Our Transformation Journey...

to enterprise stable teams and servant leadership

Susan Courtney, SVP Technology and Operations & CIO, BCBSNE
Where It All Started!

• Capsule Retirement Spring 2008
• Large program “in the ditch”
• Silos, lack of trust between Business and IS
• PMs must work with managers to get tasks completed by their employees
• Communication was largely done by email
• No visibility into any ‘real’ progress
We Made It! Now What?

Experience is the best teacher, but the tuition is high. - Norwegian Proverb
## Why Agile?

<table>
<thead>
<tr>
<th>Large backlog of work not getting done</th>
<th>Constantly changing business priorities</th>
<th>Silos, handoffs, heavy processes, lack of trust/communication</th>
<th>Slow time to market, too long to deliver</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missing, incomplete, changing, ambiguous requirements</td>
<td>No focus, multitasking several projects by the same people</td>
<td>Lack of enterprise capacity measurement</td>
<td>Ineffective and wasteful meetings</td>
</tr>
<tr>
<td>Quality and rework issues</td>
<td>Unrealistic estimates and due dates set by the wrong people</td>
<td>Heavy engineering and testing processes, no automation</td>
<td>Lack of empowerment, low engagement and morale</td>
</tr>
<tr>
<td>Specialized roles, ‘not my task’ thinking</td>
<td>Lack of collaboration and trust between business and team</td>
<td>Overproduction, working on wasteful features</td>
<td>No ROI or value measurement or tracking</td>
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The IS Transformation Vision

“A transformation will need to occur within the BCBSNE IS department over the course of the next several years to accomplish the efficiency and effectiveness that will be required by a market that will have no tolerance for waste. There will be an increasing pressure on administrative fees and an increasing demand for value add tools and information to support decision making by Brokers, Groups, and Members as well as internally to support our fully insured business.”

2010 – Susan Courtney - CIO
From Silos to Collaboration

From Silos working independently handing off work to each other.

To

Cross-functional teams working collaboratively to deliver on a common target.
The Pieces to the Puzzle

Tools for Building Lean High Performing Teams!
The 2010 Roadmap | Foundation and Piloting

- Current State Survey, Define IS Vision
- Servant Leadership Transformation & 360 Surveys
- Group Facilitation Skills Transformation
- Cross Team Collaboration and Process Improvement Focus
- IS Engagement (Town Halls, Roundtables ..)
- Initiate Agile and Collaboration Rooms (CR4, CR5)
IS Vision

We, the IS Department, are:
...Passionate about serving our customers
...The trusted partner who delivers high quality effective solutions.
...Positive, collaborative, committed, engaged and fun!

Our LEADERS are Servant Leaders who:

1. Empower teams.
2. Are authentic, honest, tolerant of mistakes and genuinely care for others.
3. Coach others and help them grow.
4. Set and communicate clear purpose.
5. Sincerely seek and provide feedback. Continuously focus on improvement.

Our PEOPLE are:

1. Positive – Eager to solve problems with positive energy.
2. Collaborative – Work with others to solve problems.
3. Committed – Make realistic commitments and deliver on them.
4. Engaged – Actively participate, provide and seek input.
5. Fun – Seek opportunities to celebrate success, both big and small.

Our PROCESSES are:

1. Efficient and minimize un-necessary steps.
2. Effective and value-driven.
3. Flexible and continuously improve.
4. Defined & owned by people living the process.
5. Well-communicated and have a clear purpose.
Collaboration Rooms!
Visual Information Radiators!
Visual Information Radiators
Burning UP and DOWN!
The 2011 Roadmap – Begin Scaling

1. Agile For Executives and Agile Product Owner Training
2. Standup Communities of Practice (ScrumMaster, PO, Req)
3. Design and Pilot the Enterprise Stable Delivery Teams
4. Train and Standup more Agile Teams
5. Learn about Agile at the Enterprise Level
6. Agile Requirements Training
7. Designing a Physical Agile Environment
Agile Marketing / Change Mgmt

Why Agile?

- Values people over process
- Delivers business value early and often
- Expedites return on investment
- Promotes business engagement
- Adapts to change
- Develops integrated workgroups
- High performance

For more information, visit InBlue:

InBlue > Departments > Corp Comm > AgileWorks

Agile is...

- A way of thinking
- Highly collaborative
- Adapting to customer needs
- Delivering value by business priority
- Customer first!

Agile is not about post-it notes or standups, Agile is 'a way of thinking'

Susan Courtney
Executives Learning Agile
Central City Kanban
The 2012 Roadmap – Scaling Agile

- Rollout and Standup Enterprise Stable Teams
- Resource Manager Role Shift, Change Management
- More Servant Leadership, Facilitation and Collaboration Training
- Agile Testing, Agile Requirements Training
- Lean Power4 Growth on the Business Side
- Agile Coaching for Teams and Programs
- Open House Tours for the Community
Enterprise Stable Teams & IS Operations

ENTERPRISE DELIVERY TEAMS
- Contact Center
- eChannel
- EDI
- ePublishing
- Finance
- Product Network Dev
- Mid-Tier DBA
- Med Management
- Platform
- Product Delivery
- Renewal

ENTERPRISE SERVICE TEAMS
- Benefits
- Finance Risk
- Platform
- Provider Product
- Renewal Enrollment
- Service Delivery Marketing

SHARED ENTERPRISE SERVICES
- Mid-Tier IS Manager
- Networking IS Manager
- Security IS Manager
- Support Ctr IS Manager
- DBA IS Manager
Exchange Program Wall
The 2013 Roadmap – Enterprise Agile

- Standup Agile Enterprise Teams (AES, EPO, EA, ESC)
- Apply Agile in the Business Operations
- Servant Leadership Advanced Executives Training
- Form Strong Executive Steering Leadership Team
- Begin to Track Enterprise Metrics and Velocity
- Agile Integration with HR, Finance, Vendor Contracts
- Seed Agile as Means for Future Innovation
# Agile @ Enterprise Level

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<tr>
<th><strong>Clarity</strong></th>
<th><strong>Focus</strong></th>
<th><strong>Execute</strong></th>
<th><strong>Culture</strong></th>
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<td>We have a shared understanding of what we are doing and why, with alignment to strategic priorities.</td>
<td>To stay on course, we have a disciplined commitment to our priorities.</td>
<td>We deliver value predictably, with a single line of sight.</td>
<td>We are inspired and energized by our workplace.</td>
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<th><strong>Who are we?</strong></th>
<th><strong>Can we stay focused till ‘Done’?</strong></th>
<th><strong>How do we deliver value?</strong></th>
<th><strong>How can we be healthy and happy doing it?</strong></th>
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<td>How do we behave?</td>
<td>What is important now? Why?</td>
<td>How do we measure success?</td>
<td></td>
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- **Context**
- Facilitation
- Visibility
- Impediment removal
- Roadmapping
- Agile support

- **YOU ARE HERE**
- **CLARITY**
ECC – Aligning Delivery with Strategy

Agile Leadership Triangle – Team

Product Owner
(Business Vision)
Define & prioritize backlog

Sponsor
(Provides Strategic Direction)

Scrum Master
(Facilitator)
Ensures the team can get work done

The Team

Tech Lead
(Technical Vision)
Advises on choices and impacts

The Team

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**Roadmap**

- **Release Plan**
  - **1 year**
  - **3 mos (1Q)**
  - **4 weeks**

**Sprint**

- **@ Team**

- **@ Enterprise**
  - **3 years**
  - **1 year**
  - **3 mos (1Q)**
The Vision:  BCBSNE will have an engaged and collaborative workforce unified in their pursuit of common goals and efficiently delivering on key initiatives.
The secret of change is to focus all of your energy not on fighting the old, but on building the new. - Socrates

Once you stop learning, you start dying. - Albert Einstein
Create a Healthy Environment:

* Empowerment
* Shared accountability
* Transparency
* Continuous learning
* Continuous improvement
Agile Transformation is Cultural Transformation

Culture = People + Process

People Skills
- Servant Leadership
- Collaboration
- Stable Teams
- Facilitation

Process Skills
- Just Enough
- Architecture
- Agile/Scrum
- Lean
Barriers to Agile Adoption

Organizational Culture

Resistance to Change

52% Ability to change organizational culture
35% Trying to fit agile elements into a non-agile framework
14% Budget constraints
14% Perceived time to transition
13% None
22% Confidence in ability to scale
26% Customer collaboration
26% Project complexity
31% Management support
41% General resistance to change
33% Availability of personnel with right skills

Source: VersionOne, State of Agile Survey 2012
Common Agile practices at BCBSNE:

Servant Leadership
Visual Radiators
Stand-Ups
Retrospectives
Demos
Collaboration Spaces
Just Enough, Just in Time
Define “Done”
Expect...to lose some people

(*good people*)
Use other’s success as data points. Culture is unique to your organization.
Expect...to be overwhelmed

“The essence of strategy is deciding what NOT to do” — Michael Porter
Expect...squishiness

Be comfortable with ambiguity...
Inspect & Adapt
Cultural DNA Change

Transparency builds **CONFIDENCE**, **ALIGNMENT** and **TRUST**.
Agile is a Way of Thinking

Agile embraces REALITY.
Expect...Understanding will be iterative
To recap...

- “Never let a good crisis go to waste” – Winston Churchill
- Academics are interesting, but reality counts
- Be aware of the pace of change “sweet spot” and the organizational immune system
- Visioning is critical for buy in
- Foundational skills enable growth and sustainability
- Culture is king
- You will lose people
- Visibility clears fog and noise
- Communication is not a one way street – don’t underestimate the power of organizational listening
Thank You!

Questions?

Feedback?