Digital Enterprise and Organisational Agility – are we there yet!

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Introductions

Jonathan Elliott heads up TCS’ Business Transformation and Digital Enterprise Consulting Businesses across Europe

- He typically works with senior client executives of large corporates in Financial Services, Insurance, Retail, Telco and Media. He brings 25 years of experience spanning both industry and consulting.
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Manav Mehan heads TCS’s Agile/ Lean and CMMi Practice across Europe.

- He has led large scale Agile transformation projects with prestigious clients like United Biscuits and Lloyds Banking Group. He also held various senior positions at Yahoo! Europe, Microsoft, Abbey, Marks & Spencer etc
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TCS At-a-glance

45+ Years in Business

11.57 Billion US$ in FY13 revenues

276,196 Employees

118 Employee Nationalities

1065 Clients

44 Countries where TCS has presence

98.6 % of annual revenues from repeat customers

Source:
Figures from TCS Analyst Report for FY13 & Q4 FY 13
Employee count includes 28317 employees in subsidiaries.
What we are seeking to cover today

The Digital Age

- technology enabled disruption
- methodology enabled disruption

Business model transformation

- durable competitive advantage demands agility

Agile best practices

Recap: interlinking transformation capabilities

Q&A
Early adopters are always prepared to take risks, they are interested in novel ideas that help them to improve their position.

Majority of adopters are typically risk averse – have already developed a successful position which is (for now) secure. They need to be shown clear benefits of a change in approach, need to be offered a “full service” solution.
What difference Agile Makes!!

OVERALL CONSENSUS REGARDING ADOPTION OF AGILE

The vast majority of respondents felt that agile projects have a faster time to completion.

* 7th Annual State of the Agile Development Survey by Version One
Why is Agile Important!!

* 7th Annual State of the Agile Development Survey by Version One
Are we there yet!

BARRIERS TO FURTHER AGILE ADOPTION

The inability to change their organization’s culture was the number-one barrier to further adoption, followed by general resistance to change and trying to fit agile elements into a non-agile framework. Perceived time to transition and budget constraints had the lowest impact on further adoption.

*Respondents were allowed to select more than one.*

- 52% Ability to change organizational culture
- 35% Trying to fit agile elements into a non-agile framework
- 41% General resistance to change
- 31% Management support
- 26% Customer collaboration
- 26% Project complexity
- 14% Budget constraints
- 14% Perceived time to transition
- 13% None
- 22% Confidence in ability to scale

* 7th Annual State of the Agile Development Survey by Version One
Why Agile Inside!!
“Business Model” ($) Transformation - Durability requires agility

<table>
<thead>
<tr>
<th>Customers</th>
<th>Offers &amp; Channels</th>
<th>Operations</th>
<th>Partners/Ecosystems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Who we sell to?</td>
<td>What customers buy?</td>
<td>How we make &amp; service?</td>
<td>How we lever 3rd parties?</td>
</tr>
<tr>
<td>NPS</td>
<td>Conversion Rate</td>
<td>Time To Market</td>
<td>Accounts Payables</td>
</tr>
<tr>
<td>Customer Lifetime Value</td>
<td>Margin Contribution</td>
<td>Inventory Turns</td>
<td>Adherence To SLAs</td>
</tr>
</tbody>
</table>

**Sample Attributes**
- Real-time Segmentation
- Personalisation
- Ratings & Recommendations
- Crowd-sourcing
- Rapid proto-typing
- Gamification
- Self-service
- Internal systems of engagement
- Analytics based processes
- External systems of engagement
- Coopetition
- Value Web

**Key TCS Clients**
- 21st
- M&S
- British Airways
- Nordea
- colruyt
- USAA
- Chartis
- CHARTIS
- NOKIA
- State Farm
- nest
- verizon

**Sample Measures**
- NPS
- Customer Lifetime Value
- Conversion Rate
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- Adherence To SLAs

**End user focus**
- Value driven focus
- Timely quality focus
- Collaboration focus

Source: GCP, DS&S, DESS, CMS, ISUs
Effective Business Transformation
- Interlinking opportunities

The Digital Age

- Technology enabled disruption
- Methodology enabled disruption

Interlinked Opportunities

- Pervasive engagement
- Actionable insight
- Sustainable innovation
- Collaboration
- Agility
Create quick wins and demonstrate results through low hanging fruits

Coach/mentor early adopters

Manage change in an integrated team

Create organizational Awareness

Establish communication plan

Identify change agents

Conduct ARA

Establish the need and create the vision

Phase III: Execute & Evolve

Conduct organizational level trainings

 Mentor project teams toward self organization

 Monitor compliance and conduct health checks

 Mentor the Agile champions community

 Get into a strategy mode including HR functions

Phase II: Establish & Enable

Scale up Solution Based on Feedback

 Coach stakeholders on Expectation management

 Coach second phase project teams

 Set up forums and feedback mechanisms

Phase I: Envision & Explore

Create quick wins and demonstrate results through low hanging fruits

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 Identify change agents

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 Establish the need and create the vision

*ARA = Agile Readiness Assessment

Acknowledgement: Patterson-Conner
Effective Agile Transformation
- Theory of Constraints!!

Customer Requirements

Agile Team

Analysis & Design
Development
Testing & Demo

Sprints
1 2 3 4 5 6

Integration & Quality Assurance
Release & Operations
Effective Agile Transformation - Angry Birds!

Traditional View

Iterative View

Prediction of Project Costs based on size of backlog + velocity

End to End Time

Show and tell

Total Project Costs

Agile Iterative Phase/Release/Chunk

Business Requirements

Business Value

System Development

Technical Releases

Timeline

Cost/Resource

Experience certainty.
Effective Agile Transformation - the Scrum

24 h Scrum

- 15 min. Daily meeting.
- Team members respond to basics:
  - What did you do yesterday?
  - What will you do today?
  - Do you have any obstacles?

Daily Scrum

- Progress tracking
- Scrum board
- Burn down charts

Product Backlog

- User stories

Capacity

Sprint Planning

- Use case tasks

Sprint Backlog

Sprint Cycle

- KPI
- TOM
- Contract

Sprint Review

- Tested Code

Sprint Retrospective
- Lessons Learnt
- Best practices

Estimated model
Effective Agile Transformation – Governance

CKPT 2
Planning & Architecture

CKPT3
Architecture Delivery

CKPT4
User Story Delivery

CKPT5
Scope & Sprint Planning

CKPT6
Review & Retrospection

CKPT7
Closure

Sprint 1
Scope & Sprint Planning

Analysis, Design, Development
Continuous automated performance & unit test
Manual Profiling

Daily Build & Test

CKPT5
Scrum Management

Test Driven Development
• Immediate changes
• Business value focus
• Continuous visibility
• User collaboration

Continuous Integration
• Untested functionality cannot exist
• Over 99% code paths tested daily
• Minimised debugging work

Code Quality Management
• No late breakage
• Minimised merge overhead
• No integration technical debt

Performance Tuning
• Code speed and bottleneck analysis
• Memory consumption and leaks
• Performance underload
Effective Agile Transformation – the V model

Requirements delivered in an iterative manner

BUILD Sprint

**Input:** Functional Requirements
**Output:** Unit Tested code

System testing starts after the last sprint
Agile enablers

Moving up the Value Chain

Consulting and Change Management

Early Business / IT Collaboration

Capability Enhancement

Development Lifecycle

Project Lifecycle

Business Product Lifecycle

Lean Agile Scrum XP

Collaboration Good enough Discipline Visibility

Business Value Cost Focus Productivity Time to Market

Business Agile Coach Team Agile Coach Agile Training Agile Assessment Agile Transformation

Agile enablers
Recap: Agility is a key transformation enabler

Challenges?

• Traditional revenues decline
• Rising costs
• Customer expectations
• New competition
• Legacy problems
• Financial constraints
• Increasing regulation

Interlinked Opportunities?

• Pervasive engagement
• Actionable insight
• Sustainable innovation
• Collaboration
• Agility
What a Large Retail Bank had to say

TCS has delivered great end to end transformation

- by creating and embedding bespoke Agile framework
- that fostered adaptive and iterative working
- whist supporting traditional governance and practices.

This led to

- Improved Business & IT collaboration
- improved employee productivity
- better, bigger and cheaper products & services
The Emerging Big Returns on Big Data

A TCS 2013 Global Trend Study

How are companies investing in and deriving returns from Big Data? We surveyed 1,217 companies in nine countries across the globe. Of these companies, a little more than half (643) said they had undertaken Big Data initiatives in 2012.

Read more

The New Digital Mobile Consumer: How Large Companies Are Responding

We capture how over 600 companies across North America, Europe, Asia-Pacific and Latin America are responding to win the loyalty of the new digital mobile consumer.

Read more
Thank You

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Manav is an experienced Agile Coach with strong background in IT Programme Management, Product development & Software Process Improvement. His specialization in Scaling Agile to enterprise level and implementing top down agile has been acclaimed by many.

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Best Agile Coach & Mentor & Most Valuable Player
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Jonathan leads initiatives such as business model maturity, cost and risk reduction, customer loyalty, IT strategy. He has a keen interest in digital technologies such as social, mobile, big data and cloud and their ability to create highly collaborative, agile and insight driven operating models. He also leads the development of a number of bespoke digital platforms and solutions.

Jonathan is also an Associate Lecturer at Ashridge, earned his MBA at HEC France, holds undergraduate degrees in mathematics and engineering from Trinity College. http://www.linkedin.com/in/jelliott