



ING

Capturing agility via Scrum at a large Dutch bank

Amir Arooni, Gunther Verheyen



ING is a leading bank in the Netherlands offering banking, investments, life insurance and retirement products and services. ING is one of the largest Dutch IT employers and is part of the global ING Group, ranking no. 16 in the top 20 European Financial Institutions.

Amir Arooni is CIO of the Solution Delivery Center for Channels at ING NL. His department facilitates and improves daily customer contact of millions of ING customers with banking services via Internet, telephony, email and branch offices.

For reasons of competitiveness the delivery of IT services of his department needed fundamental improvements. A small project revealed that the existing, waterfall, working methods and organization structures of the channels delivery center were no longer viable. Driven by a clear sense of urgency ING turned on to the path of agility via Scrum.

Baseline Created

A small project of 1500 man-days was used to baseline the performance of the department.

Elapsed time for this small project was 11 months. No less than 47 people and 25 departments were involved. Over 70 documents were produced. Delivery was perceived as insecure given the unreliability of end dates. The required expertise was fragmented, as were infrastructures and specializations. The total cost of delivery was competitive highly disadvantageous.

Underneath the formal process a culture of bureaucracy was revealed. Much dissatisfaction over IT and its services was spouted; "It is difficult to align IT", "The IT department is not responsive," and "The IT department is out of sync with our company's needs."

A Sense of Urgency

A tangible sense of urgency was identified.

The siloes, the many hand-overs, and the traditional way of merely managing projects on budget and time tremendously slowed down delivery. The strong governance only created an artificial form of control. And despite all controls, in the end the customers still didn't get what they wanted.

Amir Arooni defined the urgency to create **twice the value for the same Euro** through better IT services.

Amir sent an inquiry to a large part of his co-workers, asking for help in dealing with this challenge. A vast majority pointed his team to **Scrum**. Amir started exploring with Capgemini and Gunther Verheyen the possibilities of Scrum for ING and for his department specifically.



Adopting Scrum

A first objective was to gain speed with Scrum.

During the initial steps of Scrum adoption, software delivery was still managed upon budget and time but with flexible scope. The acceptance that the output of the software delivery processes couldn't be exactly predicted upfront was a major shift in the organization. But the output, however unpredictable, had to be improved and be available faster. Scrum was the means.

The first Scrum pilot projects started in 2011. Cycle time for those projects decreased from the usual 3-6 months to 6-9 weeks. Initially function points ('FP') were measured for productivity measurements. The euro/FP ratio was maintained while preserving quality, expressed in defects/FP. However, the Scrum Teams also performed important architectural work that improved maintenance. This is not even represented in the function points.

On the people and cultural side, innovation, energy and employee satisfaction drastically increased, as did craftsmanship and collaboration. Trust at the business side of the organization emerged from the successful delivery of usable software.



Over the period from August 2011 until September 2012, the number of software development teams that adopted Scrum increased from 45 to over 75.

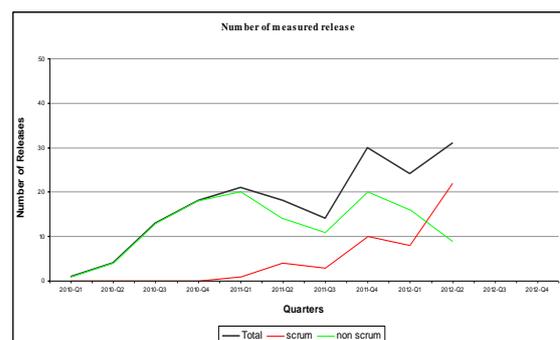
Some teams are a mix of ING and Capgemini staff, with some of them vividly collaborating in a distributed setup across the globe. ING works with Capgemini to train and coach the teams, thereby aligning with the [Scrum Guide](#) and the Professional Scrum programs of [Scrum.org](#).

The teams are facilitated with tools, communications infrastructure, facilities and team rooms. All teams have the space to experiment within the simple framework of Scrum.

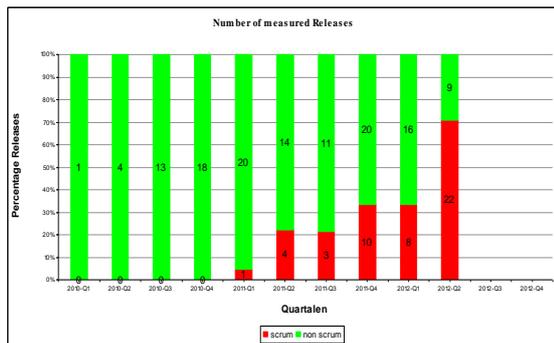
In order to become a learning organization, management moved much closer to the teams than they were before. Although the traditional management pyramid wasn't very supportive, first line and middle management was put in the driver's seat. This initiative has the full support of the ING CIO NL and he is the driver behind this transformation. A 5 days training program was conceived for first line and middle management of the IT Value Stream.

Cost savings in software delivery are in the range of 30-50%. Overall time to market of IT changes improved with 37%. The number of technical incidents reduced in some cases by over 30%.

The number of releases gradually increased, leading to shorter cycles and faster learning:



By Q2 2012 a majority of the measured Releases were done by Scrum Teams:



Delivery via Scrum proved to be able to quickly adapt to changing business requests. The frequent delivery of working software and self-management of teams created less formality, but higher predictability than the original, traditional process. The direct communication removed many old barriers in the organization.

By December 2012, all software delivery will be done by Scrum Teams.

Yes, We Do Scrum. And.

ING proceeds on the path of agility via Scrum.

With every solved issue more problems become visible. ING management acknowledges that these are not new problems. It is seen as an advantage to finally have these problems out in the open so they can be effectively dealt with.

The organization is ready to expand Scrum.

There is a strong need for harmonization in and adoption of more modern **engineering** techniques, automation and tooling. Software craftsmanship will be emphasized more, and stressed in ING's hiring policies. Automation facilities will be provided to support the fast paced Scrum Teams. This includes release, build and deployment activities. As a next step in their Scrum adoption path, ING has chosen to move to a 'DevOps' composition of the

Scrum Teams in 2013. At all levels (management, stakeholders, teams) operations and infrastructure will be better involved. It allows even more releases, and real user feedback can be incorporated more frequently.

A tighter connection to the **business** and a redirection of portfolio management towards business value will help the organization focus on effective cycle time, i.e. the time it takes to go from idea to production. Customer satisfaction is expected to increase more with better involvement of the business departments via mandated Product Owners. ING organizes and trains people into real product ownership. The Professional Scrum programs, created and maintained by Scrum.org, were a valuable asset.

To make agile sustainable in the large organization that ING is, governance and procedures will be reconceived to leverage the benefits of product development with Scrum.

On the cultural side, the organization keeps orienting towards values like transparency, discipline, ownership, learning and continuous improvement. People are encouraged to form and join communities for creating and sharing ideas, and good practices.



ING is hopeful about the future that Scrum is opening up for the entire organization. And ING has the evidence to back this hope.

About the Authors

Amir Arooni



Amir Arooni (amir.arooni@ing.nl) has been with ING since 2001. Since 2009 Amir is responsible for the Solution Delivery Center Channels in NL. He is also member of the Management Team of ING IT Retail Banking Benelux.

Previously, Amir led change projects for ING Group, ING Bank, Postbank and RVS. He has defined, directed and managed a cross-border team responsible for the continuity of critical business applications and development of new security services. He was responsible for operational and tactical management of all services for ING Investment Management and ING Bank NL including infrastructure services and helpdesk support.

Amir has a passion for technology, innovation and craftsmanship. He focuses on collaboration and engaging people. He values a trustworthy and open mind-set between his direct reports and all co-workers, managers and peers. His corporate objective is to achieve streamlined processes, with reduced head count, increased productivity and operational stability.

Gunther Verheyen



Gunther Verheyen (gunther.verheyen@capgemini.com) is global Scrum leader at Capgemini and Agile Value Proposition manager at Financial Services Benelux.

Gunther works in IT and s/w development since 1992. He started applying extreme Programming in 2003 and Scrum in 2004. He collaborates with Scrum.org since 2009 and joined Capgemini in 2010.

Gunther sets priorities and direction to the Agile offerings of Capgemini, and is the driving force of large-scale enterprise transformations at Capgemini clients. He is the author of Capgemini Scrum trainings, is Professional Scrum Trainer at Scrum.org and works with Ken Schwaber on the Continuous Improvement Framework™. Gunther is also a contributor to the internationally acclaimed Capgemini [Technology Blog](#), Capping IT Off.

Gunther says: *"ING distinguishes itself with its clear pursuit of Scrum. I know no other company in the Benelux that is embracing enterprise agility like ING. It takes time, but ING is sowing the seeds that will help it grow into an organization that prospers on learning, creativity and improvement. It assures sustainable change as a foundation for renewed leadership."*

About Scrum.org

Scrum.org leads the evolution and maturity of Scrum to improve the profession of s/w development.

Scrum.org strives to provide all of the tools and resources needed by Scrum practitioners to deliver value using Scrum. We host the Scrum Guide in 30 languages, provide Scrum assessments to allow people to evaluate themselves and improve, host community forums and groups to foster discussions and learning, and define industry-leading Scrum training for practitioners at all levels.

Scrum.org was founded in 2009 by [Ken Schwaber](#), one of the creators of Scrum, along with [Alex Armstrong](#), out of extreme dissatisfaction with the state of the art.