledged that in Wholesale Banking the measurement of success is not properly in place, but that they are now working on. Before we start, we identify ‘what does good look like’ and ‘where do you want to go from business perspective’. According to Res7 this goes down to the why, what you believe to achieve your vision. He further explained this by saying, “Part of this transformation is to have consistent KPI’s that meet your objectives. This is from business perspective working end-to-end, and from cultural perspective you need to have certain metrics in place as well”. From financial perspective he claimed, “Regarding the amount of investment that can be spend on Agile transformation, for Wholesale Banking there is no clear budget. There is capacity allocated for it, but at this moment the OAWOW team is still working on Agile reference model”. Res7 explained that the business units themselves are more responsible for allocating a budget for it.
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INTERVIEW NO 8

Date: 20 April 2018
Interviewee: Interviewee VIII
Function: Senior Agile Coach within Customer Services of Retail Banking

The senior Agile Coach stated that the service organization of Domestic Banking did transform, but not successfully yet, because according to her an Agile transformation takes around seven years. She claims, “Everyone does the Agile rituals. But being intrinsically motivated and to take ownership for processes is difficult”, “I can’t imagine anyone doing it within less than four years unless metrics prove this wrong”. Although they are in still living the transformation, big differences can already be seen. As an illustration, members take more ownership for the issues they are confronted with. Instead of process driven process, it is more people driven in this OAWOW. Also, there is more efficiency seen, because of end-to-end approach with less handovers. On the other hand, the Res8 argues that there is also less efficiency seen, because members have to do a lot more tasks than within the old business. This is because teams have to manage the work flow, more diverse tasks, keep up with trainings, they asked much more of them than before.

Furthermore, the Res8 acknowledged that Customer satisfaction has increased not tremendously, but slightly. She explains that this is because we turned expectations a bit more in one go. Regarding employee satisfaction, the higher Agile maturity within the team, the amount of satisfaction between team members increase. Interviewee 8 claims, “Within the first ‘forming’ and ‘storming’ phases, people are not necessary satisfied, but when norming stage is reached employee satisfaction increases. Depending on team Agile maturity employees are satisfied”.

Moreover, the Agile coach indicated that for their department they used Tuckman’s four stage model within the first stage of the transformation, which consists of four stages storming, forming, norming, and performing. The department translated Tuckman’s model in the Agile Maturity Model for their service organization. Furthermore Res8 claimed that transactional analysis was applied to determine what you get in teams, you get ownership issues, especially in storming phase, people tend to show certain behavior. Res8 states “Sometimes we want to analyze where behavior is coming from and to help them understand what they are doing and how we can change that”. Finally, management drivers were also assessed to give people an idea of what drives them. “Are they goal oriented, are they people oriented? Within team dynamics it gives you an idea of why a certain person communicate in a particular way. These instruments help you where behavior is coming from and help the storming process to norming. Kotter’s change process model was not used”.

According to the Agile coach, “An Agile transformation is actually successful in a way when everybody is actually intrinsic motivated to take it on and make it happen. Everyone intrinsically feels themselves owner of the process and the course they have to take, everything related to their work. When it became part of their DNA. But it is not yet”. Regarding the making this mindset shift, the Agile Coach believes that “The new Agile mindset shift is made
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by constantly telling them, giving them examples, guidance employees. 80% or 90% of it has to do with leadership, practice what you teach. Leadership teams consisting of Leads, and managers, Agile coaches etc. is crucial in embedding the new way of working”. Res8 further elaborate on this by saying “Good balance in leads and coaches where they have joint accountability and responsibility for what and the how. That’s crucial. They have to be balanced equal”. Agile Transformation Success Lessons Learned

When asking her about how to work towards self-guided individuals who participate in self-organizing teams, she explained, “It starts with ownership, their commitment to what they come here to do”. Therefore, the Lead role is very important, because they come to the people individually. The performance we expect is team result. It starts with the individual help understanding them who they are and for what they are here for. Bring that together you can have 10 people working for 20 because the energy that come out of it. “Leadership is one of the transition enablers, which consist of two main parts. One the what, consisting clear guidelines, ground rules, and transparency, created by the Leads in co creation with Agile coaches. The Agile coaches help teams to create an organism that grows, involves and resolves”. On the other hand she explains that in some teams self-organizing and self-steering are never going to grow because teams are too dimensional. Res8 claims, “You need to have multiple dimension teams. Next to leadership it is about who you would hire. 1) Talent acquisition is really important, what profile do you need. 2) Empowerment, how do you empower people who work there. Agile is getting results quick and fast. It is about short processes. 3) Gatekeeping, want to keep good people. These three things are ensuring to maintain the Agile Philosophy. Because you need stable teams. If you don’t work on stability you never get Agile”. However she acknowledged that some people are better suited for Agile than others. “If you take people with you, what you need to transform is a sense of urgency. There has to be a need for change”. Agile Transformation Success Lessons Learned

For ZappING’s experience there was no guiding coalition or guiding team, but only Agile coaches were guiding the transformation. She claims “It is not only about Agile, but about leadership as a whole”. According to her it might not be complementary to have a dedicated team specializing in this. She explained this by saying, “It is about transformation and Agile is one of the transformation instruments but it’s not THE transformation instrument itself. Agile is not the goal, it is the mean to achieve the goal. The goal is to become far more flexible and to be able to react sooner than we could beforehand”. Respondent explained that what happened at the moment is that Agile is not used as a noun, but as a verb. According to the Agile Coach, within ING, Agile is turned into a mythology instead of a mindset. Furthermore she stated “It is about being flexible, being able to turn the tide or become race boat or running hounds instead of an elephant. It is more than just the Agile Way of Working”. In other words the Agile Transformation is not the purpose, but it is an enabler to achieve this flexibility and ability to respond quicker to changing needs of customers. The Agile coach believes that if you put the Agile methodology as a center focus, it almost becomes a religion or diplomat you have to follow. From the interviewee’s experience, within ZappING there was no change vision created, but only a very simple version of where they were going. But she states, “They did not actually define what the end state is. They didn’t describe the route to get there”. So what happened, was that we did situational leadership and expressed it in S1 to S4. “They did not guide the transformation, they
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Delegated it totally instead of guide the coalition per situation from one to four”. So certainly not situational. There wasn’t a plan, that is the problem at ZappING”. Not a structure planned, but more trial and error process. “In ZappING’s case we did not have a goal you are working towards, what you aim to achieve. It would help us tremendously if we had that”. Change Accelerators Agile Transformation Lessons Learned

Res8 pointed out, “In every team, there are people who don’t want the change. You need those people, you need to cherish them because as soon as you eliminate them, another person will step up and be grumpy, because you need these people to help you improve your organization”. In other words, she believes that there are always going to be people who are frustrated, but you need to have people who are frustrated to make things better. According to Res8 because people cannot unlearn traditional practices.

In Belgium they do the complete opposite. They guide people by the hand through this transition on what they can you expect. She claimed, “They learned from the way we did it”. Furthermore she explained, “What would be good is to explain people how transition works or transformation. We didn’t give people enough context”. According to Res8, a transition like this takes around four to seven years. Because it’s something completely different with different behavior. She claims that people didn’t understand that and could not get rid of doing thing certain ways because they were used to work in certain way for many years. “A transformation which takes time, so communication is important. Telling them what to expect, and taking them by the hand, leave the room to move”. Another lesson learned was not to throw everything away from historical way of working. “Cherish the good things and change what is needed to change”. Celebrating short-term wins are less important because communication how things are going is far more important than celebrating short-term wins. It is about the definition of celebration. Celebration on two weeks sprints were in place by looking back on your success and on our achievements. But the overall celebrations regarding Agile transformation was hardly ever in place. In regard to communication in the Agile transformation, Res8 feels ZappING made a big mistake by explaining, “What ZappING did was starting with pilots to let people experiment to work Agile, but what happened was that total different guidelines were implemented during the pilot. At the time when we actually started working Agile and went we got back to work, the rules got changed. Lessons Learned Change Accelerators Agile Transformation

The definition of the horizon, sort of the end state, was communicated, but according to Res8 was totally different to the reality. She further elaborated, “If you explain this is where we going, but we need to do this and this first. You’re going to experience this and this, people understand that it’s not going to heaven immediately. But that they have to go through life cycles first to get to heaven. In this case we did not do that. So people were utterly disappointed, and it was a mess. Everybody’s pointing to each other. So Transformation is not going to be automatically”. According to here, ING management did not communicate appropriately that it would be challenging and it would not work directly from the start. In contrast it is a process to achieve it. Furthermore she claims, “Communicating goes hand in hand with the sense of urgency. If you don’t create a sense of urgency, people do not realize that if a google now starts to do banking, we as Bank need to go to change. People of ZappING do not understand the sense of urgency”. Furthermore, she explains that they are given context, but it is not brought back to their perspective in what it does that mean for them. They don’t understand that they need to do their job in a
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different way because otherwise ING cannot complete with Google or banking.com. They don’t realize the impact, because most of them have been traditional bankers for years. She concludes, “If you position the end state and link it to the sense of urgency, it got the whim and then people understand that it’s a journey to get there”. Lessons Learned Change Accelerators

Within Agile transformation within ZappING, Res8 argues, “People were just thrown into the pool without telling them how to swim”. It is very important to tell your people why you are doing it, what it will bring them, and how to do it. According to the Agile Coach, what they did wrong was that they gave people lots of room but we keep taking bits of that room back. She further illustrates this, “It is like we take children to the whole park, but telling them Oh not that bit, not this bit. Instead you have to say if you are doing this well, you can go to the next part. Furthermore she claims, “In our case what we did not well was explaining what Agile transformation is, so if you guide them through this is what it is, this is what we need, these goals we need to achieve. Goal setting and setting boundaries is crucial. You cannot expect people to define their own goals and own boundaries in the beginning when everything is new”, “If you don’t tell people, they will play by different rules”. According to Res8, the Agile transformation is about sustainable process. What you do is defining the steps you are taking and the routes. Next to this, the change was instituted by gatekeeping, empowerment, and also talent acquisition. Gatekeeping is about keeping people empower and keep the good people in the bank for longer time. Lessons Learned Change Accelerators

Tuckman’s stage model was translated to the Agile Maturity Model. The significance of this model is explained by its purpose of team development. Team development in the Agile organization is crucial, because a team goes through stages. “It helps teams understand why they are reacting in a certain way, people don’t understand our own behavior”. They did make sure that leadership teams were included. “What happened was that especially the operational managers were appointed, it was very difficult, because they didn’t get any training how transition worked. There was a very high sick percentage within the Leads”. Hardly any managers had experience with Agile transformation in service, because everybody had IT experience. She further illustrated this by saying, “Consultancy do not really help, because they are focused on the technical side and Agile methodology, but at service organization of ING we are not talking about Agile methodology but Agile way of working. What helps is giving the leadership teams and CLT teams Agile coaches, who guide in becoming Agile. Start with leadership. Make sure they have clear goals defined, behavior patterns, and help them explain it to team members”. Important note is that the Leads go through the same process as team members in becoming Agile. In ZappING they decided not to have self-steering teams, but to have self-organizing teams, because self-steering in service environment according to her is impossible. Lessons Learned Agile Transformation
The reason for change was less handovers between back office and call center. When asking him about the reason why Agile, he pointed out that OAWOW brings in flexibility to the organization. “So, when market has changing needs or demands, the bank can respond to these market changes”. The Agile transformation within Zapping was for 150 people. Res9 explained that they did transformation in different stages. He further explained this by saying “Flying the plane while they are building it. Within a headquarter you can say you only do training for a certain day, but for a call center environment, customers cannot contact us. Therefore this way”. Res9 pointed out, “The question is, are we Agile already?” There are different theories about Agile. It depends on what you perceive as definition of Agile. He claimed “As an organization if you want to be Agile in terms of behavior and culture, it will take you seven years”. Therefore he claimed they are not successfully transformed to Agile yet. However there are some artefacts such as Agile practices like Stand-ups or pit stops but this is just doing Agile, but not being Agile”.

Res9 defines Agile in three stages “There is differences between doing Agile, becoming Agile, and being Agile” He further explains, when you are becoming Agile, in this is stage people understand why you are doing it, but when things get tough people’s behavior is falling back in historical methods and thinking. In contrast to truly be Agile, it is all about having the Agile mindset”.

Challenges: Success: Agile Transformation

Res9 believes that when you have good Agile coach and a team with steady pace where they have a workload that fits their capabilities, in ten to fifteen weeks you can implement Agile methods and the rhythm. However, the circumstances are not that ideal in practice. Teams are not stable, or people are not ready to move yet, and many more reasons. “For us successfully doing Agile practices it took more than a year instead of three months” It took more time than anticipated. Success: Agile Transformation

You need a rational thought why you are going to move to Agile because you have to pay price for it to move to Agile. “System of collaborating on different levels with the Agile mindset is the best thing you can do to successfully become Agile”. Furthermore he argued “Eventually you should measure the success of the Agile transformation not by Agile metrics, but by operational performance metrics”. He brought in examples such as with employee engagement, less handovers, customer satisfaction, and throughput time. However, the success does not come itself, you have to take different measurement into account. Employee satisfaction should be higher but at this moment it is not the case. Client Satisfaction is slightly increasing within ZappING. According to Res9, these differences in actual and expected results, can be explained by the fact that ZappING combined both the Agile project and efficiency project of the reorganization together. Performance: Success

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
In regard to the transformation process itself, no theoretical change management model was used. However Res9 claimed that ING was inspired by different models such as Hersey and Blanchard on instructions and delegate for leaders and coaches. He claimed that this model is about “Know the rules, bend the rules, and break the rules. If people is understand the rules and apply it very well, but have different adjustments, then coach decides if they are already capable to move to the next stage and can bend the rules. If they are Agile, then they can decide not to do a stand-up anymore”. Partly based on this, ING created its own Agile Maturity Model consisting of five stages. Stage one is doing Agile and stage five is being Agile. This can be based on collaboration, craftsmanship etc. There are 23 topics categorized in five categories. The outcome of the measurement does not say anything to the third party. It is more used as improvement model on which items have to be worked instead of discussing the outcome where it should be. We should work on collaboration, because that is the most important element of this culture. You are not talking about what should it bringing the team and exact science, but more a way of working. Tuckman’s four stage model is included in this model as well including forming, storming, norming, and performing

Change Accelerators Agile Transformation

“The reason why there is no manual or standard documentation how to become Agile is because there is no exact answer. The first statement of manual in becoming Agile is, there is no Manual”. He also claimed, “You have to start with the goals, why should you do it, and what do you want to accomplish” “At ING it is a high risk, because the majority of the people says because Ralph Hamers, CEO of ING Bank, wants it. But the thing that Hamers do not want is obeying them without understanding what it means”. When asking him when Agile transformation actually will be successful, he explained “The Agile transformation is actually successful when an environment is created where everybody’s competencies are fully activated to their full potential. When people are happy, but also when manager actually listen to its teams with leadership capabilities that lead them in the right direction without putting pressure on them”. According to Res9, departments should have their own change vision and if they look hard they can find it. Agile Transformation Success Lessons Learned

In regard of transition enablers he highlighted that competent leaders are very important. A manager is not the same as a Lead. “Every leader is a manager, but not every manager is not a leader”. A leader should set goals and boundaries for safe environment, but Leads should leave room for the how. Lead has to create trusted and safe environment where mistakes can be made and people can learn. Another main enabler is people factor. To mitigate the risk of not having the right people who embracing Agile, it is necessary to give people trust and trainings to improve themselves. Data-driven decision-making and transparency to let people improve themselves. Realistic working pressure, such as business cases. Another enabler is craftsmanship. If you have the right purpose, and if you are capable of realizing the goal, if you are crafted you can really work autonomous on it. Regarding the Agile mindset, Res9 claimed that in traditional mindset when there is a problem people are invited to work on this project and work on weeks on this, there is full control of problem. While in Agile mindset you share your problem and collaborate with each other. Within the Agile mindset there is more collaborative behavior. Agile Transformation Lessons Learned

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?

INTERVIEW NO 10

Date: 18 April 2018
Interviewee: Interviewee X
Function: Super Circle Lead Retail Banking, meaning his Responsible for team of 200 people with 5 circle leads as middle management. Res10 has experienced pre- Agile phase, and experience with the Agile transformation.

Res10 pointed out, “Although Agile was not designed for operational environment, but for IT, Agile is absolutely necessary”. "While in Headquarters of Domestic banking, squads and tribes are working hundred percent Agile, here we work Agile as far as the customer allows it", he explained. Within the service organization of Zapping 80% is dedicated to run the business and having client contact and 20% is doing Agile and building the business. “We are doing Agile but not 100% of our time because we are customer-driven, so if customer requests come in we have to handle that, which takes 80% of our time. But the other 20% is dedicated to Agile practices and continuous improvement”. However he claims “Our Agile way of working is not different than that of the headquarters, the model is not changed, however differences lie in time spend in Agile practices. “Generally speaking, in tribes at other departments of the bank 36 hours can be spend on to do, become and be Agile. By contrast in service organization, this is less because most of time is spend on serving the customers. The main difference is that Agile is less predominant in our service organization compared to IT departments”. Future State

Regarding the need for change, Res10 emphasis that “The competitive landscape is changing. ING’s main competitors used to be other banks within the financial service sector. “Now we are experiencing competition from FinTechs. Although we are still in head of the race, ING has to transform to keep winning that race”. In his comment he also explained that other reasons for this change are improving is time to volume and changing customers behavior. He pointed out “Customers are more and more willing to jump into change. As a business you must be able to respond to ever faster changing customer needs and demands”. According to him, in the old world ING was definitely not able to react to customers’ needs. With OAWOW we are way more capable of doing that.” To sum up new entrants entering markets, customer change demands, and time to market. Challenges Future State

Regarding the Agile based organization, teams are organized in Customer Loyalty Teams, different CLTS with same interests form a circle. Agile coach, supports team in becoming Agile. He brought in examples of Agile practices applied saying “We have two sprints, user stories, backlog, work on user stories, evaluate after these weeks to continuous improve, and have stand ups to talk about yesterday, and the plan of that day. In contrast with rest of the departments in the service organization, we do not do a demo”. Agile practices help us to focus in two week sprints, make service better each sprint. Another main characteristic of this OAWOW is that the management style was organized differently. “Top-down structure, we don’t do that anymore, but have self-organizing team where Lead and super circle lead are more facilitators. Within this OAWOW, a bottom up approach is created where, decision power lies more in functional teams. The goals are defined from strategic level, but the how part is up to
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?

Not every manager is equipped to work Agile. Some are using it as an instrument to do Agile because they are told to do so, but do not apply it in order to truly be Agile. He claimed “In this environment it is very important to actually be Agile and believe in Agile and change your way of working into Agile working”. When asking him if they are successfully Agile, he acknowledged that they are not yet there. He claimed “The Mindset is large part of truly being Agile but also complete understanding of OAWOW. To make Agile stick is through means of 1) all leaders believe in it and actually do it 2) apply it everywhere in the organization and not parts”. It would not be a bad idea to customize Agile practices to service organization, but the general idea and principles should be aligned within the company. All countries could adopt OAWOW. However, cultural differences will definitely play a role, according to him, because of the simple fact that Agile is changing mindset, be able to embrace change, open for learning environment. “I am not sure in which countries it will be more challenging than another, but ultimately all Local CS should be able to adopt it”. To mitigate the risk, he indicated that strong leadership is important that fully embraced Agile and inspire others. Next to this taking enough time is in this case important to successfully transform to an Agile organization, but also to bring in extra Agile enthusiasts. Res10 believes that these three elements are essential to help other cultures that are hesitant to adopt the OAWOW. Agile Transformation Success Lessons

When Asking Res10 about structured change management approach, he believed that no change management model was used. However, according to him in their Agile transformation a burning platform was created including the need for change to adapt an Agile organization. Instead of only communicating the sense of urgency if they did not change, it was also build around the big opportunity. This was high driven though, not translated to functional departments. Second change accelerator that was applied was a central organ directing the change. This team was a dedicated cross functional team with different functions and roles, tracking how things were going with transition. For the service organization ZappING change vision was developed including the principles, purpose, enablers for this transformation. When asking him how this vision was communicated to the rest of the organization, Resp10 explained “By inviting people to town halls, by emails, stand-ups, but at that time we also had culture coach, who helped communicate the change to functional levels”. To remove resistance from people and other barriers to successfully transformed, people were involved to help think along and steer the ship in the right direction. An aspect that could have paid more attention to was celebrating short-term wins. “Although we had some moments to celebrate short-term wins, but not as much as we could have had” stated by Resp10. However, to sustain this change within their organization at ZappING managers were making sure keep talking about it, and over communicate. He claimed “Repeat, repeat, and repeat. Also the continuous improvement part is at the heart
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?

at what we do, doing better, keep looking for improvements along the way”. Change Accelerators Agile
Transformation

To ensure desired level of Agile maturity is achieved, ZappING used the Agile Maturity Model with different levels. Together with Agile coach, maturity was discussed. However, this is based more on team level instead of organizational level. When asking Res10 when an Agile transformation is actually successful, he indicated “Results are indicator of success. Agility should not be the goal itself, but the goal should be to have better results” Examples of these results in service organization include efficiency, client satisfaction, and employee engagement. But when it comes to the transforming into Agile, it comes down to understanding why we do Agile, to fully work Agile” Agile Transformation Success Lessons Learned

According to him one of the main enablers for a successful Agile transformation is leadership. Leadership that leads Agile, believes in Agile, consistent in Agile, and one that is able to inspire others to embrace Agile. Secondly, time is very important. “You need time, because you cannot make this cultural organizational change overnight”. Thirdly, Res10 indicates that the organization needs to have the right profiles. He believes that the fact of not having the right people forms a huge risk on the success of the Agile transformation. When asking him about how to mitigate this risk he indicated “Establishing good conversations between managers and team to communicate where this organization is going and let people choose themselves if this is an environment they are willing to work for”. He brought in an example how he dealt with it by explaining “What I did was making sure to have a proper mix of teams, where at least in each teams there are some Agile enthusiasts” However, he believes that it is again leadership to make them enthusiastic or talking with them about leaving the organization if possibly. Agile Transformation Success Lessons Learned

“When you just do Agile it becomes an instrument. That’s never a good thing to my opinion, but have the Agile mindset of willing to continuously improve that fits both ING’s principles and the Agile way of working”. The Agile mindset in his department is described as continuous improvement, willingness to and capacity to adopt along the road. To make this mindset shift, Res10 ensured that everybody knows the burning platform and why Agile is good idea and everybody got motivated. For the mindset shift, internal Agile coaches. When asking the Res10 about what he would differently next time, he claimed, “I would have prepare my leadership differently” In his opinion leadership was not prepared enough. Get extra time to get people enrolled. “What we did well, was creation and communicating the burning platform”, His advice “try to get some people on board with transition experience and prepare your leadership well”. Agile Transformation Success Lessons Learned

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
Appendix V Definition Future-end stage

A successful Agile transformation is defined by...

"OA&OW is successful, when there is transparency is in work we do, what clients calls for, happy employees, engaged employees, and that you see the happiness of the impact of clients".

"An Agile transformation is actually successful, when teams are motivated and moving to the continuous improvement state".

"Agile transformation is actually successful when Agile mind-set is fully embraced and teams can successfully work agile".

"An Agile transformation is actually successful in a way when everybody is actually in isinically motivated to take it on and make it happen. Everyone intrinsically feels themselves owner of the process and the course they have to take everything related to their work. When it become part of their DNA".

"An Agile transformation is successfully achieved when it is shown in internal service health indexes, where people acknowledge at certain point that they like doing this and think that ING is doing this well. Secondly, the agile transformation is successfully when Client satisfaction scores and productivity rates become better than it is today comes as result of agility".

"Agile transformation is actually successful when Agile mindset is fully embraced and teams can successfully work agile".

"When we can measureable impact on teams being empowered (less managers, better FTR scores, happier employees, happier clients)".

"As soon all staff (across all tribes and rankings) are working according to the principles of the ING agile way of working and putting clients first at whatever they do".

"When pre-agreed benefits become visible for client and ING".

"Happy clients, happy employees".

"When we have an organizational structure that facilitates an agile way of collaboration, we have clear tools and artefacts in place that help the teams in an agile way (e.g. operational management, daily stand-ups) and we select the right people with the right profiles".

"When the Agile way of working is part of the daily running of the business".

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
Appendix VI Definition ‘successful Agile transformation’

The Future state of the Agile-based organization is defined by...

"The future end-stage of Agile-based organization cannot be defined".

"An organisation where forms of cooperation are determined by the goal they are after.

"An organization with autonomous and self-steering teams which are client centric".

"At this moment, the end state is not clearly defined yet, but just continue working and by doing we continuously improve through means of feedback to respond to the needs and demands of clients".

"You always need an end state, even though it is never end. You can call it end state or call it goal, because a department needs to have a purpose. In the end continuous adjusting to get there or maybe in the end even adjusting the goal itself. But end state helps to clarify and avoids not having a clue of what you are doing".

"More ownership at one place, more mandate in the teams and less management. Happy customers and realization of efficiency"

"An organization where teams working towards agile maturity"

"A collaboration model"

"An organization where a collaboration model is in place with team members focusing on (fact-based) continuous improvement".

"A Uniform Bank System across Europe"
Appendix VII Questionnaire

This survey has been designed for a thesis project for International Business and Management Studies of The Hague University of Applied Sciences. This thesis researches the critical success factors to transform the Client Service organization in Europe. Particularly, this questionnaire zooms in on defining a successful Agile transformation strategy. By participating in this survey, you help define an effective approach to successfully transform other local European Client Service of Wholesale Banking to Agile.

Link: https://www.thesistoolspro.com/survey/ypwu35ae8716077d02

Introduction

1. In Which ING location are you currently working at?
   o Belgium
   o Netherlands

2. In what business line of the bank is your service department part of?
   o ING Wholesale Banking
   o ING Retail Banking

3. What is your role within ING?
   o Agile Expert/Coach
   o Managerial Role
   o Client Loyalty Team (CLT) Member
   o Other (e.g. Support department of a CS office)

4. Please select one of the followings, my department...
   o Is preparing to transform to Agile
   o Is undergoing Agile transformation (becoming Agile)
   o Has completed an Agile Transformation (being Agile)
   o None of the above

Agile transformation

5. According to you, when is the Agile transformation actually successful?
   o When teams have enough expertise of clients and can work autonomous
   o When all teams are working according ING’s principles of the OAWOW
   o When the organizational structure, profiles, and tools are in place that facilitate OAWOW
   o When Agile values are met in terms of increased adaptability to change
   o Other

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
6. How would you describe the desired end-state after successfully transforming to Agile?

- Not clear yet
- The final state cannot be defined

7. Agile Transformation does not happen overnight...

- Agree, because it takes time to unlearn old traditional practices
- Agree, because
- Disagree, if you have a well-defined strategy with experienced Change Consultants/Agile coaches, you are able to transform within a short period of time
- Disagree, because

8. In your opinion what is the approximate timeframe for your department to successfully adopt the One Agile Way of Working?

- 0 - 0.5 year
- >0.5 - 1 year
- >1 – 1.5 year
- >1.5 - 2 year
- >2 years

9. Was (will) the Agile transformation at your department (be) based on any organizational change model?

- Yes (e.g. Kotter, Cawsey, or Lewin change model was used)
- No
- Do not know

10. Which of the follow change process elements were (will being) used by ING for your service organization’s Agile Transformation?

- Need for change was explained
- Guiding coalition (a specific Agile department/team was established)
- Change vision was created (description make-or-break opportunity + clear picture of success)
- Change vision was communicated (e.g. town halls/conference/meetings/intranet)
- Empowerment to develop own ideas how the change vision could be achieved
- Celebrating short-term wins
- Sustain acceleration: keep on learning from experience
- Embedding the OAWOW in ING’s cultural norms, values, and personality
- Other
11. Which of the above change process elements could have been given more attention to improve Agile transformation process? *(Please ignore this question if your department has not started with transforming to Agile yet)*

- Explanation of need for change
- Creation of guiding coalition
- Development of change vision
- Communication of change vision (e.g. town halls/conference/meetings/intranet)
- Empowerment to develop ideas how change vision could be achieved
- Celebrating short-term wins
- Sustain acceleration: keep on learning from experience
- Embedding the OAWOW as part of organizational behavior
- Other

12. Please rank the following change accelerators from one to eight

- Explanation of need for change
- Creation of guiding coalition
- Development of change vision
- Communication of change vision (e.g. town halls/conference/meetings/intranet)
- Empowerment to develop ideas how change vision could be achieved
- Celebrating short-term wins
- Sustain acceleration: keep on learning from experience
- Embedding the OAWOW as part of organizational behavior

1) Most important, 2) Second most important, 3) Very important, 4) Important, 5) Insignificant, 6) Less Important, 7) Not Important, 8) Least Important

**Agile Culture**

13. In your opinion, please describe the new culture in OAWOW

<table>
<thead>
<tr>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Tend to disagree</th>
<th>Tend to agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is huge difference to work in an Agile O way and actually be Agile (Re) hiring &amp; selecting</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
Everyone can work Agile. Some people are better suited to work Agile than others.

14. How would you describe an Agile mindset or Agile culture within the service organization?
- Continuous improvement
- Embracing change
- Empowerment and Self-organizing
- Embracing change
- Trust
- Craftsmanship
- Transparency
- Collaboration
- Give and receive feedback
- Putting clients at the center
- Other

15. How do you root the Agile culture? What are mindset enablers to become Agile?
- Agile Expert/Agile Coach
- Training
- (External) Consultants
- Onboarding Program
- Other

16. In your opinion describe the requirement for successful Agile transformation.

<table>
<thead>
<tr>
<th></th>
<th>No opinion</th>
<th>Not important</th>
<th>Slightly important</th>
<th>Important</th>
<th>Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Root Agile on all levels: management, team, and CLT member level.</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
<tr>
<td>An Agile Coach adapts to different needs of teams rather than</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
</tbody>
</table>

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
following a standard plan
to adopt Agile

**Associated Risks**

17. Which challenges pose a risk to the success of the YOUR department’s Agile transformation?

- **People** *(not having right people with the right Agile mindset)*
- **Leadership** *(not having right managers empowering team members to work Agile)*
- **Cultural Differences** *(high levels of authority and cultures that are not used to embrace change)*
- **Business Process** *(less appropriate Agile methods selected for your situation)*
- **Facility & Technological Risk** *(non-flexible tooling to work Agile, not right equipment to register operational performance data)*
- **Other**

18. Regarding the Agile transformation of entire CS organization located in 19 European countries, according to you what is the probability of occurrence of the following challenges that impose a risk for this case?

<table>
<thead>
<tr>
<th></th>
<th>Very Unlikely</th>
<th>Unlikely</th>
<th>Probably</th>
<th>Very Likely</th>
<th>Almost Sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) People Risk</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>B) Leadership Risk</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C) Cultural Risk</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>D) Business Process</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>E) Facility &amp; Technological Risk</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

19. Please indicate the severity of the impact, when the following risks are not successfully mitigated during this Agile transformation the entire CS organization located in 19 European countries?

<table>
<thead>
<tr>
<th></th>
<th>Negligible</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
<th>Catastrophic</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) People Risk</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>B) Leadership Risk</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C) Cultural Risk</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>D) Business Process</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>E) Facility &amp; Technological Risk</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

19A. How can the risk of not having the right people with right Agile mindset be mitigated?

- Recruiting/selection process for the right profiles of employees
- Take current employees to the new Agile based organization, but include Agile behavior in employee performance assessment

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?

19B. How can the risk of managers may stick to their old management style and cannot let go the how be mitigated?
- Recruiting/selection process for the right profiles of managers and leads
- Hiring Agile Coach for team and individual coaching
- Extensive training sessions to make them facilitative leaders
- Other

19C. How can the risk of cultural differences be mitigated?
- Recruiting/selection process for the right profiles of employees
- Take current employees to the new Agile based organization, but include Agile behavior in employee performance assessment
- Hiring Agile Coach for team and individual coaching
- Extensive training Sessions to create this Agile culture
- Use Agile methods that are more appropriate for certain cultures
- Other

19D. How can the risk of not having the most appropriate Agile methods be mitigated?
- Awareness of Agile tailored methods
- Hire experienced external consultants to define the most appropriate Agile methods for your department
- Team empowerment
- Agile Coach
- Extensive training Sessions how to use them
- Other

19E. How can the facility and technical risks of not having the right toolset and workplace/work conditions, be mitigated?
- Invest in the right technical tooling and systems
- Invest in the right office equipment (e.g. planning boards, office supplies, white boards)
- Invest in the building to create open and informal work place with meeting rooms
- Training Sessions how to use the equipment properly
- Invest in Agile Coach/Expert
- Other
20. Please rank the following Items where the Service Organization should invest in to successfully become Agile from one to eight

- Recruiting/selection process for the right employees
- Working conditions/building (replace old-style banking by open spaces for informal interaction)
- Agile Experts, Agile Coaches
- Communication (town halls / conferences / intranet community Agile)
- Trainings how to work and become Agile
- Analyzing cultural differences
- Experienced Consultants to help define most appropriate Agile methods
- Other

1) Most important, 2) Second most important, 3) Very important, 4) Important, 5) Insignificant, 6) Less Important, 7) Not Important, 8) Least Important

Success Agile Transformation

21. What are in your opinion the critical enablers for a successful Agile transformation?

- Supportive and Effective Leadership (capable of empowerment of team members)
- Organizational Support and Alignment (clear vision, learning environment, engage employees in transition, communicate change, and transparency)
- Agile Training (Agile onboarding)
- Agile Coaching (Agile mindset, new OAWOW)
- Suitable Technology and Office Equipment (allow to register operational performance data and work Agile)
- Hiring Consultants (for selection of right Agile methods)
- Piloting (gather insights from pilot)
- Right People (who support Agile)
- Team Autonomy to Self-Organize OAWOW (customize Agile approaches)
- Other

22. What do you consider to be the most important enabler or for an effective Agile transformation?

- Supportive and Effective Leadership (capable of empowerment of team members)
- Organizational Support and Alignment (clear vision, learning environment, engage employees in transition, communicate change, and transparency)
- Agile Training (Agile onboarding)
- Agile Coaching (Agile mindset, new OAWOW)
- Suitable Technology and Office Equipment (allow to register operational performance data and work Agile)
- Hiring Consultants (for selection of right Agile methods)
- Piloting (gather insights from pilot)
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?

- Right People (who support Agile)
- Team Autonomy to Self-Organize OAWOW (customize Agile approaches)
- Other

23. To evaluate the progress of becoming Agile, did (do) you use the Agile maturity model?
- Yes
- No
- Don’t know

24. How do you measure the success of Agile (e.g. productivity, client satisfaction, employee engagement)?
- NPS
- WPC
- TpT (throughput-time)
- Agile Maturity Model
- Other

25. How would you deal with teams or CLT members that are not ready to move to Agile?
- Selection and rehiring process of the right profiles
- Extensive Agile trainings
- Coaching sessions
- Other

27. What lessons learned would you share as advice for a recommended Agile transformation approach?

28. Regarding the Agile transformation, what would you do/see differently in the future?

Thank you for your time and participating in this survey. Just click the SUBMIT button and all your data will be saved in the data bank and carefully evaluated.
Appendix VIII Quantitative Analysis

Change Management

What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?
What are the critical success factors for ING’s transition to Agile within the CS organization of WB?

### Risk Analysis

#### Descriptive Statistics

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- **Risk probability of occurrence**
- **Severity of the impact of risks**
Appendix IX Financial Analysis

Left out due to confidentially reasons.

Appendix X Sourcing and Citing

For this descriptive research project, due to the extensive use of scholarly published literature various authoritative and digital sources have been used. In text references are applied consistent with MLA style seventh edition. Consulting BEC team, due to this extensive use of literature sources different MLA 7 formatting have applied based on OWL Purdue Online Writing Lab, including:

- Authors with same last names: J. Pollack and R. Pollack
- Work by multiple authors
- Multiple works by same author: Kotter -> citing titles of work
- Citing multivolume works
- Citing Interviews
- Citing Webinar